

Trustor waives the provisions of Section 89-1-55 of the Mississippi Code of 1972 as amended, if any, as far as this section restricts the right of Trustee to offer at sale more than 160 acres at a time. The Mortgaged Property may be sold as an entirety or in separate parcels and in such manner or order as Agent, in its sole discretion, may elect. If any portion of the Mortgaged Property is situated in two or more counties, or in two judicial districts of the same county, Trustee shall have full power to select in which county, or judicial district, the sale of that portion of the Mortgaged Property is to be made, newspaper advertisement published and notice of sale posted, and Trustee's selection shall be binding upon Trustor, Beneficiary, and the Lenders.

(g) Other. Beneficiary shall have the right to exercise any other right or remedy available hereunder, under the Indemnity Agreement, or at law or in equity.

Section 6.03 Proceeds of Sale. To the fullest extent permitted by law, the proceeds of any sale under this Security Instrument shall be applied to the extent funds are so available to the payment in full of the Secured Obligations, including without limitation the following items, in such order as Beneficiary in its discretion may determine:

(a) To payment of the costs, expenses and fees of taking possession of the Property, and of holding, operating, maintaining, using, leasing, repairing, improving, marketing and selling the same and of otherwise enforcing Beneficiary's right and remedies hereunder and under the Indemnity Agreement, including, but not limited to, receivers' fees, court costs, attorneys', accountants', appraisers', managers', trustee's and other professional fees, title charges and transfer taxes.

(b) To payment of all sums expended by Beneficiary or any Lender under the terms of any of the Indemnity Agreement or this Security Instrument and not yet repaid, together with interest on such sums at the Default Rate.

(c) To payment of the Secured Obligations secured by this Security Instrument, in any order that Beneficiary chooses in its sole discretion.

The remainder, if any, after payment in full of the Secured Obligations then outstanding, of any proceeds of any such sale shall be deposited into an escrow account maintained by Beneficiary (or an agent or other designee of Beneficiary) to be applied to the further payment of the Secured Obligations if and to the extent any additional amounts in respect thereof shall become due and payable pursuant to the Indemnity Agreement or this Security Instrument. Upon payment in full of the Secured Obligations and the release of this Security Instrument pursuant to Section 2.01 hereof, all remaining amounts shall be disbursed to Trustor or to the person or persons legally entitled thereto.

Section 6.04 Waiver of Marshaling. Trustor, for itself and for all persons hereafter claiming through or under it or who may at any time hereafter become holders of liens junior to the lien of this Security Instrument, hereby expressly waives and releases all rights (except as may be granted by the statutes of the State of Mississippi and that cannot be waived by Trustor) to direct the order in which any of the Mortgaged Property shall be sold in the event of any sale or sales pursuant hereto and to have any of the Mortgaged Property and/or any other property

now or hereafter constituting security for any of the Secured Obligations marshaled upon any foreclosure of this Security Instrument or the holding of a Lender's Sale hereunder, or of any other security for any of said indebtedness.

Section 6.05 Remedies Cumulative. No remedy herein conferred upon or reserved to Beneficiary is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission by Beneficiary to exercise any right or power accruing upon any Event of Default shall impair any right or power or shall be construed to be a waiver of any Event of Default or any acquiescence therein; and every power and remedy given by this Security Instrument to Beneficiary may be exercised from time to time as often as may be deemed expedient by Beneficiary. If there exists additional security for the payment or performance of the Secured Obligations, Beneficiary at its sole option, and without limiting or affecting any of its rights or remedies hereunder, may exercise any of the rights and remedies to which it may be entitled hereunder either concurrently with whatever rights and remedies it may have in connection with such other security or in such order as it may determine. Any application of any amounts or any portion thereof held by Beneficiary at any time as additional security hereunder, to any of the Secured Obligations shall not extend or postpone the due dates of any payments due from Trustor hereunder or under the Indemnity Agreement, or change the amounts of any such payments or otherwise be construed to cure or waive any Event of Default or notice of default hereunder or invalidate any act done pursuant to any such Event of Default or notice.

Section 6.06 Waiver by Trustor. Except as otherwise expressly set forth herein, Trustor and all Persons who are or may be or become liable to pay all or any part of the Secured Obligations waive any requirements of presentment, demands for payment, notices of nonpayment or late payment, protest, notices of dishonor and all other formalities. Trustor and all Persons who are or may become liable to pay all or any part of the Secured Obligations waive all rights and/or privileges it or they might otherwise have to require Beneficiary to proceed against or exhaust the assets encumbered hereby or by any other instrument securing the Secured Obligations or to proceed against any Person who is or may become liable to pay all or any part of the Secured Obligations, or to pursue any other remedy available to Beneficiary in any particular manner or order under the legal or equitable doctrine or principle of marshaling and/or suretyship, and further agree that Beneficiary may proceed against any or all of the assets encumbered hereby in such order and manner as Beneficiary in its sole discretion may determine.

Section 6.07 Additional Rights and Remedies. In the event Trustor fails or refuses to surrender possession of the Mortgaged Property after any Lender's sale, Trustor shall be deemed a tenant at sufferance, subject to eviction by means of forcible entry and detainer proceedings, provided that this remedy is not exclusive or in derogation of any other right or remedy available to Beneficiary.

ARTICLE 7 MISCELLANEOUS

Section 7.01 Non-Waiver.

(a) By accepting payment of any sum secured hereby after its due date or altered performance of any of the Secured Obligations, Beneficiary shall not waive its right against any Person obligated directly or indirectly hereunder or with respect to any Secured Obligations, either to require prompt payment when due of all other sums so secured or to take remedy for failure to make such prompt payment or full or unaltered performance. No exercise of any right or remedy by Trustor or Beneficiary hereunder shall constitute a waiver of any other right or remedy herein contained or provided by law.

(b) No delay or omission of Trustor or Beneficiary in the exercise or any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

(c) Receipt of Rents, awards, and any other monies or evidences thereof, pursuant to the provisions of this Security Instrument and any disposition of the same by Beneficiary shall not constitute a waiver of the right of foreclosure or a Lender's Sale by Beneficiary upon the occurrence of an Event of Default or failure of performance by Trustor of any covenant or agreement contained herein or in the Indemnity Agreement.

Section 7.02 Protection of Security. Should Trustor fail to make any payment or to perform any covenant herein provided, Beneficiary (but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereon) may: (a) make or do the same in the manner and to such extent as Beneficiary may deem necessary to protect the security hereof, Beneficiary being authorized to enter upon the Mortgaged Property for such purposes; or (b) commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary and, in exercising any such power, incur any liability and expend whatever amounts in its reasonable discretion it may deem necessary therefor, including cost of evidence of title and reasonable counsel fees. Any expenditures in connection herewith shall constitute an advance hereunder and shall be immediately due and payable upon demand and shall bear interest from the date made until paid at the Default Rate.

Section 7.03 Rules of Construction. When the identity of the parties hereto or other circumstances make it appropriate, as used in this Security Instrument, any gender shall include any other gender, and the singular number shall include the plural. The headings of each article, section or subsection herein are for information and convenience only and do not limit or construe the contents of any provision hereof. The language in all parts of this Security Instrument shall be in all cases construed simply, according to its fair meaning and not for or against Trustor or Beneficiary, regardless of which party drafted the particular language, which is being construed, both parties having been represented by adequate counsel.

Section 7.04 Severability. If any one or more of the provisions of this Security Instrument, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions

of this Security Instrument and all other applications of any such provision shall not be affected thereby.

Section 7.05 Successors In Interest. This Security Instrument applies to, inures to the benefit of, and is binding not only on the parties hereto, but also on their heirs, executors, administrators, successors and assigns (but nothing herein shall be construed as or deemed to constitute Beneficiary's consent to any sale, transfer or conveyance of the Mortgaged Property or any interest in Trustor). All obligations of Trustor hereunder and any Persons who are or may become liable to pay the Secured Obligations or any portion thereof are joint and several.

Section 7.06 Notices. All notices, demands, consents, certificates or other writings or communications with respect to this Security Instrument shall be given in accordance with Section 9 of the Indemnity Agreement.

Section 7.07 Modifications. This Security Instrument may not be amended, modified or changed nor shall any waiver of any provision hereof be effective, except only by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.

Section 7.08 Governing Law. This Security Instrument shall be construed according to and governed by the laws of the State of Mississippi (excluding the choice of law provisions thereof).

Section 7.09 CONSENT TO JURISDICTION; SERVICE OF PROCESS, ETC. TRUSTOR HEREBY CONSENTS AND AGREES THAT THE STATE OR FEDERAL COURTS LOCATED IN NEW YORK COUNTY, CITY OF NEW YORK, NEW YORK SHALL HAVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN OR AMONG ANY OF THE PARTIES HERETO PERTAINING TO ANY MATTER ARISING OUT OF OR RELATING TO THIS SECURITY INSTRUMENT; PROVIDED, HOWEVER THAT TRUSTOR ACKNOWLEDGES THAT ANY APPEALS FROM ANY OF SUCH COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF NEW YORK COUNTY, CITY OF NEW YORK, NEW YORK AND, PROVIDED, FURTHER, THAT NOTHING IN THIS SECURITY INSTRUMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE TRUSTEE OR BENEFICIARY FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER JURISDICTION TO REALIZE ON THE MORTGAGED PROPERTY, OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF TRUSTEE OR BENEFICIARY. TRUSTOR HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINTS AND OTHER PROCESS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO TRUSTOR AT THE ADDRESS SET FORTH FOR TRUSTOR IN THE INDEMNITY AGREEMENT, AND THAT SERVICE SO MADE SHALL BE DEEMED COMPLETED UPON THE EARLIER OF TRUSTOR'S ACTUAL RECEIPT THEREOF OR THREE (3) DAYS AFTER DEPOSIT IN THE UNITED STATES MAELS, PROPER POSTAGE PREPAID.

Section 7.10 WAIVER OF JURY TRIAL. TRUSTOR WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN TRUSTOR AND TRUSTEE, OR TRUSTOR AND BENEFICIARY, ARISING OUT OF, OR RELATED TO, THE TRANSACTIONS CONTEMPLATED BY THIS SECURITY INSTRUMENT. TRUSTEE OR BENEFICIARY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECURITY INSTRUMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF TRUSTOR TO THE WAIVER OF TRUSTOR'S RIGHT TO TRIAL BY JURY.

Section 7.11 Waiver of Automatic or Supplemental Stay. In the event of the filing of any voluntary or involuntary petition under the Bankruptcy Code by or against Trustor (other than an involuntary petition filed by or joined in by Beneficiary), the Trustor shall not assert, or request any other party to assert, that the automatic stay under Section 362 of the Bankruptcy Code shall operate or be interpreted to stay, interdict, condition, reduce or inhibit the ability of Beneficiary to enforce any rights it has by virtue of this Security Instrument, or any other rights that Beneficiary has, whether now or hereafter acquired, against any guarantor of the Secured Obligations. Further, Trustor shall not seek a supplemental stay or any other relief, whether injunctive or otherwise, pursuant to Section 105 of the Bankruptcy Code or any other provision therein to stay, interdict, condition, reduce or inhibit the ability of Beneficiary to enforce any rights it has by virtue of this Security Instrument against any guarantor of the Secured Obligations. Trustor acknowledges and agrees that no grounds exist for equitable relief which would bar, delay or impede the exercise by Beneficiary of Beneficiary's rights and remedies against Trustor or any guarantor of the Secured Obligations.

Section 7.12 Captions. The captions set forth at the beginning of the various Sections of this Security Instrument are for convenience only and shall not be used to interpret or construe the provisions of this Security Instrument.

Section 7.13 Trustor Not Released. Extension of the time for payment or modification of the terms of payment of any sums secured by this Security Instrument granted by Beneficiary to any successor in interest of Trustor shall not operate to release, in any manner, the liability of the original Trustor. Beneficiary shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify the terms of payment of the sums secured by this Security Instrument by reason of any demand made by the original Trustor. Without affecting the liability of any person, including Trustor, for the payment and performance of any of the Secured Obligations, or the lien of this Security Instrument on the remainder of the Mortgaged Property for the full amount of any such indebtedness unpaid, Beneficiary is empowered as follows: Beneficiary may from time to time and without notice (a) release any person liable for the payment of any of the Secured Obligations, (b) extend the time or, with the consent of Trustor, otherwise alter the terms of payment of any of the Secured Obligations, (c) accept additional real or personal property of any kind as security therefor, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security, or (d) alter, substitute or release any property securing the Secured Obligations. Beneficiary may, in its sole and absolute discretion, at any time, and from time to time, upon the written request of Trustor and after an Event of Default (i) consent to the making of any map or plat of the Property or any part thereof, (ii) join in granting any easement or creating any restriction thereon, (iii) join in any subordination or other agreement affecting this Security

Instrument or the lien or charge hereof, or (iv) reconvey, without any warranty, all or any part of the Mortgaged Property.

Section 7.14 Statute of Limitations. The pleading of any statute of limitations as a defense to any and all obligations secured by this Security Instrument is hereby waived by Trustor to the fullest extent permitted by law.

Section 7.15 Consent. Wherever any consent or approval of Beneficiary is required hereunder, then, unless otherwise specifically provided herein, such consent or approval may be given or withheld in Beneficiary's sole and absolute discretion. The granting or withholding of consent by Beneficiary to any transaction as required by the terms hereof shall not be deemed a waiver of the right to require consent to future or successive transactions.

Section 7.16 Future Obligations. This Security Instrument is given for the specific purpose of securing any and all Secured Obligations in whatever manner such obligations may be evidenced or represented, whether now existing or hereafter arising, until this Security Instrument is satisfied of record. All covenants and agreements contained in this Security Instrument shall be applicable to all future obligations of Trustor under this Security Instrument and the Indemnity Agreement. The Trustor agrees that it will not, without the consent of Beneficiary, execute and record any agreement, document, instrument or notice limiting the right of Trustor to incur future indebtedness hereunder or under the Indemnity Agreement.

Section 7.17 Concerning Information Supplied, Representations and Warranties. Trustor warrants that all documents and all information supplied or hereafter supplied to Beneficiary concerning Trustor or the Mortgaged Property are and will continue to be true, correct, complete and without material adverse change until the Secured Obligations have been paid and performed in full. Trustor agrees to promptly notify Beneficiary in writing of any material adverse changes in any of the foregoing. All representations, warranties, covenants and agreements of Trustor made herein or in any certificate or other documents delivered to Beneficiary by or on behalf of Trustor shall be deemed to have been relied upon by Beneficiary and the Lenders notwithstanding any investigation heretofore or hereafter made by Beneficiary or any Lender or on Beneficiary's or such Lender's behalf, and shall continue in full force and effect as long as any of the Secured Obligations remain unpaid or unperformed.

Section 7.18 Further Assurances. Trustor will, upon request of Beneficiary, promptly correct any defect, error or omission which may be discovered in the contents of this Security Instrument or in the execution or acknowledgment hereof, and will execute, acknowledge and deliver such further instruments and do such further acts as may be necessary or as may be reasonably requested by Beneficiary to carry out more effectively the purposes of this Security Instrument, to subject to the lien and security interest hereby created any of Trustor's properties, rights or interests covered or intended to be covered hereby, and to perfect and maintain such lien and security interest.

Section 7.19 Attorneys' Fees. In the event that it becomes necessary for Beneficiary to employ legal counsel or to take legal action to collect payment of the Secured Obligations or otherwise to enforce any provision hereof, or to protect any of Beneficiary's or the Lenders' rights hereunder, Trustor and all Persons who are or may become liable to pay or perform all or

part of the Secured Obligations agree to pay to Beneficiary, in addition to the actual costs of any legal proceeding or action, reasonable attorneys' fees actually incurred by Beneficiary, and all costs of preparation and conduct of such proceedings, including costs of title searches, trustee sale guaranties and title policy commitments, all of which shall be a lien upon the Mortgaged Property, secured by this Security Instrument and shall bear interest from the date of expenditure by Beneficiary until paid at the Default Rate.

Section 7.20 No Merger. It being the desire and intention of the parties hereto that this Security Instrument and the lien hereof do not merge in fee simple title to the Mortgaged Property, it is hereby understood and agreed that should the Beneficiary acquire an additional or other interests in or to the Mortgaged Property or the ownership thereof, then, unless a contrary intent is manifested by the Beneficiary as evidenced by an express statement to that effect in an appropriate document duly recorded, this Security Instrument and the lien hereof shall not merge in the fee simple title to the Mortgaged Property, toward the end that this Security Instrument may be foreclosed as if owned by a stranger to such fee simple title.

Section 7.21 Beneficiary Not a Joint Venturer or Partner. Trustor and Beneficiary acknowledge and agree that in no event shall Beneficiary be deemed to be a partner or joint venturer or member of a joint enterprise with Trustor. Without limitation of the foregoing, Beneficiary shall not be deemed to be such partner or joint venturer on account of its becoming a mortgagee-in-possession or exercising any rights pursuant to this Security Instrument.

Section 7.22 No Third Party Benefits. This Security Instrument is made for the sole benefit of Trustee, Beneficiary and the Lenders, and no other party shall have any legal interest of any kind under or by reason of any of the foregoing. Whether or not Beneficiary elects to employ any or all of the rights, powers or remedies available to it under any of the foregoing, Beneficiary shall have no obligation or liability of any kind to any third party (other than to the Lenders as provided in the Loan Agreement) by reason of any of the foregoing or any of Beneficiary's actions or omissions pursuant thereto or otherwise in connection with this Security Instrument.

Section 7.23 No Offset. All sums comprising the Secured Obligations payable by Trustor shall be paid without notice, demand, offset, deduction, counterclaim, defense, abatement, suspension, diminution or reduction. Trustor's obligation to pay in accordance with this provision shall not be released, discharged or otherwise diminished by reason of: (a) any damage to or destruction of, or any condemnation or similar taking of, the Mortgaged Property or any portion thereof; (b) any restriction or prevention of, or interference with, the use of the Mortgaged Property or any portion thereof; (c) any title defect or encumbrance, or any eviction from the Mortgaged Property or any portion thereof by the holder of superior title or otherwise; (d) any bankruptcy, insolvency, reorganization, composition, dissolution, liquidation or similar proceeding relating to Trustor or Beneficiary, or any action taken with respect to this Security Instrument by any trustee or receiver of Trustor or Beneficiary, or by any court, in any such proceeding; (e) any claim that Trustor may now or in the future have against Beneficiary or any Lender; (f) any default or failure on the part of Beneficiary to perform or comply with any of the terms of this Security Instrument or any other agreement with Trustor; or (g) any other similar occurrence.

Section 7.24 Maximum Interest Payable. Regardless of any provision contained in this Security Instrument, Beneficiary shall never be entitled to receive, collect or apply as interest on any sums secured hereby, any amount in excess of the Highest Lawful Rate (hereinafter defined) and, in the event Beneficiary ever receives, collects or applies as interest any such excess, such amount shall be deemed a payment of any other sums or Secured Obligations owed or owing under this Security Instrument or the Indemnity Agreement, and shall be treated as such; provided, however, that if all Secured Obligations then outstanding shall have been paid in full, any remaining excess shall be refunded to Trustor. "Highest Lawful Rate" shall mean the maximum rate of interest which Beneficiary is allowed to contract for, charge, take, reserve or receive under applicable law; provided, however, that if, after the date hereof, the Highest Lawful Rate is decreased from that existing on the date hereof, such decrease shall not be applicable hereto unless such decrease is by law made retroactively applicable hereto.

Section 7.25 Integration. This Security Instrument and the Indemnity Agreement together constitute the full and complete integrated agreement with respect to the subject matter hereof and supersede any prior or contemporaneous oral or written agreements.

Section 7.26 Sub-Agent. Beneficiary may execute and perform its duties hereunder either directly or by or through the Sub-Agent; *provided* that Beneficiary shall not be responsible for any negligence or other misconduct on the part of the Sub-Agent. In performing any such duties hereunder delegated to it, the Sub-Agent shall have the same rights and obligations as Beneficiary would have in performing such duties.

Section 7.27 Substitute Trustee; Action By Single Trustee. Beneficiary at Beneficiary's option may from time to time appoint additional or replacement trustees and may remove one or more trustees, from time to time, without the consent of or notice to Trustor, by an instrument recorded in the city or county in which this Security Instrument is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law. Any Trustee, individually, may exercise all powers granted to Trustees collectively, without the necessity of the joinder of the other Trustees.

Section 7.28 Reconveyance of Deed of Trust; Partial Reconveyances. When all of the Secured Obligations have been paid and performed in full and the conditions set forth in Section 2.01 of this Security Instrument have been satisfied, Beneficiary shall instruct Trustee in writing to reconvey the Mortgaged Property, and shall surrender this Security Instrument to Trustee, whereupon Trustee shall reconvey to Trustor, or to the person legally entitled thereto, without warranty, any portion of the Mortgaged Property then held hereunder. The recitals in such reconveyance of any matters or facts will be conclusive proof of the truthfulness thereof. The grantee in any reconveyance may be described as "the person or persons legally entitled thereto." When the Property has been fully reconveyed, the last such reconveyance will operate as a reassignment of all future rents, issues and profits of the Property to the person or persons legally entitled thereto.

Section 7.29 Waiver of Right of Offset. Notwithstanding anything herein to the contrary, no portion of the Secured Obligations shall be or be deemed to be offset or compensated by all or any part of any claim, cause of action, counterclaim, or cross-claim,

BK 890 PG 708

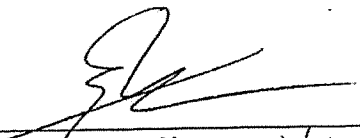
whether liquidated or unliquidated, that Trustor may have or claim to have against Beneficiary or any Lender.

[SIGNATURES ON FOLLOWING PAGE]

BK 890 PG 709

IN WITNESS WHEREOF, Trustor has caused this instrument to be executed and delivered as of the date first written above.

DYNASTY DEVELOPMENT GROUP, LLC

By: 
Name: ERIC WILSON
Title: MANAGER

ACKNOWLEDGMENT

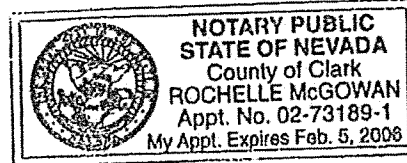
STATE OF NEVADA
 COUNTY OF CLARK

Personally appeared before me, the undersigned authority in and for the said county and state, on this 6 day of April, 2005, within my jurisdiction, the within named ERIC NELSON, who acknowledged to me that (s)he is Manager of Dynasty Development, LLC, a Nevada [manager/member managed] limited liability company, and that for and on behalf of said limited liability company, and as the act and deed of said limited liability company, (s)he executed the above and foregoing instrument, after first having been duly authorized by said limited liability company so to do.

Rochelle McGowan
 NOTARY PUBLIC

My Commission Expires:

Feb. 5, 2006
 (Affix official seal)



NOTE 9

MS BAY 200 ACRES

F. MARTIN \$200,000

(DOCUMENTATION FOLLOWING)

PROMISSORY NOTE

\$ 200,000.00
Principal Amount

Dated: June 1, 2006
State of Nevada

FOR VALUE RECEIVED, Eric L. Nelson, a married man, promises to pay Robert A. Martin, the sum of Two Hundred Thousand Dollars and no/100 (\$200,000.00) at an annual interest rate of eight percent (8%), all due and payable five (5) years from the date of this Note.

Should this Note be paid in full or in part prior to due date, the 8% annual percentage rate will be calculated on the outstanding balance for the actual number of days until Note is paid in full.

The collateral for this Note will be the 120 acres of land in Bay St. Louis, Mississippi (APN# 176-0-13-086.001) currently owned by Dynasty Development Group, LLC.

The undersigned, agrees to pay all costs of collection including reasonable attorney's fees, if this Note is not paid promptly when due and the same is given to any attorney for collection, whether suit be brought or not.

By: Eric L. Nelson

Signed: 

ROBERT A. MARTIN
LANA R. MARTIN
2012 SLOW WIND 702-255-4109
LAS VEGAS, NV 89134

2383

Pin ID _____ Date 5-6-06
Type _____
Issue/Exp _____
Tkn Dep. on _____

94-72/1224 NV
7886

Pay to the order of Eric Nelson

\$ 200,000

Two Hundred Thousand Dollars

Bank of America

ACH R/T 122400724

For _____

⑆ 122400724⑆ 000014191741⑆ 2383 ⑆0020000000⑆

NOTE 9

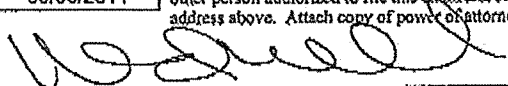
MS BAY 200 ACRES

G. HAROLD DUKE

LEGAL FEES

(DOCUMENTATION FOLLOWING)

B 10 (Official Form 10) (04/10)

UNITED STATES BANKRUPTCY COURT		Southern District of Mississippi	PROOF OF CLAIM
Name of Debtor: Dynasty Development Group, LLC		Case Number: 11-50997 KMS	
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.			
Name of Creditor (the person or other entity to whom the debtor owes money or property): Harold W. Duke, P.A.		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.	
Name and address where notices should be sent: Harold W. Duke, P.A. P.O. Box 843 Greenville, MS 38702-0843		Court Claim Number: _____ (If known)	
Telephone number: (662) 378-2949		Filed on: _____	
Name and address where payment should be sent (if different from above):		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.	
Telephone number:		<input type="checkbox"/> Check this box if you are the debtor or trustee in this case.	
1. Amount of Claim as of Date Case Filed: \$ <u>378,000.00</u>		5. Amount of Claim Excluded to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.	
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.		Specify the priority of the claim. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507 (a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507 (a)(5). <input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507 (a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507 (a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507 (a)(). Amount entitled to priority: \$ _____	
If all or part of your claim is entitled to priority, complete item 5.			
<input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.			
2. Basis for Claim: <u>Legal Services Performed</u> (See instruction #2 on reverse side.)			
3. Last four digits of any number by which creditor identifies debtor: _____			
3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)			
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.			
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other			
Describe:			
Value of Property: \$ _____ Annual Interest Rate: _____ %			
Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____			
Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____			
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.			
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)			
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.			
If the documents are not available, please explain:			
Date: 06/06/2011	Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and same address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.  Harold W. Duke, President		FOR COURT USE ONLY

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 132 and 3571.

Attachment 1

OFFICE OF THE UNITED STATES TRUSTEE
FOR THE SOUTHERN DISTRICT OF MISSISSIPPICHAPTER 11 UNSECURED CREDITORS' COMMITTEE ACCEPTANCE FORM

PLEASE TYPE OR PRINT INFORMATION BELOW

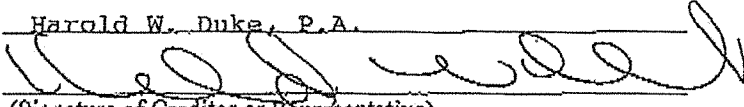
Date: 06/06/11Case Name: Dynasty Development Group, LLCCase No.: 11-50997 KMS

Please accept this transmittal as our expression of intent to accept appointment to an unsecured creditors' committee, should one be formed, in the above captioned case.

The undersigned is not an insider within the meaning of 11 U.S.C. § 101(31), does not have a conflict of interest, and is eligible to serve on such a committee.

Creditor's Name: Harold W. Duke, P.A.

By:


(Signature of Creditor or Representative)Harold W. Duke
Type or Print NameP.O. Box 843Greenville, MS 38702-0843
(Address of Appointed Member)662/378-2949
Creditor's Telephone Number (Include Area Code)662/378-2948
Creditor's Fax Number (Include Area Code)hwduke@suddenlinkmail.com
Creditor's E-Mail AddressAmount of Unsecured Claim: \$ 378,000.00Nature of Claim(i.e. bond, trade, etc.) Legal Services

If creditor also has a secured claim, indicate amount: \$ _____
(Do not include Unsecured Deficiency Shown Above)

NOTE: Completion of this form does not constitute the filing of a proof of claim pursuant to 11 U.S.C. § 501. Please return this form to the Office of the United States Trustee, 501 East Court Street, Suite 6-430, Jackson, MS 39201.

Exhibit 11.01.08

NOTE 9

MS BAY 200 ACRES

H. CLIFFORD MC CARLIE

3%

(DOCUMENTATION FOLLOWING)

**Eric L Nelson Nevada
Trust**

3611 S. Lindell Rd. Ste. 201
Las Vegas, Nevada 89134
(702) 362-3030 Phone
(702) 227-0075 Fax

September 24, 2008

Clifford McCarlie
222 Felicity
Bay St. Louis, MS 39520

Dear Cliff:

This letter is to give you a current update (which is subject to change) on your loans, capital account and remaining points in Dynasty Development Group. Attached is a combined company spreadsheet from our accounting system showing all payments that have been made to you (or on behalf of you) from January 2005 through today. I am also attaching information on transactions that have affected your points since the date of your Optionee Agreement.

To this date your interest and loan is as follows:

\$ 350,000 Capital Account balance

3% Emerald Bay profit

3 % 125 Acres $\frac{1}{2}$ interest

50% Dynasty's management fee from Silver Slipper (after all expenses have been reimbursed)

10.37% Ownership in Dynasty's ownership in Silver Slipper

~~\$52,300.00~~ loan due to Eric L Nelson Nevada Trust

41 37,700.00

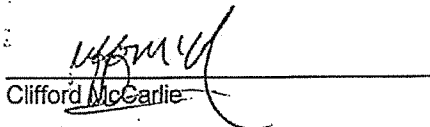
It is Eric's understanding that the remaining funds in your Capital Account have been pledged by you to other parties however, that is your agreement with the parties and Eric's agreement is only with you.

Please discuss with Eric if you have any questions. Your signature below is required.

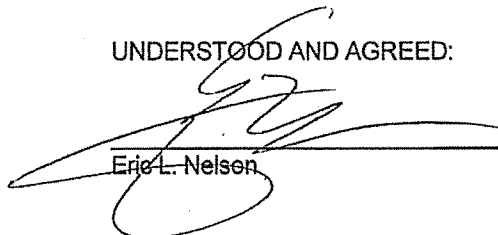
Sincerely,


Lana Martin
Accounting Manager

UNDERSTOOD AND AGREED:


Clifford McCarlie

UNDERSTOOD AND AGREED:


Eric L. Nelson

NOTE 10

DYNASTY
DEVELOPMENT
GROUP, LLC
A. HAROLD DUKE
(SEE 9.G)

NOTE 10

DYNASTY
DEVELOPMENT
GROUP, LLC
B. GROTTA, LLC.
(DOCUMENTATION FOLLOWING)

Rochelle McGowan

From: Paul Nelson [paulnelson.ut@gmail.com]
Sent: Wednesday, February 09, 2011 11:23 AM
To: tiggywinkle@cox.net; eric@enlvcorp.com
Subject: Nelson: Grotta Financial Partnership and Banone AZ properties
Attachments: letter 2_9_2011.pdf

Lynita and Eric,
Attached are two letters addressing two seperate issues. The first issue is concening myself and the AZ Banone properties and the second one is concerning Grotta Financial Partnership. My contact information is included in the letters or you may contact me via email at paulnelson.ut@gmail.com

Thank you.

Paul Nelson

February 9, 2011

Sent via email, USPS mail, hand delivered

Eric Nelson
3611 S. Lindell Rd, Suite 201
Las Vegas, NV 89103

Lynita Nelson
7065 Palmyra
Las Vegas, NV 89117

RE: Grotta Investment In Mississippi and Silver Slipper Casino

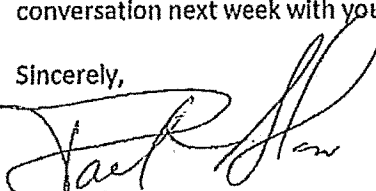
Dear Lynita and Eric:

As a managing member and signator for "Grotta" I am compelled to write this letter.

Grotta has a multi-million dollar investment in Mississippi (see Grotta tax returns which your professionals have) that is now greatly impaired because of the divorce proceedings and the longevity of the divorce. With regret we are now forced to take action on this investment. This could be satisfied by either putting a first lien on the Mississippi land property or transferring our investment to the properties in Las Vegas, Nevada which are owned by you and Eric.

This of course is very informal and we did not want to make it an issue in your divorce but Grotta must protect its investment and will hire legal counsel if a compromise is not made to protect its investment. We request a phone conversation next week with you, Eric and your legal counsel in Mississippi and Nevada and me to satisfy this concern.

Sincerely,



Paul Nelson
GROTTA GROUP PARTNERSHIP
9123 Silver Lake Dr.
Cedar Hills, UT 84062
801-368-9996

CC: Bob Dickerson, Esq
Melissa Attanasio
Jeff Burr, Esq
David Stephens, Esq

DYNASTY DEVELOPMENT GROUP PARTNERS AS OF 3/31/10

<u>11/22/2004</u>	<u>% DDG</u>	<u>% SS</u>
Nelson	30.650	12.358
Phoenix Leisure	26.600	10.725
Cliff McCarlie	17.700	7.137
Cure Land Co.	11.300	4.556
Grotta Group LLC	7.500	3.024
Paul Nelson	6.250	2.520
	<u>100.000</u>	<u>40.320</u>

<u>1/23/2005</u>	<u>(Dynasty Changes Only)</u>	<u>% SS</u>
	<u>% DDG</u>	
Cliff McCarlie	15.200	6.129
Martin	2.500	1.008

<u>4/14/2005</u>	<u>5 Point (5,000 Shares) Reduction</u>	<u>% SS</u>
	<u>% DDG</u>	
Nelson	30.650	10.826
Phoenix Leisure	26.600	9.395
Cliff McCarlie	15.200	5.369
Cure Land Co.	11.300	3.991
Grotta Group LLC	7.500	2.649
Paul Nelson	6.250	2.208
Martin	2.500	0.883
Totals	<u>100.00</u>	<u>35.320</u>

<u>5/15/2006</u>	<u>.5 Point (500 Shares) Reduction</u>	<u>% SS</u>
	<u>% DDG</u>	
Nelson	30.650	10.672
Phoenix Leisure	26.600	9.262
Cliff McCarlie	15.200	5.293
Cure Land Co.	11.300	3.935
Grotta Group LLC	7.500	2.612
Paul Nelson	6.250	2.176
Martin	2.500	0.871
Totals	<u>100.000</u>	<u>34.820</u>

<u>6/1/2006</u>	<u>(Dynasty Changes Only)</u>	<u>% SS</u>
	<u>% DDG</u>	
Nelson	30.650	10.672
Phoenix Leisure	26.600	9.262
Cliff McCarlie	12.328	4.293
Cure Land Co.	11.300	3.935
Grotta Group LLC	7.500	2.612
Paul Nelson	6.250	2.176
Martin	5.372	1.871
Totals	<u>100.000</u>	<u>34.820</u>

<u>3/14/2007</u>	<u>(Capital Call \$1,307,968.68- No Equity changes)</u>	<u>% SS</u>
	<u>% DDG</u>	
Nelson	30.650	10.672
Phoenix Leisure	26.600	9.262
Cliff McCarlie	12.328	4.293
Cure Land Co.	11.300	3.935
Grotta Group LLC	7.500	2.612
Paul Nelson	6.250	2.176
Martin	5.372	1.871
Totals	<u>100.000</u>	<u>34.820</u>

3/15/2007- 3/31/2010 (No Changes)

Federal Statements**Statement 3 - Form 1065, Schedule L, Line 6 - Other Current Assets**

Description	Beginning of Year	End of Year
OPPENHEIMBER	\$ 130	\$ 130
NOTE SILVER SLIPPER CASINO	525,000	525,000
PAUL NELSON	48,000	48,000
ERIC TAYLOR NELSON	34,350	34,350
Recievable WHR	51,901	51,901
Total	<u>\$ 659,381</u>	<u>\$ 659,381</u>

Statement 4 - Form 1065, Schedule L, Line 13 - Other Assets

Description	Beginning of Year	End of Year
ADD'L INVESTMENT-SS/DDG	\$ 98,099	\$ 98,099
SILVER SLIPPER /PLS STOCK	265,440	265,440
SILVER SLIPPER OPTIONS	180,000	180,000
Total	<u>\$ 543,539</u>	<u>\$ 543,539</u>

*Cash 0000***Form 1065, Schedule M-1, Line 4 - Expenses Recorded on Books, Not on Sch K**

Description	Amount
Fines and Penalties	\$
Total	<u>\$ 0</u>

October 10, 2007

To: Grotta Financial Partnership

RE: *Dilution points to Dynasty Development Group, LLC as demanded by Lender/Silver Slipper to do deal itself.*

Required by:	What:	When:	Net SS Dilution %
(1) Lender	13.5 Warrants	11-22-04	13.5%
(2) Lender	\$50,000 Cash Contribution	12-15-04	1% Waived
(3) Lender/Silver Slipper	120 Acres Pledged (\$1,000,000 value)	12-15-04	20% Waived
(4) Silver Slipper	\$600,000 from Capital Account	4-14-05	12% Waived
(5) Lender	Warrants from 13.5% to 19%	4-14-05	6.36%
(6) Lender/Silver Slipper	5 pt. Ownership Reductions (5,000 Shares)	4-14-05	6.46%
(7) Silver Slipper	10% of Management Agreement x Value(400,000)	4-15-05	8% Waived
(8)Lender/Silver Slipper	\$1,307,986.68 Cash Guaranteed	4-15-05	Pending 26% or Funding of %
(9)Lender/Silver Slipper	Additional .5% reduction (Libra)	5-15-06	1.5%
(10) Silver Slipper	#8 DDG Funded \$98,099 by Grotta	3-15-07	0%

- 1) Dilution Basis on (gross shares %) 100% not (86.5% or 81% without Warrants)
- 2) Dilution Formula: See Attached letter from Bingham McCutchen (29.62% + for 1,307,000)
➤ We have reduced the percentage of dilution to 2% per \$100,000 not funded.
- 3) Cash Call based on Gross (plus warrants)

Exhibit 11.01.11

NOTE 10

DYNASTY
DEVELOPMENT
GROUP, LLC
C. PAUL NELSON
(DOCUMENTATION FOLLOWING)

October 30, 2007

To: Paul Nelson

RE: *Dilution points to Dynasty Development Group, LLC as demanded by Lender/Silver Slipper to do deal itself.*

Required by:	What:	When:	SS Net Dilution %
(1)Lender	13.5 Warrants	11-22-04	13.5%
(2)Lender	\$50,000.00 Capital Call	12-15-04	1%
(3)Lender/Silver Slipper	120 Acres Pledged (\$1,000,000.00 Value)	12-15-04	20%
(4)Silver Slipper	\$600,000 from Capital Account	4-14-05	12%
(5)Lender	Warrants 19% (46.61% to 43.6%)	4-14-05	6.36%
(6)Lender/Silver Slipper	5 point ownership reduction	4-14-06	6.46%
(7)Silver Slipper	10% of Management Agreement x Value(400,000)	4-14-05	8%
(8)Lender/Silver Slipper	\$1,307,986.68 Cash Guaranty	4-14-05	26% Pending
(9)Lender/Silver Slipper	.5 Points to Libra	5-15-06	1.5%
(10)Lender/Silver Slipper	#8 DDG funded- \$81,749.17 funded by Paul	3-17-07	0%

- 1) Dilution Basis on (gross shares %) 100% not (86.5% or 81% without Warrants)
- 2) Dilution Formula: See Attached letter from Bingham McCutchen (29.62% + for 1,307,000)
 - We have reduced the percentage of dilution to 2% per \$100,000 not funded.
- 3) Cash Call based on Gross (including warrants)
- 4) Paul's funding on 6/17/07 12% (90 Days) \$ 2,452.47

DEPOSIT RECORD COPY

Bank of America.

ACH R/T 122400724

DATE 6.20.07

	CURRENCY	DOLLARS	CENTS
	COIN		
	LIST EACH CHECK		
1	1029	78000	—
2	7.1		
3	F. NELSON		
4	S. S. Smith		
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
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17			

6

78001

**PLEASE
ENTER
TOTAL**

**PLEASE BE SURE ALL ITEMS
ARE PROPERLY ENDORSED.
DEPOSITS MAY NOT BE AVAILABLE
FOR IMMEDIATE WITHDRAWAL**

94-72-1224

TOTAL
ITEMS

1

18	00	00
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CHICKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY APPLICABLE COLLECTION RULES.

004964852799
:1707088045:

NELSON & ASSOCIATES
3611 S. LINDELL RD SUITE 201
LAS VEGAS, NV 89103
PH. (702) 362-3030

~~Total~~

Chon Call 1581,749,17

Ass't owed - 3,749.17

For overpd. Vt on loan

\$ 78,000

Requested from
Court against

\$ 1,560,000-

Synasty Development
Group Funds
+ Interest

NOTE 10

DYNASTY
DEVELOPMENT
GROUP, LLC

D. ROBERT AND
LANA MARTIN

(DOCUMENTATION FOLLOWING)

October 30, 2007

To: Bob Martin

RE: *Dilution points to Dynasty Development Group, LLC as demanded by Lender/Silver Slipper to do deal itself.*

Required by:	What:	When:	Dilution %
(1) Lender	13.5 Warrants	11-22-04	13.5%
(2) Lender/Silver Slipper	\$50,000 Cash	12-15-04	1%
(3) Lender	\$1,000,000 or 120 acre	12-15-04	20%
(4) Buyer	Purchase 1% net	1-28-05	
(5) Silver Slipper	\$600,000 from Capital Account	4-14-05	12%
(6) Lender	Additional 5.5 Warrants	4-14-05	5.5%
(7) Lender/Silver Slipper	5 point ownership reduction	4-14-06	
(8) Silver Slipper	10% of Management Agreement x Value(400,000)	4-14-05	8%
(9) Lender/Silver Slipper	\$1,307,986.68 Cash Guaranty	4-14-05	26% Pending
(10) Lender/Silver Slipper	.5 Points to Libra	5-15-06	.98%
(11) Buyer	Purchase 1% Net	6-1-06	
(12) Lender/Silver Slipper	#9 DDG funded - \$69,997.29 by Martin	3-15-07	0%

- 1) Dilution Basis on (gross shares %) 100% not (86.5% or 81% without Warrants)
- 2) Dilution Formula: See Attached letter from Bingham McCutchen (29.62% + for 1,307,000)
 - We have reduced the percentage of dilution to 2% per \$100,000 not funded.
- 3) Cash Call based on Gross (plus warrants)

BOB & LANA MARTIN

DYNASTY DEVELOPMENT GROUP OPTION EQUIVALENTS TO CASH/EQUITY CONTRIBUTIONS

11/22/2004 Upon signing of Optionee Agreement

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
	-	0.000	0.000

12/15/2004 \$50,000 capital contribution by Dynasty to Silver Slipper

WAIVED 1% DILUTION*

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
-	-	0.000	0.000

12/15/2004 120 Acres pledged (\$1,000,000 value)

*****WAIVED 20% DILUTION****

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
	-	0.000	0.000

1/28/2005 Purchased 1% Silver Slipper

*****WAIVED 20% DILUTION****

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
2.480	2.145	1.156	1.000

4/14/2005 2nd Amended Operating Agreement-\$600,000 reduction in Dynasty's capital in Silver Slipper

WAIVED 12% DILUTION*

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
2.480	2.145	1.156	1.000

4/14/2005 2nd Amended Operating Agreement- Warrants 19% (5,000 B Stock from DDG-46.61% TO 43.6%)

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.320

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
2.480	2.009	1.081	0.876

4/14/2005 2nd Amended Operating Agreement-Mgmt Fee Reduced 10% (400,000 value)

WAIVED 8% DILUTION**

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.320

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
2.480	2.009	1.081	0.876

4/14/2005 2nd Amended Operating Agreement-\$1,307,986.68 Cash Guarantee

PENDING 26% DILUTION*

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.320

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
2.480	2.009	1.081	0.876

5/15/2006 3rd Amended Operating Agreement-.5% (500 shares) to Libra Securities

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.820

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
2.480	2.009	1.066	0.863

6/1/2006 Purchased 1% Net

DDG'S OWNERSHIP IN SS MARTIN'S OWNERSHIP IN DDG AND SS

WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.820

DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
5.350	4.334	2.300	1.863

3/17/2007 \$1,307,986.68 Capital call paid by Dynasty to Silver Slipper

NO DILUTION \$69,997.29 CONTRIBUTED*

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.820

MARTIN'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
5.350	4.334	2.300	1.863

PROMISSORY NOTE

\$ 105,000.00
Principal Amount

Dated: January 28, 2005
State of Nevada

FOR VALUE RECEIVED, Eric L. Nelson or Eric L. Nelson Nevada Trust, promises to pay Lana Martin, the sum of One Hundred Five Thousand Dollars and 0/100 (\$105,000.00) at an annual interest rate of ~~twelve~~ ^{Six} percent (6%), all due and payable one (1) year from the date of this Note.

Partial payments will be accepted until paid in full. Should this Note be paid in full or in part prior to due date, the annual percentage rate of 6% will be prorated on the outstanding balance for the actual number of days until Note is paid in full.

The undersigned, agrees to pay all costs of collection including reasonable attorney's fees, if this Note is not paid promptly when due and the same is given to any attorney for collection, whether suit be brought or not.

By: Eric L. Nelson

Signature: _____

ROBERT A. MARTIN
LANA R. MARTIN
2012 SLOW WIND 702-255-4109
LAS VEGAS, NV 89134

466

Date 1-28-04

94-72/1224 14
51087

Pay to the
order of

Nelson & Associates \$ 105,000.00
One hundred five thousand 00/100

Bank of America

ACH R/T 122400724

For _____

Bank of America Advantage®

⑆ 122400724⑆ 000014191741⑆ 0466 ⑆0010500000⑆

PROMISSORY NOTE

\$ 200,000.00
Principal Amount

Dated: June 1, 2006
State of Nevada

FOR VALUE RECEIVED, Eric L. Nelson, a married man, promises to pay Robert A. Martin, the sum of Two Hundred Thousand Dollars and no/100 (\$200,000.00) at an annual interest rate of eight percent (8%), all due and payable five (5) years from the date of this Note.

Should this Note be paid in full or in part prior to due date, the 8% annual percentage rate will be calculated on the outstanding balance for the actual number of days until Note is paid in full.

The collateral for this Note will be the 120 acres of land in Bay St. Louis, Mississippi (APN# 176-0-13-086.001) currently owned by Dynasty Development Group, LLC.

The undersigned, agrees to pay all costs of collection including reasonable attorney's fees, if this Note is not paid promptly when due and the same is given to any attorney for collection, whether suit be brought or not.

By: Eric L. Nelson

Signed: _____

ROBERT A. MARTIN
LANA R. MARTIN
2012 SLOW WIND 702-255-4109
LAS VEGAS, NV 89134

Pin ID _____ Date 5-6-06
Type _____
Issue/Exp _____
Tkg Dep only _____

2383

94-72/1224 NY
7866

Pay to the
order of

Eric Nelson

\$ 200,000

Bank of America

ACH R/T 122400724

For

122400724: 000014191741 2383 0020000000

Cash Call \$69,997.29 + ~~44~~
 Requested against
 \$1,560,000 funds
 for Dynasty Development
 Group

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY APPLICABLE COLLECTION AGREEMENT.

⑆540880104⑆ 004964852798⑈

NELSON & ASSOCIATES
 3611 S. LINDELL RD SUITE 201
 LAS VEGAS, NV 89103
 PH. (702) 362-3030

DEPOSIT RECORD COPY

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Bank of America.
 ACH R/T 122400724
 DATE 1-1-07

	DOLLARS	CENTS
CURRENCY		
COIN		
LIST EACH CHECK		
1	69,997	29
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		

\$ 69,997.29

69997.29



PLEASE BE SURE ALL ITEMS ARE PROPERLY ENDORSED. DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL.

TOTAL 1
 ITEMS 1

94-72-1224

Exhibit 11.01.13

NOTE 10

DYNASTY
DEVELOPMENT
GROUP, LLC

E. MIKE CURE

(DOCUMENTATION FOLLOWING)

October 30, 2007

To: Mike Cure
P.O. Box 44
Lakeshore, MS 39558

RE: *Dilution points to Dynasty Development Group, LLC as demanded by
Lender/Silver Slipper to do deal itself.*

Required by:	What:	When:	Net SS Dilution %
(1) Lender	13.5 Warrants	11-22-04	13.5%
(2) Lender	\$50,000 Cash Contribution	12-15-04	1%
(3) Lender/Silver Slipper	120 Acres Pledged (\$1,000,000 value)	12-15-04	20%
(4) Silver Slipper	\$600,000 from Capital Account	4-14-05	12%
(5) Lender	Warrants from 13.5% to 19%	4-14-05	6.36%
(6) Lender/Silver Slipper	5 pt. Ownership Reductions (5,000 Shares)	4-14-05	6.46%
(7) Silver Slipper	10% of Management Agreement x Value(400,000)	4-15-05	8%
(8) Lender/Silver Slipper	\$1,307,986.68 Cash Guaranteed	4-15-05	Pending 26% or Fund capital \$147,802.49
(9) Lender/Silver Slipper	Additional .5% reduction (Libra)	5-15-06	1.5%
(10) Silver Slipper	\$1,307,986.68 DDG Funded w/o Cure	3-15-07	26%

- 1) Dilution Basis on (gross shares %) 100% not (86.5% or 81% without Warrants)
- 2) Dilution Formula: See Attached letter from Bingham McCutchen (29.62% + for 1,307,000)
 - We have reduced the percentage of dilution to 2% per \$100,000 not funded.
- 3) Cash Call based on Gross (plus warrants)

CURE LAND COMPANY
DYNASTY DEVELOPMENT GROUP OPTION EQUIVALENTS TO CASH/EQUITY CONTRIBUTIONS

- (1) 11/22/2004-Upon signing of Optionee Agreement

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
11.300	9.775	5.267	4.556

- (2) 12/15/2004 \$50,000 capital contribution by Dynasty to Silver Slipper (\$5,650.00)

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
11.300	9.775	5.267	4.556

- (3) 12/15/2004 120 Acres pledged -\$1,000,000 value (\$113,000.00)

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
11.300	9.775	5.267	4.556

- (4) 4/14/2005 2nd Amended Operating Agreement-\$600,000 reduction in Dynasty's capital in Silver Slipper

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/13.5%	DDG W/O 13.5%	SS W/ 13.5%	SS W/O 13.5%
11.300	9.775	5.267	4.556

- (5) 4/14/2005 2nd Amended Operating Agreement- Warrants increased to 19% from 13.5%

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
46.610	37.754

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
11.300	9.153	5.267	4.266

- (6) 4/14/2005 2nd Amended Operating Agreement-Ownership decreased 5 points (5,000 shares B Stock)

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.316

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
11.300	9.153	4.927	3.991

- (7) 4/14/2005 2nd Amended Operating Agreement-Mgmt Fee Reduced 10%

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.316

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
11.300	9.153	4.927	3.991

- (8) 4/14/2005 2nd Amended Operating Agreement-\$1,307,986.68 Cash Guarantee

PENDING 26% DILUTION IF NO CONTRIBUTION*

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.316

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
11.300	9.153	4.927	3.991

- (9) 5/15/2006 3rd Amended Operating Agreement-.5% (500 shares) to Libra Securities

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.820

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
11.300	9.153	4.857	3.934

- (10) 3/17/2007 \$1,307,986.68 Capital call paid by Dynasty to Silver Slipper

NO CONTRIBUTION S/B \$147,802.49

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.820

CURE'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
11.300	9.153	4.857	3.934

10-31-04

OPTION TO PURCHASE LLC PROFIT INTERESTS

THIS OPTION TO PURCHASE LLC MEMBERSHIP INTERESTS (this "Agreement") is entered into as of November 22, 2004, by and among, on the one hand, Dynasty Development Group, LLC ("Dynasty"), and, on the other hand, each the parties identified on Appendix I attached hereto (the "Optionees").

RECITALS

A. Dynasty will be, upon the execution and delivery of that certain Operating Agreement ("Operating Agreement") of Silver Slipper Casino Venture LLC ("Silver Slipper"), the holder of 46.61% (the "Dynasty Interest") of the issued and outstanding limited liability company membership interests ("LLC Interests") of Silver Slipper.

B. Each of the Optionees would like to acquire an option to purchase the right to a profits interest percentage portion of the Dynasty Interest from Dynasty as is set forth on Appendix I attached hereto opposite each such Optionee's name. After such LLC Interests are issued, Dynasty is willing to grant such an option to each of the Optionees.

AGREEMENT

1. Option Grant. Dynasty hereby grants to each Optionee the option to purchase the right to a profits interest percentage portion of the Dynasty Interest as set forth opposite the Optionee's name on Appendix I attached hereto, on the terms and subject to the conditions contained herein. Each Optionee acknowledges and agrees that the Dynasty Interest is subject to the terms, conditions and restrictions set forth in the Operating Agreement and that certain Agreement Among Unitholders (the "Unitholders Agreement"), a loan agreement ("Loan Agreement") between Silver Slipper and DDJ Capital Management, LLC, a Massachusetts limited liability company ("DDJ") as agent for certain lenders thereunder, and such other agreements and understandings as may now or hereafter be entered into by and among the unitholders of Silver Slipper, including Dynasty. Optionee has been provided with a copy of the Operating Agreement, the Loan Agreement and the Unitholders Agreement.

10-31-04

2. Dilution/Capital Calls. Further, each Optionee acknowledges and understands that Silver Slipper has or will deliver one or more Warrants to DDJ Capital Management, LLC in connection with financing for its casino operations (the "Warrant"), which Warrant provides for the issuance of 13.5 % of the LLC Interest in Silver Slipper on a fully diluted basis and that the Dynasty Interest is subject to dilution in connection therewith. It is agreed and understood that the Options granted hereunder consist of a profits interest that is derivative of the Dynasty Interest (and not a direct interest in Silver Slipper), therefore, any dilution of the Dynasty Interest will necessarily and proportionately dilute any profits interest that is the subject of the Options granted herein. In addition, while each Optionee hereunder is not a direct unitholder in Silver Slipper, its profits interest is subject to further dilution in the event any capital calls by Silver Slipper pursuant to the Operating Agreement are not fully funded by each of the Optionees and

Dynasty, in proportion to their respective percentage interests. In the event Dynasty funds any capital call by Silver Slipper on behalf of any Optionee, such non-paying Optionee shall be proportionately diluted *vis a vis* the other Optionees and Dynasty.

3. Gaming Limitations. Notwithstanding anything herein to the contrary, the grant of the Options ~~herein~~; and the exercise of any such Options is expressly subject to any prior approval, and required licensure or other finding of suitability, qualification or other affirmative determination of acceptance by any and all applicable regulatory and licensing agencies in any jurisdiction where the Silver Slipper conducts or proposes to conduct business ("Gaming Authorities"), pursuant to any applicable gaming laws (defined below), and any other applicable law, rule or regulation. Any action, transfer, payment of any obligation or the like without compliance with any applicable gaming law and/or requirement of any applicable Gaming Authority shall be null and void *ab initio*.

4. Option Price. Upon execution of this Agreement by the parties, each Optionee hereby agrees to pay Dynasty the amount set forth opposite the Optionee's name on Appendix I attached hereto as full payment for the option granted to such Optionee by Dynasty.

5. Option Term. Subject to the Gaming Limitation, the option granted to each Optionee under paragraph 1 will be exercisable from and after the date of execution and delivery of the Operating Agreement until the earlier of: (i) such time as Dynasty no longer holds any interest in the LLC Interests; (ii) the failure of such Optionee to obtain a corporate or personal (as applicable) finding of suitability (or other form of approval under applicable laws with respect to ownership and operation of gaming enterprises), within the sooner of (x) 18 months following the filing of such Optionee's application for such form of approval and (y) the furthest date permitted by the Mississippi Gaming Control Act of 1990, as amended, or the regulations, policies or order of the Mississippi Gaming Commission (the "Gaming Laws"); or (iii) the day immediately prior to the sale of all or substantially all of the ownership interests, assets or business, or the liquidation, dissolution or other winding-up, of Silver Slipper. Dynasty shall use its reasonable efforts to give notice to each of the Optionees of the happening of any of the events listed in clauses (i) or (iii) above promptly upon becoming aware of the happening of any such event, and Optionee shall keep Dynasty informed and promptly update Dynasty with respect to the application for, and developments in the obtaining of, a corporate or personal (as applicable) finding of suitability for such Optionee.

6. Option Exercise. Each Optionee may exercise the Option granted under paragraph 1 solely as to such Optionee by delivering to Dynasty at any time prior to the expiration of the option term: (i) written notice of such Optionee's intent to exercise and (ii) evidence satisfactory to Dynasty in its sole discretion of compliance with any and all applicable Gaming Laws, and required of any applicable Gaming Authority, including a finding of suitability, whether corporate or personal, or other equivalent form of approval, under the Gaming Laws. Such notice of exercise shall be deemed effective as of the date received by Dynasty as determined in accordance with the notice provisions hereof.

7. Effect of Exercise. Upon exercise of the option by an Optionee, Optionee shall have a profits interest right in the Dynasty Interest, and Dynasty shall sign all documents and

take all actions necessary (if any) to reflect it.

8. Failure to Exercise. If an Optionee fails to exercise the option granted under paragraph 1 during the option term, the Option shall terminate and be of no further force or effect, and Dynasty shall refund the full option price to the Optionee promptly following the end of the term.

9. No Rights of Ownership Prior to Exercise/Derivative Nature of Rights. No Optionee shall have any rights or benefits of ownership, including voting rights and participation rights, with respect to the LLC Interests or the Dynasty Interest therein solely by virtue of this Agreement. Upon exercise, the Optionee's rights shall be limited to a profits interest in the Dynasty Interest, and shall be enforceable solely against Dynasty. Optionee shall have no direct rights *vis a vis* Silver Slipper or the Operating Agreement. Such rights shall be vested solely and exclusively in Dynasty, and Optionee's rights shall be derivative of Dynasty's rights as a direct unitholder in Silver Slipper.

10. Option Right Personal to Optionee. The Option granted under paragraph 1 is personal to the Optionee, and may not be sold, assigned, transferred, pledged, hypothecated, encumbered or otherwise disposed of without the prior written consent of Dynasty (which approval may not be unreasonably withheld); and provided, such transferee, etc. agrees in writing to be bound by the terms of this Agreement, and any applicable provision of the Operating Agreement, the Loan Agreement and the Unitholders Agreement, and such transferee, etc. complies with any and all applicable gaming laws, and obtains any required approval by any applicable Gaming Authority.

11. Rights in LLC Interests Following Exercise. Upon exercise of the Option granted under paragraph 1, Optionee shall have a right to the profits percentage portion of the Dynasty Interest in the LLC Interests set forth on Appendix I attached hereto. Each Optionee acknowledges and agrees that the interest acquired upon such exercise shall (i) be a non-voting interest, (ii) not entitle Optionee to any credit in the capital accounts of Dynasty (a "profits interest only"), (iii) shall be net of any third party expenses incurred by Dynasty in connection with the Dynasty Interest, (iv) payable only after the return of all of Dynasty's capital contribution to Silver Slipper, (v) not provide any right to Optionee to appoint, or participate in or vote on the appointment of, any persons to the "Board of Managers" (as such term is defined in the Operating Agreement), (vi) not entitle Optionee to any rights as a "Major Investor" (as such term is defined in the Operating Agreement), (vii) require cooperation with, and be subject to a pledge in favor of one or more lenders to secure indebtedness or obligations of Silver Slipper or its subsidiaries, and to future pledges to secure same as requested by the Board of Managers from time to time, (viii) be subject to all of the other terms, conditions, rights and restrictions set forth in the Operating Agreement, the Unitholders Agreement, and the Loan Agreement, and (ix) be subject to pro-rata dilution from time to time pursuant to, among other things, the Warrant.

12. Covenants of Optionees. Promptly following the date hereof, each Optionee shall submit such applications and documentation as may be required by any applicable Gaming Authority under the Gaming Laws to obtain the approvals and authorizations required thereunder.

as a prerequisite to such Optionee obtaining or exercising the rights contained herein.

13. Miscellaneous.

(a) This Agreement constitutes the entire agreement of the parties with respect to the matters set forth herein. Each Optionee is cognizant of, agrees to and recognizes that the option granted under paragraph 1 is intended to supersede and replace any and all prior promises or grants of options for the purchase of or participation in the ownership interests of Silver Slipper or the venture contemplated thereby. By execution hereof, each Optionee waives and releases any and all rights to any and all such previous promises or grants of options of any kind whatsoever, whether written or oral.

(b) This Agreement shall be governed by Nevada law (without regard to conflicts of laws principles) and may be executed in counterparts. Electronic transmission or other delivery of a copy of a party's signed counterpart constitutes that party's due execution and delivery of this Agreement.

(c) This Agreement and any provision hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement is sought.

(d) All notices and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt) if sent on a business day between the hours of 9:00 a.m. and 5:00 p.m. (Las Vegas time) but if not then, on the next succeeding business day, (b) sent by telecopier (with written confirmation of receipt), or (c) the next business day, if sent by a nationally recognized overnight delivery service for next business day delivery, in each case delivered or addressed (x) to Optionee at the address and telecopier number set forth below such Optionee's name on Appendix I attached hereto or at the most recent address and telecopier number specified by the party through written notice under this provision and (y) to the Dynasty at its principal executive offices.

The parties hereby execute this Agreement as of the first date set forth above.

DYNASTY DEVELOPMENT GROUP, LLC

By: [Signature]

Its: MANAGER

PHOENIX LEISURE CORPORATION

By: [Signature]

Its: [Signature]

See Next Page
MICHAEL CURE
CURE LAND CO.

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The parties hereby execute this Agreement as of the first date set forth above.

DYNASTY DEVELOPMENT GROUP, LLC

PHOENIX LEISURE CORPORATION

By: _____

By: _____

Its: _____

Its: _____


MICHAEL CURE
CURE LAND CO.

NOTE 10

DYNASTY DEVELOPMENT GROUP, LLC

F. CLIFF MC CARLIE

(DOCUMENTATION FOLLOWING)

**Eric L Nelson Nevada
Trust**

3611 S. Lindell Rd. Ste. 201
Las Vegas, Nevada 89134
(702) 362-3030 Phone
(702) 227-0075 Fax

November 25, 2008

Clifford McCarlie
222 Felicity
Bay St. Louis, MS 39520

Dear Cliff:

Attached is the most recent information on transactions that have affected your points since the date of your Optionee Agreement. This includes the latest sale of .122% net points for \$10,000 (\$5,000 was applied to the loan and \$5,000 was wired to you on 10/2/08).

To this date your interest and loan is as follows:

\$ 350,000 Capital Account balance
50% Dynasty's management fee from Silver Slipper (after all expenses have been reimbursed) ✓ *10/2/08*
10.019% Ownership in Dynasty's ownership in Silver Slipper
\$32,700.00 loan due to Eric L Nelson Nevada Trust

It is Eric's understanding that the remaining funds in your Capital Account have been pledged by you to other parties however, that is your agreement with the parties and Eric's agreement is only with you.

Please discuss with Eric if you have any questions. Your signature below is required.

Sincerely,

Lana Martin
Accounting Manager

UNDERSTOOD AND AGREED:


Clifford McCarlie

UNDERSTOOD AND AGREED:


Eric L. Nelson

October 10, 2007

To: Cliff McCarlie

RE: Dilution points to Dynasty Development Group, LLC as demanded by Lender/Silver Slipper to do deal itself.

Required by:	What:	When:	Dilution
(1) Lender	13.5 Warrants	11-22-04	13.5%
(2) Lender/Silver Slipper	\$50,000 Cash	12-15-04	1%
(3) Lender	120 acres pledged (\$1,000,000 Value)	12-15-04	Waived
(A) Sold Dynasty	1% net points sold	1-24-05	1 Point
(4) Silver Slipper	\$600,000 from Capital Account	4-14-05	Waived 12%
(5) Lender	Warrants from 13.5% to 19%	4-14-05	6.36%
(6) Lender/Silver Slipper	5 pt. ownership reduction (5,000 Shares)	4/14/05	6.46%
(7) Silver Slipper	10% of Management Agreement x Value(400,000)	4-14-05	Waived 8%
(8) Lender/Silver Slipper	\$1,307,986.68 Cash Guaranteed	4-14-05	Pending 26%
(9) Eric/Cliff	Credit for 120 acres pledged	11-30-05	1.3205 Point
(B) Sold Dynasty	1% net points sold	5-6-06	1 Point
(10) Lender/Libra	Additional .5 pts to Libra	5-15-06	1.50%
(11) Lender/Silver Slipper	DDG funds #8 Cliff's portion (\$208,676.19) not funded	3-17-07	26%
(C) Sold Dynasty	.5% net points sold	5-29-07	.5 Point

- 1) Dilution Basis on (gross shares %) 100% not (86.5% or 81% without Warrants)
- 2) Dilution Formula: See Attached letter from Bingham McCutchen (29.62% + for 1,307,000)
 - > We have reduced the percentage of dilution to 2% per \$100,000 not funded.
- 3) Cash Call based on Gross (plus warrants)

Cliff/Gene:

\$500,000 Capital Account:
 3% Emerald Bay
 % 125 Acres
 50% Management fee - Less expenses

In the Event of Sale of Points or Etc.:

35% of money received will get credited to the balance of the approximate \$125,000, plus 12% interest.

Recap:

CLIFF		GENE	
Jobs	300,000		360,000
Insurance	X		
Points	X		
Capital Account	X		
Mgmt Fee	X		
% Land	X		
% 125 acres	X		

* In order not to be diluted on 3/17/07, the call amount was $9.93\% \times 1,307,986.68 = \$129,883.08$

Dynasty 4/6.170

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4035
2. Dilution/Capital Calls. Further, each Optionee acknowledges and understands that Silver Slipper has or will deliver one or more Warrants to DDJ Capital Management, LLC in connection with financing for its casino operations (the "Warrant"), which Warrant provides for the issuance of 13.5 % of the LLC Interest in Silver Slipper on a fully diluted basis and that the Dynasty Interest is subject to dilution in connection therewith. It is agreed and understood that the Options granted hereunder consist of a profits interest that is derivative of the Dynasty Interest (and not a direct interest in Silver Slipper), therefore, any dilution of the Dynasty Interest will necessarily and proportionately dilute any profits interest that is the subject of the Options granted herein. In addition, while each Optionee hereunder is not a direct unitholder in Silver Slipper, its profits interest is subject to further dilution in the event any capital calls by Silver Slipper pursuant to the Operating Agreement are not fully funded by each of the Optionees and

Dynasty, in proportion to their respective percentage interests. In the event Dynasty funds any capital call by Silver Slipper on behalf of any Optionee, such non-paying Optionee shall be proportionately diluted *vis a vis* the other Optionees and Dynasty.

3. Gaming Limitations. Notwithstanding anything herein to the contrary, the grant of the Options herein; and the exercise of any such Options is expressly subject to any prior approval, and required licensure or other finding of suitability, qualification or other affirmative determination of acceptance by any and all applicable regulatory and licensing agencies in any jurisdiction where the Silver Slipper conducts or proposes to conduct business ("Gaming Authorities"), pursuant to any applicable gaming laws (defined below), and any other applicable law, rule or regulation. Any action, transfer, payment of any obligation or the like without compliance with any applicable gaming law and/or requirement of any applicable Gaming Authority shall be null and void *ab initio*.

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5. Option Term. Subject to the Gaming Limitation, the option granted to each Optionee under paragraph 1 will be exercisable from and after the date of execution and delivery of the Operating Agreement until the earlier of: (i) such time as Dynasty no longer holds any interest in the LLC Interests; (ii) the failure of such Optionee to obtain a corporate or personal (as applicable) finding of suitability (or other form of approval under applicable laws with respect to ownership and operation of gaming enterprises), within the sooner of (x) 18 months following the filing of such Optionee's application for such form of approval and (y) the furthest date permitted by the Mississippi Gaming Control Act of 1990, as amended, or the regulations, policies or order of the Mississippi Gaming Commission (the "Gaming Laws"); or (iii) the day immediately prior to the sale of all or substantially all of the ownership interests, assets or business, or the liquidation, dissolution or other winding-up, of Silver Slipper. Dynasty shall use its reasonable efforts to give notice to each of the Optionees of the happening of any of the events listed in clauses (i) or (iii) above promptly upon becoming aware of the happening of any such event, and Optionee shall keep Dynasty informed and promptly update Dynasty with respect to the application for, and developments in the obtaining of, a corporate or personal (as applicable) finding of suitability for such Optionee.

6. Option Exercise. Each Optionee may exercise the Option granted under paragraph 1 solely as to such Optionee by delivering to Dynasty at any time prior to the expiration of the option term: (i) written notice of such Optionee's intent to exercise and (ii) evidence satisfactory to Dynasty in its sole discretion of compliance with any and all applicable Gaming Laws, and required of any applicable Gaming Authority, including a finding of suitability, whether corporate or personal, or other equivalent form of approval, under the Gaming Laws. Such notice of exercise shall be deemed effective as of the date received by Dynasty as determined in accordance with the notice provisions hereof.

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9. No Rights of Ownership Prior to Exercise/Derivative Nature of Rights. No Optionee shall have any rights or benefits of ownership, including voting rights and participation rights, with respect to the LLC Interests or the Dynasty Interest therein solely by virtue of this Agreement. Upon exercise, the Optionee's rights shall be limited to a profits interest in the Dynasty Interest, and shall be enforceable solely against Dynasty. Optionee shall have no direct rights *vis a vis* Silver Slipper or the Operating Agreement. Such rights shall be vested solely and exclusively in Dynasty, and Optionee's rights shall be derivative of Dynasty's rights as a direct unitholder in Silver Slipper.

10. Option Right Personal to Optionee. The Option granted under paragraph 1 is personal to the Optionee, and may not be sold, assigned, transferred, pledged, hypothecated, encumbered or otherwise disposed of without the prior written consent of Dynasty (which approval may not be unreasonably withheld); and provided, such transferee, etc. agrees in writing to be bound by the terms of this Agreement, and any applicable provision of the Operating Agreement, the Loan Agreement and the Unitholders Agreement, and such transferee, etc. complies with any and all applicable gaming laws, and obtains any required approval by any applicable Gaming Authority.

11. Rights in LLC Interests Following Exercise. Upon exercise of the Option granted under paragraph 1, Optionee shall have a right to the profits percentage portion of the Dynasty Interest in the LLC Interests set forth on Appendix I attached hereto. Each Optionee acknowledges and agrees that the interest acquired upon such exercise shall (i) be a non-voting interest, (ii) not entitle Optionee to any credit in the capital accounts of Dynasty (a "profits interest only"), (iii) shall be net of any third party expenses incurred by Dynasty in connection with the Dynasty Interest, (iv) payable only after the return of all of Dynasty's capital contribution to Silver Slipper, (v) not provide any right to Optionee to appoint, or participate in or vote on the appointment of, any persons to the "Board of Managers" (as such term is defined in the Operating Agreement), (vi) not entitle Optionee to any rights as a "Major Investor" (as such term is defined in the Operating Agreement), (vii) require cooperation with, and be subject to a pledge in favor of one or more lenders to secure indebtedness or obligations of Silver Slipper or its subsidiaries, and to future pledges to secure same as requested by the Board of Managers from time to time, (viii) be subject to all of the other terms, conditions, rights and restrictions set forth in the Operating Agreement, the Unitholders Agreement, and the Loan Agreement, and (ix) be subject to pro-rata dilution from time to time pursuant to, among other things, the Warrant.

12. Covenants of Optionees. Promptly following the date hereof, each Optionee shall submit such applications and documentation as may be required by any applicable Gaming Authority under the Gaming Laws to obtain the approvals and authorizations required thereunder

as a prerequisite to such Optionee obtaining or exercising the rights contained herein.

13. Miscellaneous.

(a) This Agreement constitutes the entire agreement of the parties with respect to the matters set forth herein. Each Optionee is cognizant of, agrees to and recognizes that the option granted under paragraph 1 is intended to supersede and replace any and all prior promises or grants of options for the purchase of or participation in the ownership interests of Silver Slipper or the venture contemplated thereby. By execution hereof, each Optionee waives and releases any and all rights to any and all such previous promises or grants of options of any kind whatsoever, whether written or oral.

(b) This Agreement shall be governed by Nevada law (without regard to conflicts of laws principles) and may be executed in counterparts. Electronic transmission or other delivery of a copy of a party's signed counterpart constitutes that party's due execution and delivery of this Agreement.

(c) This Agreement and any provision hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement is sought.

(d) All notices and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt) if sent on a business day between the hours of 9:00 a.m. and 5:00 p.m. (Las Vegas time) but if not then, on the next succeeding business day, (b) sent by telecopier (with written confirmation of receipt), or (c) the next business day, if sent by a nationally recognized overnight delivery service for next business day delivery, in each case delivered or addressed (x) to Optionee at the address and telecopier number set forth below such Optionee's name on Appendix I attached hereto or at the most recent address and telecopier number specified by the party through written notice under this provision and (y) to the Dynasty at its principal executive offices.

The parties hereby execute this Agreement as of the first date set forth above.

DYNASTY DEVELOPMENT GROUP, LLC

By: 

Its: MANAGER

See Next Page
MICHAEL CURE
CURE LAND CO.

PHOENIX LEISURE CORPORATION

By: 

Its: 

as a prerequisite to such Optionee obtaining or exercising the rights contained herein.

13. Miscellaneous.

(a) This Agreement constitutes the entire agreement of the parties with respect to the matters set forth herein. Each Optionee is cognizant of, agrees to and recognizes that the option granted under paragraph 1 is intended to supersede and replace any and all prior promises or grants of options for the purchase of or participation in the ownership interests of Silver Slipper or the venture contemplated thereby. By execution hereof, each Optionee waives and releases any and all rights to any and all such previous promises or grants of options of any kind whatsoever, whether written or oral.

(b) This Agreement shall be governed by Nevada law (without regard to conflicts of laws principles) and may be executed in counterparts. Electronic transmission or other delivery of a copy of a party's signed counterpart constitutes that party's due execution and delivery of this Agreement.

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(d) All notices and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt) if sent on a business day between the hours of 9:00 a.m. and 5:00 p.m. (Las Vegas time) but if not then, on the next succeeding business day, (b) sent by telecopier (with written confirmation of receipt), or (c) the next business day, if sent by a nationally recognized overnight delivery service for next business day delivery, in each case delivered or addressed (x) to Optionee at the address and telecopier number set forth below such Optionee's name on Appendix I attached hereto or at the most recent address and telecopier number specified by the party through written notice under this provision and (y) to the Dynasty at its principal executive offices.

The parties hereby execute this Agreement as of the first date set forth above.

DYNASTY DEVELOPMENT GROUP, LLC

PHOENIX LEISURE CORPORATION

By: _____

By: _____

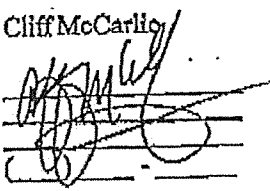
Its: _____

Its: _____


MICHAEL CURE
CURE LAND CO.

11-28-04

APPENDIX I

<u>Name and Address of Optionee</u>	<u>Percentage Portion of the Dynasty Interest</u>	<u>Percent Portion of the LLC Interests</u>	<u>Option Price</u>
Cliff McCarlin 	17.70%* *(Calculated as 20% of the Dynasty Interest after subtracting the Cure option)	8.459532%	\$10.00

↖ *

Handwritten calculations:

$$\begin{array}{r}
 40.31 \\
 17.71 \\
 \hline
 40.31 \\
 2821.70 \\
 2821.700 \\
 4031.000 \\
 \hline
 71389.00 \\
 -1. \\
 \hline
 61388
 \end{array}$$

Dyn.
~~Corp.~~
Partners

CLIFF MC CARLIE
DYNASTY DEVELOPMENT GROUP OPTION EQUIVALENTS TO CASH/EQUITY CONTRIBUTIONS

- (1) 11/22/2004 Upon signing of Optionee Agreement

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG		SS	
W/13.5%	W/O 13.5%	W/ 13.5%	W/O 13.5%
17.700	15.311	8.250	7.136

- (2) 12/15/2004 \$50,000 capital contribution by Dynasty to Silver Slipper

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG		SS	
W/13.5%	W/O 13.5%	W/ 13.5%	W/O 13.5%
17.523	15.157	8.167	7.065

- (3) 12/15/2004 120 Acres pledged (\$1,000,000 value)

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG		SS	
W/13.5%	W/O 13.5%	W/ 13.5%	W/O 13.5%
17.523	15.157	8.167	7.065

WAIVED

- (A) 1/24/2005 Sold 1% net points

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG		SS	
W/13.5%	W/O 13.5%	W/ 13.5%	W/O 13.5%
15.043	13.012	7.012	6.065

- (4) 4/14/2005 2nd Amended Operating Agreement-\$600,000 reduction in Dynasty's capital in Silver Slipper

DDG'S OWNERSHIP IN SS	
WITH 13.5% WARRANTS	W/O 13.5% WARRANTS
46.610	40.318

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG		SS	
W/13.5%	W/O 13.5%	W/ 13.5%	W/O 13.5%
15.043	13.012	7.012	6.065

WAIVED 12% DILUTION

- (5) 4/14/2005 2nd Amended Operating Agreement- Warrants increased to 19% from 13.5%

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
46.610	37.754

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG		SS	
W/19%	W/O 19%	W/ 19%	W/O 19%
15.043	12.185	7.012	5.679

- (6) 4/14/2005 2nd Amended Operating Agreement-Ownership decreased 5 points (5,000 shares B Stock)

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.316

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG		SS	
W/19%	W/O 19%	W/ 19%	W/O 19%
15.043	12.185	6.559	5.313

- (7) 4/14/2005 2nd Amended Operating Agreement-Mgmt Fee Reduced 10% (400,000 value)

WAIVED 8% DILUTION**

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.316

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
15.043	12.185	6.559	5.313

- (8) 4/14/2005 2nd Amended Operating Agreement-\$1,307,986.68 Cash Guarantee

PENDING 26% DILUTION IF NO CONTRIBUTION

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.316

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG W/19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
15.043	12.185	6.559	5.313

- (9) 11/30/2005 Credit given for partial ownership in pledged 120 acres

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.316

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG W/19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
18.765	15.216	8.190	6.634

- (B) 5/6/2006 Sold 1% net points

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
43.600	35.316

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG W/19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
15.954	12.923	6.956	5.634

- (10) 5/15/2006 3rd Amended Operating Agreement-.5% (500 shares) to Libra Securities

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.815

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
15.954	12.923	6.857	5.554

- (11) 3/17/2007 \$1,307,986.68 Capital call paid by Dynasty to Silver Slipper

DILUTION 26%

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.815

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
11.806	9.583	5.074	4.110

- (C) 5/29/2007 Sold .5 net points

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.815

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
10.370	8.400	4.457	3.610

- (D) 10/1/2008 Sold .122 net points

DDG'S OWNERSHIP IN SS	
WITH 19% WARRANTS	W/O 19% WARRANTS
42.982	34.815

MC CARLIE'S OWNERSHIP IN DDG AND SS			
DDG W/ 19%	DDG W/O 19%	SS W/ 19%	SS W/O 19%
10.019	8.115	4.306	3.488

NOTE 10

DYNASTY DEVELOPMENT GROUP, LLC G.SILVER SLIPPER

(DOCUMENTATION IN SEPARATE EMAIL FROM ROCHELLE
SHOWING DISTRIBUTIONS REQUESTED FROM FUNDS TO
THE COURT)

NOTE 12

DYNASTY
DEVELOPMENT
GROUP, LLC
A. GREENVILLE
ENTERTAINMENT, LLC.

(DOCUMENTATION FOLLOWING)

GREENVILLE ENTERTAINMENT LLC,
A DELAWARE LIMITED LIABILITY COMPANY

August 27, 2009

Hideaway Casino, LLC
Eric Nelson: Manager
3611 Lindell Road, Suite 201
Las Vegas, Nevada 89103

Re: Note from Greenville Entertainment LLC to Hideaway Casino LL

Dear Eric:

Under cover of this letter please find: (i) Notice to Pay dated August 27, 2009, pursuant to Section 3 of that certain Definitive Investment Agreement, and (ii) a worksheet that shows the loan amount outstanding, principal and interest, through November 28, 2009.

Based on the monies advanced and the monies received, the balance on November 28, 2009, will be \$3,533,199.81. I used this date since it is the last day of the 90 ninety day period after the date of the Notice to Pay.

Section 3 states in part: "However, in the event Hideaway LLC has not received its license from the state of Mississippi Gaming Commission to operate as a casino owner and operator by September 30, 2007, then all principal and accrued interest under Phase One Funding, Phase Two Funding and Phase Three Funding, may at the option of Greenville Entertainment LLC become due and payable".

That date has come and gone long ago. I know you have tried to bring the project forward and I have been patient for as long as I can be. It is unfortunately no longer feasible for Greenville Entertainment LLC to continue in this transaction.

Sincerely,

GREENVILLE ENTERTAINMENT LLC, a
Delaware limited liability company

By: The Stephen A. Bieri Company, Inc., a
California corporation, Manager

By: 

Its: PRESIDENT

cc: Harold W. Duke, Esq.
Mr. Darryl O. Solberg
Ms. Joan Ramos

GREENVILLE ENTERTAINMENT LLC,
A DELAWARE LIMITED LIABILITY COMPANY

August 27, 2009

Hideaway Casino, LLC
Eric Nelson: Manager
3611 Lindell Road, Suite 201
Las Vegas, Nevada 89103

Re: Notice to Pay

Dear Eric:

Pursuant to Section 3 of that certain Definitive Investment Agreement dated for reference purposes as of December 15, 2006 ("Agreement"), the undersigned hereby delivers notice that it is exercising its right to demand payment of all accrued interest and unpaid principal pursuant to the Secured Promissory Note and Security Agreement of even date with the Agreement. Payment shall be due and payable on or before ninety (90) days after the date of this Notice to Pay.

If you have any questions, please do not hesitate to contact us.

Sincerely,

GREENVILLE ENTERTAINMENT LLC, a
Delaware limited liability company

By: The Stephen A. Bieri Company, Inc., a
California corporation, Manager

By: 
Its: PRESIDENT

cc: Harold W. Duke, Esq.
Mr. Darryl O. Solberg

NOTE 12

DYNASTY DEVELOPMENT GROUP, LLC B. HAROLD DUKE

(DOCUMENTATION FOLLOWING)

NOTE 12

HAROLD DUKE

The estimation of legal fees on the Hideaway case is approximately \$50,000 (no bills have been received recently)

Will provide ASAP

Exhibit 11.01.18

NOTE 13-14

BANONE,LLC

CAL NELSON

(DOCUMENTATION FOLLOWING)

9. On or about July 15, 2005, the parties hereto executed a memorandum of understanding regarding the rights and obligations of the parties pursuant to Exhibit "A". A copy of the memorandum of understanding dated July 15, 2005 is attached hereto and incorporated therein by reference as Exhibit "D". Simultaneous with execution of Exhibit "C", the Plaintiff tendered proceeds in the amount of \$334,000.00. By executing Exhibit "D" the parties thereto acknowledged that further payments pursuant to Exhibit "A" were suspended until the title to the subject property has "been cleared and is merchantable."

10. On or about April 20, 2006, the parties hereto executed a Non Alienation of Option Agreement by Either Party regarding the rights and obligations of the parties pursuant to Exhibit "A". A copy of the Non Alienation of Option Agreement by Either Party is attached hereto and incorporated herein by reference as Exhibit "E".

11. Between June 2007 and August 2009, the Plaintiffs made payments to the Defendant in the approximate amount of \$95,941.04, in reliance that the Defendants were moving toward correcting the various issues affecting merchantability of the title to the subject property.

12. On or about September 8, 2009, the Defendants provided a written notification to the Plaintiffs that they deemed Exhibit "A" to be terminated. A copy of the notification dated September 8, 2009 is attached hereto and incorporated herein by reference as Exhibit "F".

13. On or about January 20, 2010, an opinion was obtained from Schwartz, Orgler & Jordan, PLLC, identifying various issues that still remain with the title on the subject property wherein the title was not merchantable as of that date without filing a

complaint to cure various defects. A copy of the opinion is attached hereto and incorporated herein by reference as Exhibit "G".

BREACH OF CONTRACT

14. Paragraphs 1 through 13 are incorporated by reference as if fully recited herein.

15. Pursuant to Exhibit "A" the Defendants had a contractual obligation to provide a merchantable title to the Plaintiffs. As early as June 15, 2005, the Defendants were fully advised of the various defects in the title that precluded its merchantability.

16. Between May 7, 2004 and August 2009, the Defendants accepted payments in the approximate amount of \$479,941.04 from the Plaintiffs, while representing that they were correcting the title defects.

17. On September 9, 2009, the Defendants unilaterally declared that Exhibit "A" was terminated, asserting that the Plaintiffs breached the agreement.

18. The Plaintiff complied with Exhibit "A" and all written modifications thereto set forth above, and made additional good faith payments based upon representations of the Defendants that the title issues were being resolved.

19. The Defendants breached the contract by failing to "pursue diligently and in good faith all necessary filings and applications necessary to cure title.

DAMAGES

20. As a result of the Defendants intentional breach of the written agreements with the Plaintiff set forth above, the Plaintiff was damaged an amount in excess of \$479,941.04.

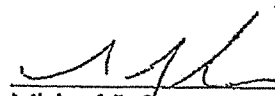
WHEREFORE, PREMISES CONSIDERED, the Plaintiff respectfully requests that this Court enter Judgment against the Defendants in an amount to be proved at trial, plus pre-judgment interest, post-judgment interest, attorneys' fees, costs and whatever other relief this Court deems appropriate.

RESPECTFULLY SUBMITTED, this 15th day of April, 2010.

K&A Enterprises of Mississippi, LLC,
Plaintiff

BY: The Casano Law Firm, P.A.

BY:


Michael J. Casano

Michael J. Casano, MB#10085
The Casano Law Firm, P.A.
4370 Leisure Time Drive
Diamondhead, Mississippi 39525
Telephone No.: (228) 255-0035
Facsimile No.: (228) 255-0078

2009 12370

Recorded in the Above

Ord. Book & Page

10-12-2009 01:11:45 PM

Timothy A Keller

Hancock County

OPTION AGREEMENT FOR PURCHASE OF REAL ESTATE

THIS AGREEMENT is entered into on this 2nd day of May, 2004 by and between K & A Enterprises, L.L.C. on the one hand (hereinafter referred to collectively as Optionees) and Phyllis Maness and James A. Maness, of Lakeshore, Mississippi on the other hand (hereinafter collectively referred to as Optionors). All parties are of full age of majority and competent to enter into this agreement.

Option Regarding the Main Property. Optionors grant unto Optionees, for a period of One (1) calendar year from date recited in the previous paragraph, an OPTION to PURCHASE the following described real property situated in Hancock County, Mississippi according to a survey produced by Duke Levy and Associates, P.A., Consulting Engineers, Waveland, MS 39576, State of Mississippi Registered Land Surveyor number 1722, on 08 April, 2002, attached to this option as Exhibit "A", and more fully described as:

(1) Lots 13, 14, 15 and 16, Block 110, GULFVIEW SUBDIVISION, Lakeshore, Hancock County Mississippi;

(2) Beginning at a stake set 127 feet North and 236 feet East of the Southwest corner of Block 110 of GULFVIEW SUBDIVISION and running thence

South 55 degrees West 150 feet to a stake; thence
South 35 degrees East 150 feet to a stake; thence
North 55 degrees East 150 feet to a stake; then
North 35 degrees West 150 to the Place of Beginning;

(3) A strip of land between parallel lines 40 feet apart running South 35 degrees East 350 feet, more or less, the Southwesterly line of which is a continuation of the Southwesterly line of the above described property; said strip of land extending from the Southeasterly Right-of-Way line of Front Street, also known as Beach Boulevard;

Option Regarding the Adverse Possession Property. The parties to this agreement mutually acknowledge that Optionors have filed and are presently maintaining an action for adverse possession in the Chancery Court of Hancock County, Docket No. 2003-485, styled *Maness, et al. v. Dynasty, Inc., et al.* They also acknowledge that the outcome of that action is uncertain, but that they mutually intend this option to include

EXHIBIT

"A"

Page 1 of 5

AAPP 6892
DG-00343

whatever interest the Optionors acquire by virtue of that action in the property that is the subject of that action. However, Optionors do not represent, guarantee, or warrant that they now have or will acquire an interest in such property. To the extent that Optionors are successful in the action, and in addition to the property described above, this option shall also cover the following described parcels indicated on the aforesaid survey of Duke Levy and Associates, P.A., to the extent of Optionor's interest in such parcels at the time the option is exercised.

(4) Parcel "A". A parcel of land situated in part of Blocks 110 and 111, GULFVIEW SUBDIVISION, Hancock County Mississippi and being more fully described as follows: Parcel "A" Commencing at the SE Corner of lot 16, BLK 110, GULFVIEW S/D, Lakeshore, Hancock County, MS; thence S 89 degrees 44'57" W 115.16' to the P.O.B.; thence S 27 degrees 23'09" W 121.75' to a point; thence N 35 degrees 02'37" W 92.56' to a point; thence N 53 degrees 33'25" W 56.51' to a point; thence N 89 degrees 44'57" E 62.55' to the P.O.B., containing 5,985 S.F. of land, more or less;

(5) Parcel "B". A parcel of land situated in part of Blocks 110 and 111, GULFVIEW S/D Lakeshore, Hancock County MS and being more fully described as follows: Commencing at the SE corner of lot 16, BLK 110, GULFVIEW S/D, Lakeshore, Hancock County, MS; thence S 89 degrees 44'57" W 295.06' to the P.O.B; thence S 35 degrees 00'00" E 148.12' to a point; thence N 53 degrees 59'00" W 233.03' to a point; thence N 47 degrees 15'10" E 76.32' to a point; thence S 35'00" E 82.52' to the P.O.B., containing 8,722 S.F. of land more or less; and

(6) Parcel "C". A parcel of land situated in part of Blocks 110 and 111, GULFVIEW S/D, Lakeshore, Hancock County MS, and being more fully described as follows: Commencing at the corner of lot 16, BLK 110, GULFVIEW S/D, Lakeshore, Hancock County MS; thence S 89 degrees 44'57" W 177.71' to a point; thence N 53 degrees 33'25" E 53.51' to a point; thence N 34 degrees 55'41" W 116.96' to P.O.B.; thence continue N 34 degrees 55'41" W 33.26' to a point; thence N 54 degrees 53'10" E 23.10' to a point; thence S 00 degrees 15'03" E 40.50' to the P.O.B., containing 384 S.F. of land, more or less.

All of the property described above is part of Block 110 and 111 of GULFVIEW SUBDIVISION, Hancock County Mississippi according to the official plat of said subdivision on file in the offices of the Clerk of the Chancery Court of Hancock County Mississippi. It is intended that this sale includes all property owned by the optionors in Block 110 and 111 of Gulfview Subdivision.

Consideration. As consideration for this option, Optionees agree to pay Optionors \$50,000.00, which shall be non refundable, and payable upon the execution of this instrument. Signatures of the Optionors affixed to this document attest to the payment, sufficiency, and receipt of the Option Fee. *If check of option fee not clear, agreement is null and void until this does.*

Expiration Date and Conversion to Agreement to Purchase. This option may be exercised by giving notice to the Optionors on or before one year from the date of this option agreement (the "Expiration Date"). Upon the exercise of this option, this option shall be deemed an enforceable agreement by Optionees to purchase real property.

Title Examination; Notice of Title Defects. Title examination shall be at the expense of Optionees who shall have until the Expiration Date to notify the Optionors with particularity of any defects rendering the title unmerchantable. If the Optionees fail to notify the Optionors of title defects on or before the Expiration Date, the Optionees shall be deemed to have waived any title defect.

Cure of Title Defects. Optionors shall have thirty (30) days from notice by the Optionees of any title defects to cure such defects, unless curative measures require action by a public entity or a court of law. In that event, the thirty (30) day limit shall not apply, but Optionors shall be obligated to pursue diligently and in good faith all necessary filings and applications necessary to cure title.

Closing. The closing shall take place within sixty (60) days from the date of exercise of this option at a time and place to be determined by mutual agreement. In the absence of agreement, the closing shall take place on the property at 9:00 a.m. on the sixtieth (60th) day following the exercise of this option, unless that day is a Sunday. In that case, closing shall take place on the Monday following. Taxes and assessments for the current year and any rentals under existing leases and tenancies shall be pro-rated between the parties as of the date of closing. In the event that curative measures regarding title defects require action by public entities or a court of law, the time period for closing shall extend until 30 days after Optionors secure the necessary actions by the appropriate public entities or court of law.

Price and Terms. Optionees may acquire the above described real property and all of the improvements, rights, servitudes and other amenities associated with said real property for the price and sum of One Million (\$1,000,000.00) Dollars, payable to Optionors (or to designees or assignees of their choosing) as follows:

- 1) First sale price payment, at the time this Option is exercised: \$333,333.00
- 2) Second sale price payment due at the earliest of the following: (a) the time that interim or construction financing is funded; (b) when construction is started;

or (c) two years after the exercise of this Option): \$333,333.00 plus simple interest from date of exercise of Option at the rate of 1% over the earliest prime rate published in a calendar year by the Federal Reserve, which shall apply for the entire calendar year in which it was published.

3) Third sale price payment shall be due at the earliest of (a) when construction is started; (b) when permanent financing is closed; or (c) two years after the date of the second payment. The third and final payment to be, at the Optionors' option. The third payment shall (at Optionors' election) be either \$333,334.00 or the conveyance to Optionors (or designees or assignees of their choosing) of a condominium unit of their choice in any project developed on the site. If optionors decide to purchase a two or three bedroom unit, it is understood that optionors must cooperate with optionees to allow for the construction loan or other financing in order to build the structure. In the event sellers elect to receive the last payment in cash, the payment shall include simple interest from date of exercise of this Option at the rate of 1% over the earliest prime rate published in a calendar year by the Federal Reserve, which shall apply for the entire calendar year in which it was published. If the site is not developed into condominiums, then optionors agree that they will be paid \$333,334.00.

Passing of Title and Cooperation Clause. In the event this Option is exercised by Optionees, fee simple title to the described real estate shall not pass to the Optionees until the final sale price payment is made.

Optionors' obligation under this paragraph does not include any assurance or guarantee as to the outcome of any approval for financing, permits, or any related authorizations; nor does it include an obligation for Optionors to guarantee any loan for the benefit of Optionees; nor does it include an obligation for Optionors to subordinate any interest they may have in the real property (or in instruments, obligations, or choses in action related to it) to the interests of Optionees, their lender, their creditors, or their business associates.

Choice of Law and Forum. This Option Agreement shall be governed by Mississippi law. The parties agree that any dispute regarding this Agreement or the property to which it pertains shall be brought in state court in Hancock County, Mississippi, and the parties agree that they will waive any objection to personal jurisdiction or venue in such court. Further, the parties waive any right they may have (whether individually or jointly) to remove any action initially brought in state court to federal court.

This Option Agreement was entered into and executed on this 7th day of May, 2004 in our presence and in the presence of the undersigned competent witnesses.

WITNESSES:

Phyllis Maness
PHYLLIS MANESS

James A. Maness
JAMES A. MANESS

K. & A Enterprises, L.L.C. by:

Arthur Geary
ARTHUR GEARY

Lester Waldmann
LESTER WALDMANN

Optionee, its lenders, its creditors, or its business associates. To this end, at the time of closing, Optionors may reasonably require the protection of the interests that they retain in the property prior to title passing to Optionee by appropriate instruments, business entity resolutions, or the like filed in the land records of Hancock County.

~~Choice of Law and Forum. This Option Agreement shall be governed by Mississippi law. The parties agree that any dispute regarding this Agreement or the property to which it pertains shall be brought in state court in Hancock County, Mississippi, and the parties agree that they will waive any objection to personal jurisdiction or venue in such court. Further, the parties waive any right they may have (whether individually or jointly) to remove any action initially brought in state court to federal court.~~

Addendum To Contract
Execution by Optionors: This Option Agreement was entered into and executed on this 7th day of May, 2004 in the presence of all signatories to this instrument and in the presence of the undersigned competent witnesses.

WITNESSES:

Phyllis Maness
PHYLLIS MANESS, Optionor
James A. Maness
JAMES A. MANESS, Optionor

Execution by Optionee: This Option Agreement was entered into and executed on this 7th day of May, 2004 by the above named Optionee, acting by and through the following persons, who hereby certify and warrant that they are authorized to act on behalf of Optionee, in the presence of all signatories to this instrument and in the presence of the undersigned competent witnesses.

WITNESSES:

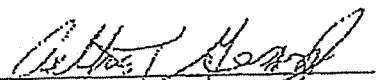
Arthur Gear
ARTHUR GEAR
Lester Waldmann
LESTER WALDMANN

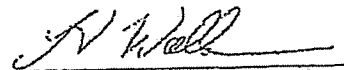
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Deed Book & Page


State of Mississippi

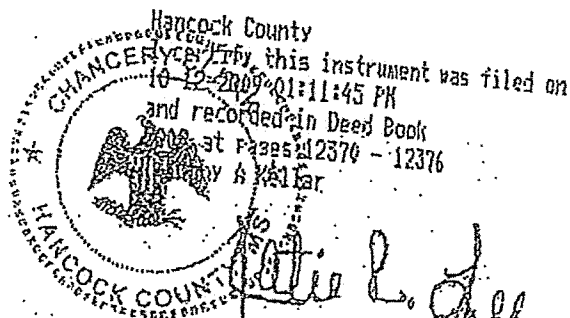
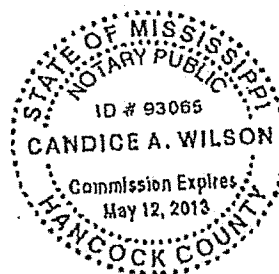
County of Hancock

Personally came and appeared before me, the undersigned authority in and for the aforesaid County and State on this the 7th day of October, 2009, within my jurisdiction, the within named Arthur Geary and Lester Waldmann, who acknowledged that they are members of K&A Enterprises of Mississippi, LLC, a Louisiana Limited Liability Company (improperly identified as K&A Enterprises, LLC) and that for and on behalf of said company, and as its act and deed they executed the above and foregoing instrument on May 7, 2004, after first having been duly authorized so to do.


Arthur Geary, as Member of
K&A Enterprises of Mississippi, LLC


Lester Waldmann, as Member of
K&A Enterprises of Mississippi, LLC


Notary Public
My Commission Expires:



NOTICE OF EXERCISE OF OPTION

Please be advised that Arthur Geary and Lester J. Waldmann hereby give Notice to Phyllis and Jim Manness that they hereby exercise their option to purchase the property owned by the Manness' in Lakeshore Mississippi comprising approximately of two (2) acres on the beach front. The purchases will be with Arthur Geary and Lester J. Waldmann or K & A Enterprise of Mississippi, LLC.

Attached hereto is a Memorandum of Issues which is attached hereto to Notice.

As we have discussed there remains a cloud on the title caused by Erik Nelson's inclusion of this property in certain transactions between his related companies. Notice is hereby given that this may cause a cloud on the title that needs to be cleared before this property can be merchantable. All parties agree that they will work together towards clearing the title to this property.


Lester J. Waldmann

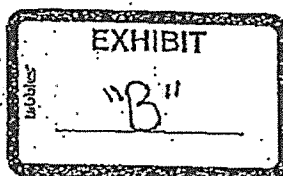
Date: 4/14/05


Arthur Geary

Date: 4/25/05

James G. Manness
Phyllis Manness

4/26/05
4/26/05



MEMORANDUM OF ISSUES TO BE RESOLVED

1. The Optionees intend to exercise the option and provide written notice to the Optionors indicating place, time, and date of closing.
2. A large portion of the property which Manus claims to own and sell is believed to be claimed by entity controlled by Eric Nelson. If this true, then Manus needs to cure the title prior to a closing and the option agreement needs to be extended until the litigation is resolved.
3. If the litigation is resolved adverse to Manus, can the Optionees expect a refund of their \$50,000.00 option purchase price.
4. Is it clear that the closing can take place 60 days after the date of notice of intent to exercise the option. In other words, can closing occur under the terms of the existing document one year and 60 days after May 7, 2004.
5. Do both parties agree and understand that the "first sale price payment of \$330,333.00 is to be delivered at time of closing".
6. Do both parties agree and understand that the existing litigation is a title defect.
7. The Optionees would like to receive a deed at closing and give back the Optionors a Deed of Trust.
8. Both parties agree and understand that the Optionees in any event will take possession of the property from and after the closing date.
9. What insurance does Mr. Manus currently have the campground and what insurance does Mr. Geary need to obtain in order to continue operate the campground.
10. Mr. Geary needs to calculate the interest rate as he understands the interest rate language on page 4 of 5 and have both parties agree that is the interest contemplated by the agreement.
11. Does Mr. Manus agree that in the event the lawsuit with Eric Nelson results in Mr. & Mrs. Manus owning substantially less than the property described in 1, 2, and 3, on page one, that the Optionees are entitled to return of their \$50,000.00.

consideration to purchase the option. Does Mr. Manus know if Eric Nelson has filed a Lis Pendens Lien claiming an interest in the property described on page 1 as 1, 2, and 3.

12. It would be greatly Art's interest to convince Manus to provide him with a deed at closing and take back a Deed of Trust.

13. The pressure Art may be able to play on Manus would be that Manus has a real problem with this existing lawsuit and Art wants to ride the case with Manus and get the matter resolved dispute the extensive delay that may be caused by the lawsuit and therefore Manus doesn't have to return the \$50,000.00 in the near future.

GILLESPIE TITLE COMPANY

2416 14TH STREET, GULFPORT, MS 39501

Phone: 228-864-4542 Fax: 228-864-8464

amy@gillespietitle.com

June 15, 2005

Mr. Arthur Geary
Via Fax Transmission
504-948-3417

Re: Property of James A. and Phyllis L. Maness
Part of Blocks 110 and 111
Gulfview Subdivision, Hancock County, MS

Dear Mr. Geary:

At your request, I have made an examination of the land records with regard to the property which is owned by James and Phyllis Maness. I am writing you this opinion on the property which is owned in fee simple by James and Phyllis Maness and not on the status of the property that is the subject of the suit for adverse possession.

My initial examination of the property found that James and Phyllis Maness owned the following described property in fee simple:

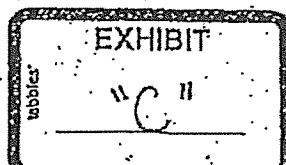
Lots 13, 14, 15, and 16, Block 110, Gulfview Subdivision, Lakeshore, Hancock County, Mississippi, as per map or plat of said subdivision on file in the Office of the Chancery Clerk of Hancock County, Mississippi.

Being the same property that was conveyed from Grace A. Ortiz to Gaston J. B. Gelis and Thelma L. Gelis, Husband and Wife, by deed dated August 7, 1978, and recorded among the Deed Records in the Office of the Chancery Clerk of Hancock County, Mississippi, on August 15, 1978, in Book AA-26 at Page 487.

And Also,

Beginning at a stake set 127 feet North and 236 feet East of the Southwest corner of Block 110 of Gulfview Subdivision and running thence South 55 degrees West 150 feet to a stake; thence South 35 degrees East 150 feet to a stake; thence North 55 degrees East 150 feet to a stake; thence North 35 degrees West 150 feet to the Place of Beginning.

Also a strip of land between parallel lines 40 feet apart running South 35 degrees East 350 feet, more or less, the Southwesterly line of which is continuation of the Southwesterly line of the above described property; said strip of land extending from the southeasterly right-of-way line of Front Street or Beach Boulevard.



Mr. Arthur Geary
June 15, 2005
Page 3 of 3

Board proceeded for the vacation of Walker Avenue requires that notice be published in the newspaper and no publication was recited within the document nor was there a proof of publication attached thereto. Therefore, it does not appear that the vacation of Walker Avenue was performed properly and should be corrected.

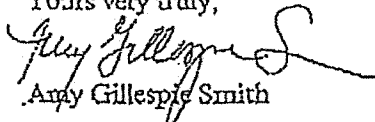
These are the two title issues that were raised upon investigation into the records concerning title to the Subject Property. These issues are further complicated by the fact that Dynasty and Maness are embroiled in a legal battle for the rights to adjacent properties.

Upon meeting with Victor Frankowitz and Joel Blackledge, legal counsel for Maness, it was determined that the suit for adverse possession should include a count for clearing the title issues or the court may not let an owner of the property re-try the title issues at a later time and also to have all matters resolved within the present cause of action. In addition, at the meeting Joel and Vic informed me that they would be postponing the original court date that was set for June, 2005 and continuing the case until such time as all matters can be tried together with the adverse possession matter. The two problems on the title should be cleared in the suit for adverse possession to make this title marketable and insurable.

The timeline that was discussed was that the best case scenario was that the lawsuit would be tried by August 2005 with an appeal time period of six months to one year. The worst case scenario is that the lawsuit could take six months to one year to complete with an appeal period to extend to two years.

In conclusion, it is my opinion that in light of the title problems that exist on the Subject Property you will not be able to obtain a loan on the property nor be able to obtain title insurance without exceptions on the Subject Property. In order to have a title insurance company insure the Subject Property without exception to the two items mentioned herein the title must be cleared and this can be handled within the litigation for adverse possession.

Yours very truly,


Amy Gillespie Smith

July 13, 1967

Mrs. Phyllis Maness
Mr. James Maness
Lakeshore, Mississippi

Re: Acquisition of property, Lakeshore, Mississippi pursuant to Option Agreement

Dear Mr. and Mrs. Maness:

In connection with the payment of the purchase price installment of today's date, we wanted to memorialize some of the items we had spoken of regarding our acquisition of the property

- 1) In lieu of the lack of clear title to the property located in Lakeshore, MS. owned by Mr. James and Phyllis Maness, all parties to the original contract, K and A Enterprises in Mississippi, Jim and Phyllis Maness, Arthur Geary, Lester Waldman and all successor entities of any and all of the above, have agreed that all interest payments will be suspended until the title of the property in question has been cleared and is merchantable.

It is understood that this matter is in litigation and at this time there is no merchantable title

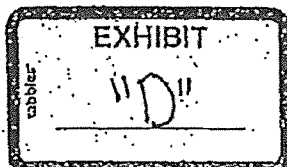
- 2) All parties agree that the second installment on the Option - Sale amounting to \$334,000 is suspended until the date that the title is clear and merchantable. The two (2) year period then commences from that date, forward, for the second installment.
- 3) The Manesses may stay and collect all rents during the pendency of the litigation to clear the title. They remain in the house, located on the premises, rent-free, during this period of time. Once the title is cleared, the Manesses will have an additional six (6) months to obtain another dwelling. Purchasers agree that the Manesses may stay on the premises until such time as the development dictates that they must move. These issues may be further amended, depending on the progress of the development.

We trust this accurately reflects our agreements. Please let us know immediately if the wording does not completely address our discussions.

With kindest regards,

Arthur Geary

Lester A. Waldman



Non Alienation of Option Agreement
By Bitter Party

Personally came and appeared

James and Phyllis Maness,
Lester J. Waldmann, and,
Arthur Geary, K & A Enterprises, LLC

who did depose and say that as an addendum to the original option agreement all parties hereby agree that James Maness and Phyllis Maness and their heirs, assigns, and other related parties do hereby agree that they will not sell, transfer, or otherwise alienate to third parties their option agreement or interest therein to any party whatsoever. Should it become necessary for whatever reason to amend, supplement or otherwise affect a transfer of the option agreement, all parties, Arthur Geary, Lester J. Waldmann, K & A Enterprises of Mississippi, LLC, James and Phyllis Maness do acknowledge their willingness to execute whatever agreement may be necessary at that time. Furthermore, Arthur Geary, Lester J. Waldmann, K & A Enterprises of Mississippi, LLC, agree not to alienate their interest in the option agreement to any third parties, heirs or assigns. Furthermore, all parties at this time specifically agree not to transfer any rights existing between them, their heirs, or assigns to Eric Nelson, Silver Slipper Casino, or any entities, assigns, or related parties.

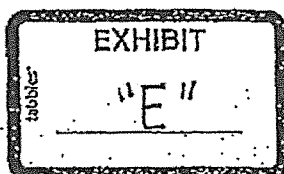
This done and signed on the 20th day of April, 2006

James A. Maness
James Maness

Phyllis L. Maness
Phyllis Maness

Lester J. Waldmann
Lester J. Waldmann

Arthur Geary
Arthur Geary



James A. Maness

Phyllis L. Maness

1733 ARRINGTON ROAD
COLLEGE STATION, TEXAS 77845
CELL 228-380-3809

September 8, 2009

Mr. Lester Waldman
301 Huey P. Long Avenue
Gretna, Louisiana 70053

Via: Certified Mail-Return Receipt Requested
Item Number: 7009 0820 0001 2904 3663
and United States Postal Service

Mr. Arthur Geary
107 Courtenay Avenue
Pass Christian, Mississippi 39571

Via: Certified Mail-Return Receipt Requested
Item Number: 7009 0820 0001 2904 3656
and United States Postal Service

K and Enterprises, LLC.
In Care of: Mr. Lester Waldman
301 Huey P. Long Avenue
Gretna, Louisiana 70053

Via: Certified Mail Return Receipt Requested
Item Number: 7009 0820 0001 2904 3649
and United States Postal Service

Re: (A) OPTION AGREEMENT FOR PURCHASE OF REAL ESTATE
(B) Management Contract - Lands/Campground described in above contract

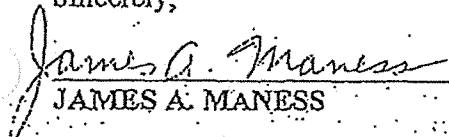
Gentlemen:

Please be advised that due to your failure to comply with the terms and conditions of the above referenced Option Agreement for Purchase of Real Estate dated May 7, 2004 the same is hereby terminated. Further, the "Management Contract" which we entered for your operation of the property and associated maintenance of the property including the collection of rents is hereby terminated. We regret that your failure to perform has caused this action. All defenses to the contract are hereby reserved, but this action is based primarily upon your failure to remit funds (including but not limited to interest fund payments) in a regular and timely manner as required.

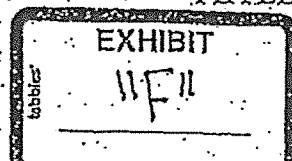
Please provide a complete accounting of all funds received pursuant to the management activities and remit unto the undersigned the appropriate share of funds received.

If you have any questions, please contact our attorney, Mr. Wayne Woodall, in Gulfport.

Sincerely,


JAMES A. MANESS

PHYLLIS L. MANESS



SCHWARTZ, ORGLER & JORDAN, PLLC
15487 Oak Lane Drive, Suite 200-1
P. O. Box 2408
Gulfport, Mississippi 39503
(228)832-8550
(228)832-8518(fax)

TO: Mr. Michael J. Casano, Esq.
Casano Law Firm, PA
4370 Leisure Time Drive
Diamondhead, MS 39525

CERTIFICATE OF TITLE

I, the undersigned attorney at law, do hereby certify that I have this date made a careful examination of the land records of Hancock County, Mississippi, as same pertain to the following described lands, to-wit:

Lots Thirteen (13), Fourteen (14), Fifteen (15), and Sixteen (16), Block One hundred ten (110), GULFVIEW SUBDIVISION, Lakeshore, Hancock County, Mississippi, as per map or plat of said subdivision on file in the Office of the Chancery Clerk of Hancock County, Mississippi.

Being the same property that was conveyed from Grace A. Orttie to Gaston J. B. Gellis and Thelma L. Gellis, husband and wife, by deed dated August 7, 1978, and recorded among the Deed Records in the Office of the Chancery Clerk of Hancock County, Mississippi, on August 15, 1978, in Book A-26 at page 487.

And Also

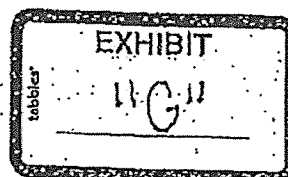
Beginning at a stake set 127 feet North and 236 feet East on the Southwest corner of Block One hundred ten (110) of GULFVIEW SUBDIVISION, and running thence South 55 degrees West 150 feet to a stake; thence South 35 degrees East 150 feet to a stake; thence North 55 degrees East 150 feet to a stake; thence North 35 degrees West 150 feet to the Place of Beginning.

Also a strip of land between parallel lines 40 feet apart running South 35 degrees East 350 feet, more or less, the Southwesterly line of which is a continuation of the Southwesterly line of the above described property; said strip of land extending from the Southeasterly right-of-way line of Front Street or Beach Boulevard.

Being part of Block One hundred ten (110) and One hundred eleven (111) of GULFVIEW SUBDIVISION, Hancock County, Mississippi, according to the official plat of said subdivision on filed in the Office of the chancery Clerk of Hancock County, Mississippi.

Being the same property that was conveyed from Maurice J. Caillouet and Winnie B. Caillouet, husband and wife, to Gaston J.B. Gellis and wife, Thelma L. Gellis by deed dated October 1, 1971, and recorded among the Deed Records in the Office of the Chancery Clerk of Hancock County, Mississippi on October 5, 1971, in Book W-0, Page 126-127.

Together with all and singular the rights, privileges, improvements and appurtenances to the same belonging or in anywise appertaining. ("The Subject Property")



My title examination covered the period from January 13, 1979, to January 13, 2010, at 8:00 o'clock A.M. and this title examination is limited to matters affecting title to subject property during such period of time. This opinion is based upon information that I have found or has been supplied to me.

And based on said examination, it is my opinion that the subject property is vested this date in the following:

JAMES A. MANESS and wife, PHYLLIS L. MANESS, as tenants by the entirety, with full rights of survivorship, and not as tenants in common

I further certify that the taxes on said property have been paid up to and including the year 2009 for Parcel Number 164K-0-20-040.000 and Parcel Number 164K-0-20-045.000 and that there are now no taxes or special assessments due and payable, except as set forth herein; that there are no judgments of record against said owners, except as set forth herein; that there are no deeds of trust or other encumbrances of record against said property, except:

1. The accrued portion of the 2010 ad valorem taxes on Parcel Number 164K-0-20-040.000 and Parcel Number 164K-0-20-045.000 which are not due and payable until January 1, 2011.
2. All applicable city and county zoning, use and ordinances and regulations and all applicable building code requirements.
3. Any prior reservation or conveyance or minerals of every kind and character, including but not limited to, oil, gas, sand and gravel, in, on and under subject property.
4. Rights of parties in possession unrecorded servitudes or easements, land shortages, boundary line disputes, and all matters, facts and conditions which an accurate survey and inspection of these premises would reveal.
5. The accuracy of the Sectional and/or Subdivision Index Records, and other records of the Chancery Clerk of Hancock County, Mississippi, and of those records maintained by the Circuit Clerk, Tax Collector, and Tax Assessor of Hancock County, Mississippi.
6. Any federal Tax liens not of record in the Office of the Chancery Clerk of Hancock County, Mississippi.
7. This Certificate attempts to make no statement as to the effect of the Consumer Credit Protection Act, bankruptcy laws, or any other state or federal truth in lending laws and all federal and state environmental laws whether or not the documents in chain of title executed on a Sunday or legal holiday or were executed to or from a party of sound and disposing mind and memory, or a nonexistent corporation, person or entity.
8. This Certificate of Title is based on the assumption that all parties in the above referred to chain of title were above the age of twenty-one (21) years and under no further legal disabilities at the time of the execution and delivery of the various instruments contained in said chain of title. Any and all valid existing rights of way and easements for public utility lines, roads, and highways.
9. In addition to the matters set out herein above, the undersigned expresses no opinion concerning the presence or absence of any petroleum products, toxic or hazardous substances within the meaning of any federal state or local laws or regulations having been stored or existing in, on or under any portion of the above described property.
10. Rights or claims of parties in possession not shown by the public records.
11. Easements or claims of easements not shown by the public records.

12. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
13. Taxes or special assessments which are not shown as existing liens by the public records.
14. Any adverse claim to all or any part of the land which is now under water or which has previously been under water but filled or exposed through efforts of man.
15. Any claim that the title to any portion of the present or former deed of any body of water, all or part of which is included within the lands described in this certificate of title. This certificate of title does not extend to any portion of the property described herein that is a part of or lies with in any past or present body of water.
16. This Certificate of Title is only to relied upon by the addressee herein, and it is not to be relied upon for the issuance of Title Insurance.
17. Any portion of Walker Avenue situated and/or located within the property described herein.
18. Please note the following as outlined in the Title Opinion prepared by Gillespie Title Company dated June 15, 2005.

"Subject Property was originally acquired by James A. and Phyllis Maness ("Maness") by deed dated March 20, 1987 from Gaston J.B. Gellis and Thelma L. Gellis and recorded in Book BB14 at Page 634 and corrected by corrected warranty deed dated January 27, 1994 and recorded in Book BB99 at Page 559, both deed are filed in the Office of the Chancery Clerk of Hancock County, Mississippi."

"In October, 1998, Dynasty, Inc. ("Dynasty") began acquiring title to adjacent property from the Marion E. Elliot Trust. Dynasty acquired all of Block 110, Gulfview Subdivision, LESS AND EXCEPT that certain property conveyed by Grace A. Orte (predecessor in title to Maness) in Book I-9 at Page 133 and in Book AA-26 at page 487. Dynasty also acquired all of Block 111, Gulfview Subdivision, LESS AND EXCEPT that part conveyed by Grace Orte in Book I-9 at Page 133 and in Book J-8 at Page 495. The less and except parcels eliminated the Subject Property from what was conveyed to Dynasty."

"Dynasty later conveyed its property to Eric L. Nelson, Trustee of Eric L. Nelson Nevada Trust w/d 5/30/01 ("Nelson Trust") by deed recorded in Book BB-279 at page 243. In said deed Dynasty purported to convey all of Blocks 110 and 111 leaving out the *less and except*. I found no other reference to Dynasty receiving any other interest in Blocks 110 and 111 than what was conveyed in the above referenced deed from the Marion Elliot Trust. However, this creates a cloud on the title for which an exception will have to be made on any title insurance policy written on the Subject Property.

"The second item that creates a problem on the title is the presence of Walker Avenue within the boundaries of the Subject Property. When Gulfview Subdivision was platted it contained streets that were dedicated to the County. These streets do not appear to have ever been opened but nonetheless they appear on surveys of the property and were dedicated to the County when the original subdivision was platted. The Hancock County Board of Supervisors attempted to vacate the portion of Walker Avenue that runs through the Subject Property in January 1994 but it does not appear from the public record that the vacation was done properly. The statute under which the Board proceeded for the vacation of Walker Avenue requires that notice be published in the newspaper and no publication was recited within the documents nor was there a proof of publication attached thereto. Therefore, it does not appear that the vacation of Walker Avenue was performed properly and should be corrected."

19. I recommend the owner's file a suit to quiet title and a suit for adverse possession for the property described herein to remove the cloud of proper ownership and "wild" deeds in office of

the Chancery Clerk of Hancock County, Mississippi.

This opinion is given to Casano Law Firm, PA, and its reliance is limited to Casano Law Firm, PA, and Casano Law Firm, PA; agrees and understands that the liability of this opinion will never exceed the charge for the services provided.

WITNESS MY SIGNATURE, this the 20th day of January, 2010 at 8:00 o'clock A.M.

SCHWARTZ, ORGLER & JORDAN, PLLC

By: Mark C. Orgler, Esq.

MCO/paj

Exhibit 11.01.04

NOTE 9

MS BAY 200 ACRES

C. SORIS

(DOCUMENTATION FOLLOWING)

LETTER OF UNDERSTANDING

RE: SORIS/NELSON

IT IS MUTUALLY AGREED THAT:

WHEREAS SORIS' original Exchange agreement under current terms and condition in the purchase of Lot 3 in Block 1 of the Weston Addition to the City of Evanston, Uinta County, Wyoming, filed May 13, 2001, Instrument R102175, on file in the office of the Uinta County Clerk.

WHEREAS both parties mutually agree due to factors, including the Divorce of Eric Nelson, that it is in everyone's best interest to substitute collateral from the current Mississippi Assets to Arizona Assets, under the following conditions (See "Exhibit A"):

1. NELSON will pay for all costs related to the recording and transfer of Assets.
2. Both parties will sign all required documentation. Closing will take place at the office of Stewart Larsen at a date and time determined after all documentation is completed and ready for signing.
3. Stewart Larsen agrees to record all deeds and necessary documentation and disburse to respective owners.
4. Kevin Bailey will serve as the Asset manager for SORIS and will collect all rents in relation to those properties. All collected rents will be sent to SORIS directly by Mr. Bailey. A separate agreement will be drawn up and will have a 14 day cancellation clause in it, in which SORIS may cancel agreement at his sole discretion.
5. As further guarantee, should the Arizona homes be unable to meet the rental obligation to Buyer, the Lease shall be guaranteed by Eric Nelson and eight (8) 1 acre lots in Mojave County, Arizona (Gateway Lots) which shall be held in trust for part of the guarantee. Specific lots will be determined at a later date.

The undersigned understand and agree that this Letter of Understanding is satisfactory to both parties with respect to the substantiation of collateral. The prior conditions and agreements in relation to the original exchange will be in full force and affect.

ERIC NELSON

Date:

2/19/10

FRANK SORIS
SORIS ENTERPRISES

Date:

2/19/10

Bonus

#11

SORRIS DEAL

- \$1,360,000 DEBT VERIFIED – 9% - Net payments \$10,300 per month since 2001. See tax return.
- Traded 20 homes (AZ) paid \$862,000. Net profit over \$500,000!!! (Jan 2010)

** This comes with a continual liability of guarantee \$1,360,000 to Sorris. Now due to Bob Dickerson question is very real!

The portion of this contract is intended to be a binding contract to the Standard Purchase Agreement and Earnest Money Receipt Contract.

The balance of the purchase price shall be paid as follows with the following terms:

1. Sorris will exchange current property/equity owned above in Hancock County, Mississippi for property owned by Banone Az, LLC, also listed above, in Phoenix and Mohave County, Arizona.
2. Banone Az, LLC's Manager, Eric Nelson, is a licensed Nevada Real Estate Broker.
3. Eric Nelson, Seller, shall guarantee a minimum of \$10,300 net income to Buyer until December 31, 2010 or until Buyer transfers management of property from Banone Az, LLC.
4. Eric Nelson further guarantees Sorris a minimum of the allocated exchange price from the combined sales of all homes in the form of cash or notes (if Sorris agrees to carry 1st mortgages to new buyers). Purchase price of sold homes will be subtracted from the guaranteed value price of \$1,365,000 at an allocated value of \$73,437.50 per home.
- 6.. Sorris further agrees not to sell homes or lots below original allocated price without giving the option to purchase said lot or home to Eric Nelson at the original allocated price.
6. Sale subject to both Buyer and Seller signing and agreeing to the substitution of collateral.
7. Total exchange amount is \$2,365,000; \$1,364,998 will be equity on lots and homes stated above, \$1,000,003 will be a transfer of the original Note from the Mississippi parcel listed above to a 2nd mortgage on the Arizona homes listed above Note. Note will be due and payable on or before January 30, 2022 with principal payments being applied to principal upon sale of homes up to \$62,500.12 per home.
8. Homes and lots are owned currently free and clear by Seller.
9. Currently 20 homes are renting for approximately \$16,142 per month. Banone Az, LLC's management fee will be the difference between \$10,300 and the rent collected monthly.
10. Rent and value of properties and lots will be guaranteed by Eric until sold.
11. Upon signing of the Letter of Understanding by both parties the current Note Payable to Eric L. Nelson Nevada Trust will be cancelled and considered satisfied.

All other terms and conditions of said Standard Purchase Agreement and Earnest Money Receipt shall remain in full force and effect.

Seller Agreed:

By: Eric Nelson

Its: Manager, Banone, LLC.

Date: 2/19/10

Buyer Agreed:

By: Frank Sorris

Its:

Date: 2/19/10

Soris Exchange/Liability

Original Purchase Agreement for High Country Inn in Wyoming January 21, 2002.

Frank Soris had funds for an exchange and bought a portion of a Wyoming Hotel (OTB) LSN Trust owned in Wyoming. Purchase price \$2,364,000. (1099 enclosed) A note was carried back for \$1,000,000 (enclosed) between Frank Soris and LSN Trust. Monthly Interest pymnts approx \$6350.00 from Frank Soris to LSN Trust.

With a guarantee to lease back the facilities from Frank Soris for \$16,300 per month so that Soris would net \$10,300 per month (approx 10% on original investment, the agreed to amount)

This arrangement was to remain in effect until 2022. See Real Estate Mortgage.

When Wyoming Track was sold, the offer for Wyoming properties were made as a package which included the hotel and because the value of the hotel was less than what was anticipated they could no longer lease the OTB portion of the hotel and in order to abide by terms of Agreement property on 39th Avenue in Phoenix, AZ was exchanged for OTB portion of hotel in Wyoming.

Since 39th Avenue property belonged to ELN NV Trust and because of the existing liabilities guaranteed by ELN the note payable to LSN Trust from Frank Soris was assigned to ELN Trust. Monthly interest pymnts were transferred to the ELN NV Trust as well as the lease pymnt owed to Soris taken over which netted ELN NV Trust negative 10,300 per month.

When 39th avenue sold from ELN Trust we needed to move again to some Mississippi Land .

Both parties agreed to terminate the ongoing agreement and in order to do this the \$1 mil note due to ELN Trust from Frank Soris would be deemed uncollectable debt and the original \$1,360,000 would be paid back by ELN NV Trust in the form of homes in Arizona. The cost of the homes cost around \$800,000 to Banone (Banone-AZ- ELN NV Trust) with monthly rental income to Soris netting his \$10,300 and a guarantee from ELN Trust that properties would be sold for the original \$1,360,000, (or more) if less, ELN NV Trust owes Soris the difference or buy the property at the higher cost to ensure Soris would get back his \$1,360,000.

The anticipated value of the hotel what it was going to be w/ had OTB games been approved. In order for Frank to keep his value he had to sell the hotel.

6/13/11

Larry,

RE: Soris

Let me try to explain this another way; Although I already provided you the letter of understanding, I'm providing again.

- 1.) Bob Dickerson took Stewart Larsen and Frank Soris' depositions ...so he knows the agreement and the transaction that took place.
- 2.) Bottomline is that LSN Trust sold Soris a building in Evanston, Wyoming with Guarantees from Lynita and Wyoming Horseracing! This building was sold and the company (a 3rd party) that purchased it has since closed down and isn't operating.
- 3.) Wyoming Horseracing would lease the building back for \$16,300 per month (this netted Mr. Soris \$10,300 per month after Soris paid back \$6000 per month on a \$1,000,000 carry back). The \$1,000,000 note would go away if the lease was broken!
- 4.) Instant Racing Machines that Wyoming Horseracing had previously been approved to use by the Wyoming Racing Commission were deemed illegal by the Attorney General in Wyoming, so the lease could not be honored. Because of this I moved the transaction along with the liability to Arizona to a Warehouse my trust owned on 39th Avenue in Arizona (since has been sold) to release Lynita from all liability that was owed to Soris and I took over all the liability.

When the Warehouse sold it was moved to MS (120 acres). Because of the divorce and Dickerson and Lynita upsetting him, Soris wanted his \$1,360,000 moved to Arizona, because that is where he lived. The \$1,000,000 was part of a 1031 exchange by Soris that is only due us if he receives all his \$1,360,000 back plus interest! We are currently upside down approximately \$500,000 to Mr. Soris.

20 homes in Arizona purchased for \$862,000 owned by my trust
\$500,000 still owed/Guaranteed
\$1,362,000
\$1,000,000 note basically is forgiven because we gave up the leases!

Hope this helps! Call me if you have questions and I explain further.

Eric

NOTE 9

MS BAY 200 ACRES E. SILVER SLIPPER-DDJ LIEN

(DOCUMENTATION FOLLOWING)

INSTRUMENT PREPARED BY:

Sidley Austin Brown & Wood LLP

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

Sidley Austin Brown & Wood LLP
555 West 5th Street, 40th Floor
Los Angeles, CA 90013
Attention: Michael T. Faulconer, Esq.
Telephone: 213-896-6000

INDEXING INSTRUCTIONS:

Part of the SW ¼ of Section 13, T9S,
R15W, comprising Lots 1 through 37
as shown in Plat Book 5 at Page 8 in
the Plat Records of Hancock County,
Mississippi

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING WITH
ABSOLUTE ASSIGNMENT OF RENTS AND LEASES**

THIS DOCUMENT CONSTITUTES A FIXTURE FILING

THIS DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING WITH ABSOLUTE ASSIGNMENT OF RENTS AND LEASES (this "Security Instrument"), is made this 7th day of April, 2005, by Dynasty Development Group, LLC, a Nevada limited liability company ("Trustor"), whose mailing address is 3611 S. Lindell Road, Ste. 201, Las Vegas, NV 89103, to Gina M. Jacobs ("Trustee"), whose mailing address is c/o Watkins Ludlam Winter & Stennis, P.A., 633 North State Street (39202), P.O. Box 427, Jackson, Mississippi 39205-0427, for the benefit of DDJ Capital Management, LLC ("Beneficiary"), whose address is 141 Linden Street, Suite S-4, Wellesley, MA 02482, as agent for the Lenders under the Loan Agreement referred to below.

ARTICLE 1 DEFINITIONS

In addition to any other terms defined herein, unless otherwise required by the context, the following terms shall have the meanings indicated; any capitalized term not defined herein shall have the same meaning as set forth in that certain loan agreement, dated as of November 15, 2004, by and among Silver Slipper Casino Venture LLC ("Borrower"), Silver Slipper Gaming, LLC, the financial institutions from time to time party thereto as lenders (the "Lenders"), and Beneficiary, as agent for the Lenders (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"):

Section 1.01 Accounts Receivable means all right, title and interest of Trustor arising from the operation of the Property in and to all payments for goods or property sold or leased or for services rendered, whether or not yet earned by performance, and not evidenced by an instrument or chattel paper, including, without limiting the generality of the foregoing, (i) all accounts, contract rights, book debts, and notes arising from the operation of the Property or

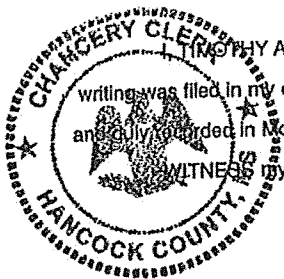
EXHIBIT A

Legal Description

LOTS 1 THROUGH 37, INCLUSIVE, LAND 'N WATER RANCHETTES,
ACCORDING TO THE MAP OR PLAT, RECORDED IN PLAT BOOK 5, PAGE 8,
IN THE PLAT RECORDS OF HANCOCK COUNTY, MISSISSIPPI.

THIS PROPERTY MAY ALSO BE DESCRIBED AS FOLLOWS: BEGINNING AT
THE SE CORNER OF THE SW 1/4 OF SECTION 13, TOWNSHIP 9 SOUTH,
RANGE 15 WEST, HANCOCK COUNTY, MISSISSIPPI, RUN THENCE WEST
1320; THENCE NORTH 1140; WEST 272.6; THENCE NORTH 66 DEGREES
WEST 1832; THENCE NORTH 925.5; THENCE EAST 440; THENCE NORTH
500; THENCE WEST 291.8 TO THE MARGIN OF OLD BAY ROAD; THENCE
WITH SAID MARGIN NORTH 45 DEGREES 29 EAST 1120.6; THENCE EAST
1180.9; THENCE SOUTH 12 DEGREES 47 WEST 1021.3; THENCE WEST 356;
THENCE SOUTH 2640 TO THE PLACE OF BEGINNING, CONTAINING 126
ACRES, AND BEING A PART OF THE SW 1/4 OF SECTION 13, TOWNSHIP 9
SOUTH, RANGE 15 WEST, HANCOCK COUNTY MISSISSIPPI.

STATE OF MISSISSIPPI
COUNTY OF HANCOCK



TIMOTHY A. KELLAR, Clerk of the Chancery Court of said County, hereby certify that the foregoing Instrument of
writing was filed in my office for record on the 14 day of APRIL, 20 05, at 10:11 o'clock A.M.,
and duly recorded in Mortgages and Deeds of Trust on Land Record Book No. 890, Page No. 679-711
WITNESS my hand and Seal of said Court, this the 15 day of APRIL, 20 05.

TIMOTHY A. KELLAR, Chancery Clerk
By: Charles Seal, D.C.

arising from the sale, lease or exchange of goods or other property and/or the performance of services, (ii) Trustor's rights to payment from any consumer credit/charge card organizations or entities which sponsor and administer such cards as the American Express Card, the Visa Card and the MasterCard, (iii) Trustor's rights in, to and under all purchase orders for goods, services or other property, (iv) Trustor's rights to any goods, services or other property represented by any of the foregoing, (v) monies due to or to become due to Trustor under all contracts for the sale, lease or exchange of goods or other property and/or the performance of services including the right to payment of any interest or finance charges in respect thereto (whether or not yet earned by performance on the part of Trustor) and (vi) all collateral security and guaranties of any kind given by any person or entity with respect to any of the foregoing. Accounts Receivable shall include those now existing or hereafter created, substitutions therefor, proceeds (whether cash or non-cash, movable or immovable, tangible or intangible) received upon the sale, exchange, transfer, collection or other disposition or substitution thereof and any and all of the foregoing and proceeds therefrom.

Section 1.02 Additional Property means all additional lands, estates and development rights hereafter acquired by Trustor for use in connection with the development of the Property and all additional lands and estates therein which may, from time to time, by supplemental mortgage or otherwise be expressly made subject to the lien of this Security Instrument.

Section 1.03 Collateral means, as the context requires, all or any of the Personalty, the Fixtures, the Leases, the Rents, the Property, the Additional Property, the Improvements and the Accounts Receivables.

Section 1.04 Fixtures means all materials, supplies, equipment, apparatus and other items now or hereafter owned by Trustor and attached to, installed in or used in connection with (temporarily or permanently) any of the Improvements on the Property, including, but not limited to, any and all partitions; window screens and shades; drapes, carpeting and other floor coverings; sinks; water closets; water basins; faucets and other plumbing fixtures; storm shutters and awnings; pumps; motors; valves; elevators and escalators; engines; wire and wiring; boilers; furnaces; pipes; plumbing; sprinkler systems; irrigation systems; fire extinguishing apparatus and equipment; communication equipment; computers and computerized equipment; security systems and devices; water tanks; heating, ventilating, incinerating, air conditioning and air cooling equipment and systems; gas and electric machinery; disposals, dishwashers, refrigerators, ranges and other appliances; any property listed under the definition of "Personalty" which are fixtures under Mississippi law; and equipment and facilities of all kinds which constitute fixtures under Mississippi law as the same may be amended or any successor statute and all replacements and substitutions therefor.

Section 1.05 Impositions means all real estate and personal property taxes, assessments, water, gas, sewer, electricity and other utility rates and charges, charges for any easement, license or agreement maintained for the benefit of the Mortgaged Property, and all other taxes, charges and assessments and any interest, costs or penalties with respect thereto, of any kind and nature whatsoever which at any time prior to or after the execution hereof may be assessed, levied or imposed against, or otherwise related to the Mortgaged Property, the use, occupancy, operation or enjoyment thereof and/or the lien of this Security Instrument on the Mortgaged Property or the debt secured hereby.

Section 1.06 Improvements means any and all buildings, sheds, storage areas, warehousing areas, open or covered parking areas, parking garages or structures, other structures, fences, curbs, walls, sidewalks, walkways, paved parking areas, pavement, recreational facilities, landscaping and all other real property improvements, and any and all additions, alterations, or appurtenances thereto, now or at any time hereafter situated, placed, constructed upon or for the benefit of the Property or any part thereof and shall include, (a) unless the context otherwise requires, all Fixtures, and, (b) to the extent the same constitutes or is deemed to constitute an improvement to the real property, all Personalty located thereon and all Fixtures affixed thereto.

Section 1.07 Indemnity Agreement means that certain Indemnity Agreement, dated as of November 15, 2004, by and among Trustor, Eric L. Nelson ("Nelson", and together with Trustor, the "Indemnitors"), Beneficiary, as agent for the Lenders under the Loan Agreement, and Borrower.

Section 1.08 Leases means any and all leases, subleases, licenses, concessions, occupancy, rental and use agreements, registration cards or other agreements (written or oral), now or hereafter in effect which name the Trustor as the lessor and grant a possessory interest in and to, or the right to use, occupy or generate income from, in or around the Property and/or the Improvements, or any portion thereof, if any, all extensions, amendments and modifications thereto, whether before or after the filing by or against Trustor of any petition for relief under 11 U.S.C. sec. 101 et seq, as the same may be amended from time to time (the "Bankruptcy Code") and all guarantees of, and security for the performance of any of the obligations and payments thereunder.

Section 1.09 Legal Requirements means: (a) all judicial decisions, ordinances, orders, decrees, rules, regulations, permits, statutes or requirements of any court or Governmental Authority, and any requirements, terms or conditions contained in any restrictions, restrictive covenants, easements, licenses or leases, zoning stipulations, subdivision plats or other instruments or documents affecting all or any portion of the Mortgaged Property and/or the construction, development or use of the Mortgaged Property, including, but not limited to, any of those relating to fire, safety, environmental protection, storage or disposal of Hazardous Materials, conservation, parking, or building and sign codes and the Americans with Disabilities Act ("ADA"); and (b) Trustor's presently or subsequently existing articles or certificate of incorporation, bylaws, partnership agreements, limited partnership certificates, joint venture agreements, limited liability company articles of organization and/or operating agreements, trust agreements or other form of business organization or entity documents.

Section 1.10 Material Adverse Effect means a material adverse effect on (a) the value of the Mortgaged Property, (b) Trustee's or Beneficiary's Liens on the Mortgaged Property or the priority of such Liens, or (c) Trustee's or Beneficiary's rights and remedies under this Security Instrument or the Indemnity Agreement.

Section 1.11 Mortgaged Property means, as required by the context, all or any of Trustor's right, title and interest in and to the Improvements, Fixtures, Personalty, Property, Additional Property, Leases, Rents and Accounts Receivable.

Trustor acknowledges that certain of the descriptions of items comprising the Mortgaged Property in the preceding and succeeding paragraphs may be duplicative or overlapping, and that it is the express intent and agreement of Trustor that all of such descriptions (including without limitation any descriptions within a single section or subsection) shall be construed as being cumulative and not limiting. The terms "goods," "equipment," "inventory," "accounts," "instruments," "chattel paper," "general intangibles," "proceeds" and "products" shall (unless the context clearly indicates otherwise) also have the meanings provided for those terms in the definitions contained in the Uniform Commercial Code as enacted from time to time in the State in which the Property is located.

Trustor further specifically understands and agrees that all right, title and interest of Trustor in and to all extensions, improvements, betterments, renewals, substitutions and replacements of, and all additions and appurtenances to, the Mortgaged Property, hereafter acquired by or released to Trustor, or constructed, assembled or placed by Trustor on the Property, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction assembly, placement or conversion, as the case may be, and in each such case, without any further grant, encumbrance, conveyance, assignment or other act by Trustor, shall become subject to the lien of this Security Instrument as fully and completely and with the same effect as though now owned by Trustor and specifically described herein, but at any and all times Trustor will execute and deliver to Beneficiary, upon request, any and all such further assurances, deeds, conveyances, or assignments thereof or security interests therein as Beneficiary may reasonably require for the purpose of expressly and specifically subjecting the same to the lien of this Security Instrument.

Section 1.12 Personalty means all of the right, title and interest of Trustor now or hereafter existing in and to the following now or hereafter located in, upon, within or about or used in connection with the construction, use, operation or occupancy of the Property and/or the Improvements and any business or activity conducted thereon or therein, together with all accessories, additions, accessions, renewals, replacements and substitutions thereto or therefor and the proceeds and products thereof:

(a) all materials, supplies, inventories, articles of personal property (including, but not limited to, chairs, tables, carpeting, curtains, shades, screens, paintings, hangings, pictures, divans, keys or other entry systems, bars, bar fixtures, liquor or other drink dispensers, icemakers, radios, intercom and paging equipment, computers, electric and electronic equipment, dictating equipment, private telephone systems, medical equipment, potted plants, heating, lighting and plumbing fixtures, fire prevention and extinguishing apparatus, cooling and air-conditioning systems, elevators, escalators, fittings, plants, apparatus, stoves, ranges, refrigerators, laundry machines, tools machinery, engines, dynamos, motors, boilers, incinerators, switchboards, conduits, compressors, vacuum cleaning systems, floor cleaning, waxing and polishing equipment, call systems, brackets, electrical signs, bulbs, bells, ash and fuel, conveyors, cabinets, lockers, shelving, spotlight equipment, dishwashers, garbage disposals, washers and dryers, furnishings, office supplies, construction materials, vehicles, machinery, computer hardware and software, stationery, maintenance equipment, window washing equipment, repair equipment, slot machines and other gaming devices and associated equipment (including, without limitation, gaming devices and associated equipment as defined in the Mississippi Gaming Control Act or by similar provisions under other applicable laws) and other

equipment) and other tangible property of every kind and nature whatsoever owned by Trustor, or in which Trustor has or shall have an interest;

(b) all books, ledgers, records, accounting records, files, tax records and returns, policy manuals, papers, correspondence, and electronically recorded data;

(c) all general intangibles, instruments, money, accounts (including, without limitation, all of Trustor's right, title and interest in and to all cash, property or rights transferred to or deposited in such accounts from time to time, and any and all proceeds of the foregoing), accounts receivable, notes, certificates of deposit, chattel paper, letters of credit, choses in action, good will, rights to payment of money, rents, rental fees, equipment fees and other amounts payable by Persons who utilize the Property or any of the Improvements or paid by Persons in order to obtain the right to use the Property and any of the Improvements, whether or not so used;

(d) all trademarks, service marks, logos, copyrights, trade dress, trade names, licenses, sales contracts, advertising materials, deposits, plans and specifications, drawings, working drawings, studies, maps, surveys;

(e) all agreements, contracts, certificates, instruments, franchises, permits, licenses (other than those permits or licenses not assignable under applicable law), approvals, entitlements, plans, specifications and other documents, now or hereafter entered into, and all rights therein and thereto and privileges arising thereunder, respecting or pertaining to the use, occupancy, construction, management or operation of the Property and/or the Improvements and any part thereof or respecting any business or activity conducted on the Property and any part thereof, soils, environmental, engineering or other reports, architectural and engineering contracts, construction contracts, construction management contracts, surety bonds, feasibility and market studies, management and operating agreements, service agreements and contracts, landscape maintenance agreements, security service and other services agreements and vendors agreements) and all right, title and interest of Trustor therein and thereunder, including, without limitation, the right, upon the happening of any Event of Default hereunder, to receive and collect any sums payable to Trustor thereunder;

(f) all compensation, awards and other payments or relief (and claims therefor) made for a taking by eminent domain, or by any event in lieu thereof (including, without limitation, property and rights and interests in property received in lieu of any such taking), of all or any part of the Mortgaged Property (including without limitation, awards for severance damages), together with interest thereon, and any and all proceeds (or claims for proceeds) and unearned premiums on any insurance policies covering the Mortgaged Property, together with interest thereon, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Mortgaged Property;

(g) any and all claims or demands against any Person with respect to damage or diminution in value to the Mortgaged Property or damage or diminution in value to any business or other activity conducted on the Property;

(h) any and all security deposits, deposits of security or advance payments made to others with respect to: (i) insurance policies relating to the Mortgaged Property; (ii) taxes or assessments of any kind or nature affecting the Mortgaged Property; (iii) utility services for the Property and/or the Improvements; (iv) maintenance, repair or similar services for the Mortgaged Property or any other services or goods to be used in any business or other activity conducted on the Property;

(i) to the fullest extent assignable under applicable law, any and all authorizations, consents, licenses, permits and approvals of and from all Persons required from time to time in connection with the construction, use, occupancy or operation of the Property, the Improvements, or any business or activity conducted thereon or therein or in connection with the operation, occupancy or use thereof;

(j) all warranties, guaranties, utility or street improvement bonds, utility contracts, telephone exchange numbers, yellow page or other directory advertising and the like;

(k) all goods, contract rights, and inventory;

(l) all leases and use agreements of machinery, equipment and other personal property;

(m) all insurance policies covering all or any portion of the Property and/or the Improvements;

(n) all names by which the Property and/or the Improvements is now or hereafter known;

(o) all interests in the security deposits of tenants;

(p) all management agreements, blueprints, plans, maps, documents, books and records relating to the Property and/or the Improvements;

(q) the proceeds from sale, assignment, conveyance or transfer of all or, any portion of the Mortgaged Property or any interest therein, or from the sale of any goods, inventory or services from, upon or within the Property and/or the Improvements (but nothing contained herein shall be deemed a consent by Beneficiary to such sale, assignment, conveyance or transfer except as expressly provided in this Security Instrument);

(r) any property listed under the definition of "Fixtures" which are not fixtures under Mississippi law;

(s) all other property (other than that which constitutes "fixtures" under Mississippi law) of any kind or character as defined in or subject to the provisions of the Mississippi Uniform Commercial Code, as in effect from time to time ("UCC"); and

(t) all proceeds of the conversions, voluntarily or involuntarily, of any of the foregoing into cash or liquidated claims.

Section 1.13 Property means all of Trustor's fee and leasehold interest in and to those certain parcels or lots of land which are more particularly described on Exhibit A attached hereto and incorporated herein by reference, along with all easements, rights-of-way or use, rights, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, servitudes, tenements, hereditaments and appurtenances of any nature whatsoever, in any way now or hereafter belonging, relating or pertaining to the land described on Exhibit A and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the land, to the center line thereof and all the estates, rights, title, interests, dower and rights of dower, courtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Trustor in and to the land described on Exhibit A and the Improvements and every part and parcel thereof, with the appurtenances thereto; all water stock, water and water rights, to the extent the same constitutes any interest in real property; all mineral, oil and gas rights pertaining thereto; all present and future rights under or with respect to: (a) any declarations or restrictions governing or imposing rights or responsibilities on or with respect to any subdivisions, horizontal property regimes, condominiums, planned area developments, planned unit developments or master plans which are partially or wholly located on or affect the real property described in Exhibit A attached hereto; (b) any design review or architectural review committee and any property owners' or similar association described in or created by the documents referred to in the foregoing clause (a), together with any voting rights therein; and (c) any and all other documents and instruments and any amendments relating to the operation, organization, control or development of the Property.

Section 1.14 Rents, except to the extent that the same constitute personal property under Mississippi law, means all income, rents, issues, profits, revenues, deposits, accounts and other benefits from the operation of the Property, including, without limitation, all revenue, all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of sale, lease, sublease, license, concession or other grant of the right of the possession, use or occupancy of all or any portion of the Property and/or the Improvements, or personalty located thereon, or rendering of services by Trustor, or any entity generating such income for the benefit of Trustor, or acquired from others including, without limitation, from the rental of any office space, retail space, commercial space, or other space, halls, stores or offices located on the Property including any deposits securing leasing of such space, from the exhibit or sale of space of every kind, from the license, lease, sublease and concessions, from fees and rentals, food and beverage wholesale and retail sales, service charges, vending machine sales and proceeds if any, from business interruption or other loss of income insurance relating to the use, enjoyment and occupancy of the Property and or Improvements and any cash or security deposits in connection therewith, whether paid or accruing before or after the filing by or against Trustor of any petition for relief under the Bankruptcy Code.

ARTICLE 2 GRANT

Section 2.01 Trustor does hereby irrevocably, unconditionally and absolutely bargain, sell, convey, warrant, grant, pledge, enfeoff, transfer and assign to Trustee, its successors and assigns, IN TRUST, WITH POWER OF SALE and right of entry and possession, all of Trustor's estate, right, title and interest in, to and under, whether now owned or hereafter acquired, and grants to Beneficiary, for the benefit of the Lenders, a security interest in any and all of the

Mortgaged Property (other than the Personalty), and grants to Beneficiary, for the benefit of the Lenders, a security interest in and to the Personalty for the purpose of securing, in such order of priority as Beneficiary may elect, the prompt and complete payment, observance and performance of:

(a) the provisions, agreements, covenants and obligations of the Indemnitors under the Indemnity Agreement and all sums therein covenanted to be paid, whether required or contingent, present or future;

(b) the provisions, agreements, covenants and obligations herein contained and all sums herein covenanted to be paid, whether required or contingent, present or future; and

(c) payment to Beneficiary, the Lenders and their respective successors and assigns, at the times demanded and with interest at the Default Rate in an Event of Default, to accrue from the date of advance, of all sums advanced, if any, subject to such prior notice and opportunity to cure to which Trustor is entitled pursuant to the terms hereof, protecting the interests of Beneficiary and the Lenders under this Security Instrument, and payment of expenses and attorneys' fees and professionals' fees herein provided for and payment of any fees herein provided for and payment of any Lender's fees herein provided for, and any and all sums advanced under this Security Instrument from time to time, and any funds disbursed that, in the reasonable exercise of Beneficiary's judgment, are needed to protect Beneficiary's security are to be deemed obligatory advances hereunder and secured by this Security Instrument (clauses (a), (b) and (c) may be referred to collectively herein as the "Secured Obligations").

FOR TRUSTEE TO HAVE AND TO HOLD the above granted and described Mortgaged Property unto and to the use and benefit of the Beneficiary and the Lenders, and their respective successors and assigns, forever;

PROVIDED HOWEVER, that upon (a) repayment in full by Borrower of the Loan, all interest thereon, and all fees with respect thereto in accordance with the terms of the Loan Agreement, and (b) the Indemnitors' payment and performance in full of all Secured Obligations which may arise hereunder or under the Indemnity Agreement, then the estate, right, title and interest of Beneficiary and the Lenders in the Mortgaged Property shall cease, terminate and become void, and upon proof being given to the satisfaction of Beneficiary that the foregoing conditions have been satisfied, and upon payment of all other fees, costs, charges, expenses and liabilities chargeable or incurred or to be incurred by Beneficiary, Beneficiary shall instruct Trustee to release this Security Instrument and the lien hereof by proper instrument of record (but the provisions of Section 3.09 below and all other indemnification obligations provided for herein shall survive any such release or discharge).

Section 2.02 Maturity. The Secured Obligations shall continue to arise and become payable under the Indemnity Agreement and this Security Instrument until such time as the Loan is repaid in full by Borrower and this Security Instrument is released pursuant to Section 2.01 hereof. The maturity date of the Loan is December 17, 2009, subject to earlier maturity as set forth in the Loan Agreement.

Section 2.03 Payments. Trustor shall make each payment in respect of the Secured Obligations arising hereunder or under the Indemnity Agreement within three (3) days of Trustor's receipt of written demand therefor, in immediately available funds, in Dollars, via electronic funds transfer to such account of Beneficiary as Beneficiary shall designate in writing.

ARTICLE 3 REPRESENTATIONS, WARRANTIES AND COVENANTS

Trustor warrants and represents to, and covenants and agrees with Beneficiary as follows:

Section 3.01 Incorporation by Reference. All the representations, warranties, covenants, conditions and agreements contained in the Indemnity Agreement are hereby made a part of this Security Instrument to the same extent and with the same force as if fully set forth herein.

Section 3.02 Title and Property.

(a) Trustor warrants that it is lawfully seized of the estate hereby, subject to no liens or encumbrances other than Customary Encumbrances. Trustor further warrants that it has good right and lawful authority to convey the Mortgaged Property in the manner and form herein provided or intended hereafter to be done; that Trustor fully and absolutely waives and releases all rights and claims it may have in or to said lands, tenements and property as a homestead declaration or exemption, or other exemption, under and by virtue of any statute or other law of the State of Mississippi now existing or which may hereafter be passed in relation thereto; that this Security Instrument is and shall remain a valid and enforceable first lien on the Mortgaged Property, subject only to the aforesaid matters; that Trustor and its successors and assigns shall warrant and defend the same and the priority of the lien of this Security Instrument forever against the lawful claims and demands of all persons whomsoever, and that this covenant shall not be extinguished by any foreclosure hereof but shall run with the land.

(b) Except as otherwise expressly provided herein, Trustor has and shall maintain title to the Collateral including any additions thereon or improvements thereto free of all security interests, liens and encumbrances, other than the Permitted Encumbrances, and has good right to subject the Collateral to the security interest granted hereunder.

(c) Trustor shall, at the cost of Trustor, and without expense to Beneficiary or any Lender, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, deeds of trust, assignments, UCC financing statements, notices of assignments, transfers, other documents or instruments and assurances as Beneficiary shall from time to time reasonably require, for the better assuring, conveying, assigning, creating, perfecting, renewing, transferring and confirming unto Beneficiary the Mortgaged Property and rights hereby conveyed or assigned or intended now or hereafter to be, or which Trustor may be or may hereafter become bound to convey or assign to Beneficiary or for carrying out the intention of facilitating the performance of the terms of this Security Instrument and, on demand, shall execute and deliver one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien hereof upon the Mortgaged Property.

(d) Trustor forthwith upon the execution and delivery of this Security Instrument and thereafter from time to time, shall cause this Security Instrument, and any

security instrument creating a lien or evidencing the lien hereof upon the Collateral and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law or order to publish notice of and fully to protect the lien hereof upon the interest of Beneficiary in the Mortgaged Property.

(e) Trustor shall pay all filing, registration or recording fees, and all expenses incident to the preparation, execution and acknowledgment of this Security Instrument, any security instrument supplemental hereto with respect to the Mortgaged Property, including the Collateral, and any instrument of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Security Instrument, any security instrument supplemental hereto with respect to the Mortgaged Property, including the Collateral, or any instrument of further assurance.

(f) Trustor shall do all things necessary to preserve and keep in full force and effect its entity existence, franchises, rights and privileges under the laws of the state of its formation and under the laws of the state in which the Mortgaged Property is located (in whole or in part) and shall comply with all applicable Legal Requirements.

(g) Trustor shall not, without Beneficiary's prior written consent, change Trustor's name, identity or structure or cause or permit to occur any other event that would require Beneficiary to file a new financing statement under applicable law or any other provisions of the UCC. If Trustor does, causes or permits any of the foregoing to occur, it shall constitute an Event of Default hereunder.

(h) All utility services necessary for the occupancy and operation of the Improvements, if any, for their intended purposes (including, without limitation, water, storm and sanitary sewer, electric and telephone facilities) are, or will be, available to the Improvements prior to their completion. All consents, permits, variances or grants of any kind with respect to such utility services have been, or will be, obtained prior to the completion of the Improvements.

Section 3.03 Maintenance and Repair. Trustor shall keep the Mortgaged Property in first-class operating order, repair and condition (ordinary wear and tear excepted) and shall not commit or permit any waste thereof or any destruction or disrepair to occur thereto. Trustor shall make all necessary repairs, replacements, renewals, additions and improvements and complete and restore promptly and in good, workmanlike manner any Improvements which may be constructed, placed, damaged, or destroyed thereon, and pay when due all costs incurred therefor (except those costs which Trustor is contesting diligently and in good faith, and only for so long as they do not give rise to any Lien or termination rights under any contract). Except as otherwise expressly provided in this Security Instrument or by written consent of Beneficiary, Trustor shall not remove any Improvements or Collateral from the Property or demolish any of Improvements, nor materially alter any of the Mortgaged Property. Trustor shall permit Beneficiary, its agents and authorized representatives the opportunity to inspect the Mortgaged Property, including the interior of any Improvements, upon reasonable prior notice and during reasonable business hours.

Section 3.04 Title Insurance Requirements. Concurrently with the execution and delivery hereof, Trustor shall deliver to Beneficiary standard CLTA Lenders Policy of Title Insurance insuring title over the Property in Dynasty and insuring that Trustee, for the benefit of the Beneficiary, has a valid, first priority lien and mortgage on the Property, subject only to Customary Encumbrances. Such policy shall be in form and substance reasonably satisfactory to Beneficiary and shall be maintained by Trustor until such time as this Security Instrument is released pursuant to Section 2.01 hereof. As used in this paragraph "Customary Encumbrances" shall mean easements, rights of way, restrictions, zoning entitlements and other similar charges or encumbrances on the use of real property not interfering in any material respect with the use of the Property or lessening the value of the Property to any material degree.

Section 3.05 Insurance; Casualty.

(a) Trustor shall maintain, with financially sound and reputable insurers licensed to do business in the State of Mississippi, public liability, property damage, business interruption, builder's risk and other types of insurance with respect to the Mortgaged Property against all losses, hazards, casualties, liabilities and contingencies as customarily carried or maintained by Persons of established reputation engaged in the use or operation of property in a capacity similar to Trustor. All insurance policies and renewals thereof (i) shall provide for claims to be made on an occurrence basis, and (ii) shall include coverage for terrorism and flood damage. All property damage insurance policies must automatically reinstate after each loss.

(b) Trustor shall promptly notify Beneficiary of any material loss or damage to the Mortgaged Property or any portion thereof, whether covered by insurance or not. In case of loss or damage by fire, flood or other casualty, Beneficiary is hereby authorized, if and to the extent any amounts are then payable in respect of the Secured Obligations, to settle and adjust any claim under insurance policies which insure against such risks, and Beneficiary may elect, in its sole and absolute discretion, to apply the proceeds thereof upon or in reduction of any amounts then payable in respect of the Secured Obligations, or hold said proceeds and make same available for restoration or rebuilding of the Property or the Improvements, if any. If insurance proceeds are made payable to both Beneficiary and Trustor, Trustor hereby authorizes Beneficiary, as Trustor's attorney, to endorse checks, sight drafts, and other instruments on behalf of Trustor. As used in this Section 3.05(b), the term "material loss or damage" shall refer to (i) any loss or damage with respect to which the cost of repair or replacement exceeds or is reasonably likely to exceed Five Thousand Dollars (\$5,000), or (ii) any loss or damage that could reasonably be expected to result in a Material Adverse Effect.

Section 3.06 Condemnation. Trustor, immediately upon (and in no event more than three (3) business days after) obtaining knowledge of the commencement or threatened commencement of any proceeding for the condemnation of the Property and/or Improvements or any portion thereof or interest therein, shall notify Beneficiary of the pendency thereof. If and to the extent any amounts are then payable in respect of the Secured Obligations, Trustor hereby assigns, transfers and sets over unto Beneficiary, for the benefit of the Lenders, all compensation, rights of action, the entire proceeds of any award and any claim for damages for, any of the Property or Improvements taken or damaged under the power of eminent domain or by condemnation or by sale in lieu thereof. Beneficiary may, at its option, commence, appear in and prosecute, in its own name or in the name of Trustor, any action or proceeding, or make any

compromise or settlement, in connection with such condemnation, taking under the power of eminent domain or sale in lieu thereof. After deducting therefrom all of its expenses, including reasonable attorneys' and other professionals' fees, Beneficiary may elect, in its sole and absolute discretion, to apply the proceeds of the award upon or in reduction of any amounts then payable in respect of the Secured Obligations, or hold said proceeds and make same available for restoration or rebuilding of the Property or the Improvements, if any. Trustor agrees to execute such further assignments of any compensation, award, damages, right of action and proceeds, as Beneficiary may require from time to time.

Section 3.07 Liens and Encumbrances. Except as expressly provided in this Security Instrument or the Indemnity Agreement, Trustor shall not, without Beneficiary's express prior written consent, permit the creation of any liens or encumbrances on the Mortgaged Property other than the lien of this Security Instrument and any Customary Encumbrances, and shall pay when due all Impositions, obligations, lawful claims or demands of any Person which, if unpaid, might result in, or permit the creation of, a lien or encumbrance (other than a Customary Encumbrance) on the Property or on the Rents, issues, income and profits arising therefrom, whether such lien would be senior or subordinate hereto, including, but without limiting the generality of the foregoing, all claims of mechanics, professionals, materialmen, laborers, and others for work, services or labor performed, or materials or supplies furnished in connection with any work of demolition, alteration, improvement of or construction upon the Property. Trustor will do or cause to be done everything necessary so that the priority of the lien of this Security Instrument shall be fully preserved, at the cost of Trustor, without expense to Beneficiary or any Lender. Any lien or encumbrance on the Mortgaged Property created hereafter shall contain, or shall by virtue hereof be deemed to contain, a provision subordinating such lien or encumbrance to all leases then or in the future affecting the Mortgaged Property but nothing in this sentence shall be deemed to be a consent by Beneficiary or the Lenders to any lien or encumbrance.

Section 3.08 Impositions. Trustor shall pay in full, before any penalty or interest attaches, all Impositions and shall furnish to Trustee upon the written request of Beneficiary official receipts evidencing the payment of real estate taxes and assessments. To prevent default hereunder, Trustor shall pay in full under protest, in the manner provided by statute, any Imposition, tax or assessment which Trustor may desire to contest.

Section 3.09 Indemnification; Attorneys' Fees. Trustor shall appear in and defend any suit, hearing, action or proceeding that might in any way adversely affect the value of the Mortgaged Property, the priority of this Security Instrument or the rights and powers of Beneficiary under this Security Instrument. Trustor shall, at all times, indemnify, defend, hold harmless and on demand, reimburse Beneficiary, each Lender and each of their respective Affiliates, and each such Person's respective officers, directors, employees, attorneys, advisors, agents and representatives (each, an "Indemnitee") for any and all loss, damage, liability, expense or cost, including cost of evidence of title and attorneys' fees, arising out of or incurred in connection with any such suit, hearing, action or proceeding (except for losses, damages, liabilities, expenses or costs resulting from the gross negligence or willful misconduct of the applicable Indemnitee), and the sum of such expenditures shall be secured by this Security Instrument and shall bear interest at the rate or rates provided in the Loan Agreement and shall be due and payable on demand. Trustor shall pay the cost of suit, cost of evidence of title and

reasonable attorneys' and other professionals' fees in any proceeding, suit, and foreclosure proceedings through the court or through any sale brought by Beneficiary or a Lender to foreclose this Security Instrument (a "Lender's Sale").

Section 3.10 Transfers and Further Encumbrances. Trustor acknowledges that Beneficiary and the Lenders have examined and relied on, and will continue to rely on, Trustor's ownership of the Mortgaged Property as security for the payment and performance of the Secured Obligations. Trustor acknowledges that Beneficiary and the Lenders have a valid interest in maintaining the value of the Mortgaged Property so as to ensure that, should Trustor default in the payment or the performance of the Secured Obligations, Beneficiary can recover all such amounts in respect of the Secured Obligations by a sale of the Mortgaged Property.

(a) Trustor agrees that Trustor shall not, without the prior written consent of Beneficiary, sell, convey, mortgage, grant, bargain, encumber, pledge, assign, or otherwise transfer the Mortgaged Property or any part thereof, or any direct or indirect interest therein (including, without limitation, as a result of the sale or other transfer of any direct or indirect ownership interests in Trustor), or permit the Mortgaged Property or any part thereof to be sold, conveyed, mortgaged, granted, bargained, encumbered, pledged, assigned, or otherwise transferred (any of the foregoing, a "Transfer"). Upon the occurrence of a Transfer, Beneficiary shall not be required to demonstrate any actual impairment of its security or any increased risk of default hereunder in order to declare an Event of Default hereunder.

(b) Beneficiary's consent to one Transfer of the Mortgaged Property, or any part thereof or interest therein, shall not be deemed to be a waiver of Beneficiary's right to require such consent to any future Transfer. Any Transfer of the Mortgaged Property, or any part thereof or interest therein, made in contravention of this Section 3.10 shall be null and void and of no force and effect.

(c) Trustor agrees to bear and shall pay or reimburse Beneficiary and the Lenders on demand for all reasonable expenses (including, without limitation, all recording costs, reasonable attorneys' fees and disbursements and title search costs) incurred by Beneficiary and the Lenders in connection with the review, approval and documentation of any such Transfer.

Section 3.11 Advances. If Trustor shall fail to perform any of the covenants herein or contained in the Indemnity Agreement, Beneficiary may, after any applicable grace or notice period, but without obligation to do so, make advances to perform the same in Trustor's name or on its behalf, and all sums so advanced shall be a Lien upon the Mortgaged Property and shall be secured by this Security Instrument. Trustor shall repay on demand all sums so advanced in its or Beneficiary's behalf with interest thereon at the Default Rate from the time of such advance. Nothing herein contained shall prevent any such failure to perform on the part of Trustor from constituting an Event of Default.

Section 3.12 Intentionally Omitted.

Section 3.13 Time of the Essence. Trustor agrees that time is of the essence hereof in connection with all Secured Obligations of Trustor herein or in the Indemnity Agreement.

Section 3.14 Estoppel Certificates. Trustor, within ten (10) days after written request from Beneficiary, shall furnish to Beneficiary a duly acknowledged and certified written statement setting forth the amount secured by this Security Instrument (to the extent any amount is then payable in respect of the Secured Obligations), stating either that no setoffs or defenses exist against this Security Instrument or the Secured Obligations or, if such setoffs or defenses are alleged to exist, the nature and description thereof and stating such other matters concerning the Indemnity Agreement, this Security Instrument, the Mortgaged Property and/or Trustor as Beneficiary may request.

Section 3.15 Environmental Compliance.

(a) Trustor shall at all times comply with all applicable Environmental Laws, including all applicable permits, licenses and other authorizations. Trustor shall promptly take and diligently prosecute any and all necessary response or remedial actions upon obtaining knowledge of the presence, storage, use, disposal, transportation, active or passive migration, release or discharge of any Hazardous Materials on, under or about the Property or any portion thereof in violation of any Environmental Laws. In the event Trustor undertakes any response or remedial action with respect to any Hazardous Material on, under or about the Property or any portion thereof, Trustor shall conduct and complete such response or remedial action in substantial compliance with all applicable Environmental Laws, and in accordance with the applicable policies, orders and directives of all Governmental Authorities. If Beneficiary at any time has a reasonable basis to believe that there may be a violation of any Environmental Law by, or any basis for a material claim or liability arising thereunder against, Trustor or otherwise related to the Property or any portion thereof, then Trustor shall provide Beneficiary with such reports, certificates, engineering studies or other written material or data as Beneficiary may reasonably require evidencing that Trustor and/or the Property is in compliance with all applicable Environmental Laws, including all applicable permits, licenses and other authorizations.

(b) Trustor shall, promptly upon becoming aware thereof, advise Beneficiary in writing and in reasonable detail of: (1) any release, disposal or discharge of any Hazardous Material on, under, or about the Property (or any portion thereof) required to be reported to any federal, state or local governmental or regulatory agency under any applicable Environmental Laws, except such releases, disposals or discharges pursuant to and in compliance with valid permits, authorizations or registrations under said Environmental Laws; (2) any and all written communications sent or received by Trustor with respect to any Environmental Claims or any release, disposal or discharge of Hazardous Material required to be reported to any Governmental Authority; (3) any response or remedial action taken by Trustor or any other Person in response to any Hazardous Material on, under or about the Property (or any portion thereof); (4) the discovery by Trustor of any occurrence or condition on any real property adjoining or in the vicinity of the Property (or any portion thereof) that could cause such real property or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use thereof under any Environmental Laws; and (5) any request for information from any Governmental Authority that indicates that such Governmental Authority is investigating whether Trustor may be potentially responsible for a release, disposal or discharge of Hazardous Materials.

Section 3.16 Payment of Junior Encumbrances. Trustor shall not permit any default or delinquency under any other lien, Imposition, charge or encumbrance against the Mortgaged Property, even though junior and inferior to the lien of this Security Instrument; provided, however, the foregoing shall not be construed to permit or to be Beneficiary's consent to any other liens or encumbrances against the Mortgaged Property, except as specifically permitted in this Security Instrument.

Section 3.17 Conveyance of Mineral Rights Prohibited. Trustor agrees that the making of any oil, gas or mineral lease or the sale or conveyance of any oil, gas or mineral lease or the sale or conveyance of any mineral interest or right to explore for minerals under, through or upon the Property would impair the value of the Property; and that Trustor shall have no right, power or authority to lease the Property, or any part thereof, for oil, gas or other mineral purposes, or to grant, assign or convey any mineral interest of any nature, or the right to explore for oil, gas and other minerals, without first obtaining from Beneficiary express written permission therefor (which permission may be given or withheld in the sole and absolute discretion of Beneficiary), which permission shall not be valid until recorded among the real property records of the County in which the Property is situated. Trustor further agrees that if Trustor shall make, execute, or enter into any such lease or attempt to grant any such mineral rights without the prior written consent of Beneficiary, then Beneficiary shall have the option, without notice, to declare the same to be an Event of Default. Whether or not Beneficiary shall consent to such lease or grant of mineral rights, Beneficiary shall receive from the amounts paid to Trustor in consideration for such lease or grant of mineral rights, all amounts then payable in respect of the Secured Obligations; *provided, however*, that the acceptance of such consideration shall in no way impair the lien of this Security Instrument on the Mortgaged Property.

ARTICLE 4 SECURITY AGREEMENT AND FINANCING STATEMENT UNDER UNIFORM COMMERCIAL CODE

Section 4.01 Security Agreement and Financing Statement. Pursuant to the Mississippi UCC, as amended and recodified from time to time, this Security Instrument shall be effective from the date of its recording as a financing statement filed as a fixture filing with respect to all goods constituting part of the Mortgaged Property which are or are to become fixtures. This Security Instrument shall also be effective as a financing statement covering minerals or the like (including oil and gas) and is to be filed for record in the real estate records of the county where the Property is situated. For this purpose, Trustor shall be deemed the "Debtor" and Beneficiary shall be deemed the "Secured Party". The organizational identification number of Trustor is LLC199-2000 and the mailing addresses of Trustor and Beneficiary from which information concerning the security interests may be obtained are set forth in the first paragraph of this Security Instrument. Some or all of the Collateral may be or become a fixture in which Beneficiary has a security interest under the Security Agreement, and the purpose of this section is to create a fixture filing under Sections 9313 and 9502 and any other applicable provisions of the Mississippi UCC, as the same may be amended or recodified from time to time.

Section 4.02 General. Trustor agrees that all property of every nature and description, whether real or personal, covered by this Security Instrument, together with all personal property in which Beneficiary has a security interest by reason of a separate agreement or instrument, are encumbered as one unit, and that, upon the occurrence of any Event of Default, Beneficiary may,

at Beneficiary's option, in accordance with applicable law, foreclose and sell all such property in the same proceeding, and all such property may, at Beneficiary's option, be sold as such in one unit as a going business. The filing or recording of any financing statement relating to the Fixtures, the Personalty or any other rights or interests generally or specifically described herein shall not be construed to diminish or alter any of Beneficiary's rights or priorities hereunder.

Trustor and Beneficiary agree that nothing herein contained shall be construed as in any way derogating from or impairing the hereby stated intention of the parties that to the maximum extent permitted by law, everything used in connection with the production of income from the Mortgaged Property and/or adapted for the use therein and/or which is described or reflected in this Security Instrument is, and at all times and for all purposes and in all proceedings, both legal or equitable, shall be regarded as, part of the real estate irrespective of whether (a) any such item is physically attached to the Improvements, (b) serial numbers are used for the better identification of certain equipment items capable of being thus identified in a recital contained therein or in any list filed with the Beneficiary, or (c) any such item is referred to or reflected in any financing statement filed at any time. Similarly, the mention in any financing statement of (i) the rights in or the proceeds of any fire and/or hazard insurance policy, or (ii) any award in eminent domain proceedings for a taking or for loss of value, or (iii) the Trustor's interest as lessor in any present or future Lease or rights to income growing out of the use and/or occupancy of the Property, whether pursuant to a Lease or otherwise shall never be construed as in any way altering any of the rights of Beneficiary as determined by this instrument or impugning the priority of Beneficiary's lien granted hereby or by any other recorded document, but such mention in said financing statement is declared to be for the protection of Beneficiary in the event any court or judge shall at any time hold with respect to (a), (b) and (c) above that notice of Beneficiary's priority of interest, in order to be effective against a particular class of Person, including, but not limited to, any Governmental Authority, must be filed in the UCC Records. For purposes of treating this Security Instrument as a security agreement and financing statement, Beneficiary shall be deemed to be the Secured Party and Trustor shall be deemed to be the Debtor.

ARTICLE 5 LEASES AND RENTS

Section 5.01 Trustor to Comply with Leases. Trustor will, at its own cost and expense:

- (a) Faithfully abide by, perform and discharge each and every obligation, covenant and agreement under any Leases;
- (b) Enforce or secure the performance of each and every obligation, covenant, condition and agreement of each Lease by the tenants thereunder to be performed;
- (c) Not borrow against, pledge or further assign any Rents due under any Leases;

(d) Not permit the prepayment of any Rents due under any Lease for more than thirty (30) days in advance nor anticipate, discount, compromise, forgive or waive any such Rents;

(e) Not waive, excuse, condone or in any manner release or discharge any tenants of or from the obligations, covenants, conditions and agreements by said tenants to be performed under the Leases;

(f) Not materially modify, alter or waive any Lease or any part or provision thereof, or terminate or cancel any Lease, or any part or provision thereof, without providing advance written notice thereof to Beneficiary;

(g) Promptly provide to Beneficiary executed copies of any Leases (and any guaranties or other credit enhancements with respect thereto), and amendments, renewals or modifications to Leases (and any guaranties or other credit enhancements with respect thereto) entered into by Trustor from and after the date of this Security Instrument;

(h) Submit to Beneficiary any standard lease forms that Trustor uses or intends to use in connection with the Property; and

(i) Not enter into any Lease without providing prior written notice thereof to Beneficiary.

Section 5.02 Beneficiary's Right to Perform under Leases. Should Trustor fail to perform, comply with or discharge any obligations of Trustor under any Lease or should Beneficiary become aware of or be notified by any tenant under any Lease of a failure on the part of Trustor to so perform, comply with or discharge its obligations under said Lease, Beneficiary may, but shall not be obligated to, and without further demand upon Trustor, and without waiving or releasing Trustor from any obligation contained in this Security Instrument, remedy such failure, and Trustor agrees to repay upon demand all sums incurred by Beneficiary or any Lender in remedying any such failure together with interest at the Default Rate. All such sums, together with interest as aforesaid shall become part of the Secured Obligations, but no such advance shall be deemed to relieve the Trustor from any default hereunder.

Section 5.03 Absolute Assignment of Rents. Trustor does hereby absolutely and unconditionally assign and transfer unto Beneficiary, for the benefit of the Lenders, all of its right, title and interest in and to all existing and future Leases and all of the Rents now due and which may hereafter become due, it being the intention of this Security Instrument to establish an absolute transfer and assignment of all such right, title and interest under the Leases and all of the Rents unto the Beneficiary, for the benefit of the Lenders. The foregoing assignment shall extend to and cover any and all extensions and renewals of existing and future Leases and to any and all present and future rights against any guarantors of any such obligations. Notwithstanding the foregoing assignment, neither Beneficiary nor any Lender shall be obligated to perform or discharge any obligation, duty or liability under any of the Leases, or under or by reason of the foregoing assignment, and Trustor shall and does hereby agree to indemnify, defend and to hold Beneficiary and the Lenders harmless for, from and against any liability, loss or damage which it might incur under any Lease or under or by reason of the foregoing assignment and from any

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claims and demands whatsoever which may be asserted against it by reason of any alleged obligation or undertaking on Beneficiary's part to perform or discharge any of the terms, covenants or agreements contained in the Leases; *provided, however*, that Trustor shall not be obligated to indemnify and hold harmless Beneficiary and the Lenders from any demands or claims caused solely by the gross negligence or willful misconduct of Beneficiary or any Lender. In pursuance of the foregoing assignment, and not in lieu thereof, Trustor shall, on demand, give Beneficiary, for the benefit of the Lenders, separate specific assignments of Rents and Leases covering some or all of the Leases, the terms of such assignments being incorporated herein by reference. Trustor does hereby irrevocably appoint Beneficiary its true and lawful attorney in its name and stead, which appointment is coupled with an interest, to collect all Rents. Notwithstanding the foregoing, so long as no amounts are due and payable in respect of the Secured Obligations, Beneficiary grants Trustor the revocable license and privilege to collect the Rents for its own account.

Upon the occurrence and continuance of an Event of Default under this Security Instrument, and whether before or after the institution of proceedings to sell the Mortgaged Property or foreclose this Security Instrument or during any period of redemption or reinstatement and without regard to waste, adequacy of the security or solvency of the Trustor, Beneficiary may revoke the revocable license and privilege granted Trustor hereunder to collect the Rents, and may, at its option, without notice in person or by agent, with or without taking possession of or entering the Property, with or without bringing any action or proceeding or by a receiver duly appointed, give, or require Trustor to give, notice to any or all tenants under any Lease authorizing and directing the tenant to pay such Rents to Beneficiary, such agent, or receiver as the case may be; collect all of the Rents; enforce the payment thereof and exercise all of the rights of the landlord under any Lease and all of the rights of Beneficiary hereunder; enter upon, take possession of, manage and operate the Mortgaged Property, or any part thereof; cancel, enforce or modify any Leases; fix or modify Rents; and do any acts which the Beneficiary deems proper to protect the security hereof. Trustor hereby expressly consents in advance to the appointment of a receiver applied for and selected by or for Beneficiary at any time upon or after an Event of Default under this Security Instrument, whether or not foreclosure proceedings have been commenced or concluded and whether or not a foreclosure sale has occurred. Any Rents collected shall be applied to the costs and expenses of operation, management and collection, including reasonable attorneys' fees, to the payment of the fees and expenses of any agent or receiver so acting, to the costs incurred by the Beneficiary and any Lender, including attorneys' fees, to the payment of taxes, assessments, insurance premiums and expenditures for the management, repair and upkeep of the Mortgaged Property, to the performance of landlord's obligations under any Leases and to the Secured Obligations, all in such order, amounts and manner as Beneficiary may require. The entering upon and taking possession of the Mortgaged Property, the collection of such Rents and the application thereof as aforesaid shall not cure or waive any Event of Default or affect any notice of default or invalidate any act done pursuant to such notice nor in any way operate to prevent Beneficiary from pursuing any other remedy which it may now or hereafter have under the terms of this Security Instrument or any other security given for the Secured Obligations nor shall it in any way be deemed to constitute Beneficiary or any Lender to be a "mortgagee-in-possession". Each Lease shall at Beneficiary's option be filed for record in the local recording office of the county where the Property is located. Also, to the extent required by the Beneficiary, each tenant

shall execute an estoppel certificate and acknowledge receipt of a notice of the assignment of its Lease, all satisfactory in form and content to the Beneficiary.

ARTICLE 6
EVENTS OF DEFAULT AND REMEDIES

Section 6.01 Events of Default. The occurrence of any one or more of the following events (regardless of the reason therefor) shall constitute an "Event of Default" hereunder:

(a) Trustor (i) fails to make any payment in respect of the Secured Obligations when the same becomes due, or (ii) fails to pay or reimburse Beneficiary or any Lender for any expense reimbursable hereunder or under the Indemnity Agreement within three (3) days following receipt of Beneficiary's written demand therefor.

(b) Any representation or warranty herein or in the Indemnity Agreement made by Trustor and/or Nelson is untrue or incorrect in any material respect as of the date when made or deemed made.

(c) Trustor and/or Nelson fails or neglects to perform, keep or observe any of the provisions of the Indemnity Agreement.

(d) Trustor fails or neglects to perform, keep or observe any of the provisions of Section 3.02, Section 3.04, Section 3.09, Section 3.10 or Section 3.17 of this Security Instrument.

(e) Trustor fails or neglects to perform, keep or observe any other provision of this Security Instrument and the same results in a Material Adverse Effect.

Section 6.02 Remedies. If an Event of Default shall occur and, at the time of such Event of Default, no amounts are then due or payable in respect of the Secured Obligations, then Trustor shall deliver, upon the written demand of Beneficiary, as additional security for the Secured Obligations, an irrevocable letter of credit in the amount of \$1,000,000 payable to Beneficiary and in form and substance satisfactory to Beneficiary in its sole discretion. If (i) Trustor fails to deliver a letter of credit as described in the foregoing sentence within ten (10) days of receipt of Beneficiary's written demand therefor, or (ii) an Event of Default shall occur and, at the time of such Event of Default, any amount in respect of the Secured Obligations is then due or payable, then Beneficiary shall have all rights and remedies available under law, at equity, and pursuant to this Security Instrument. Without limitation, this Security Instrument shall be subject to foreclosure as provided by law, and Beneficiary may, at its option and by or through a trustee, nominee, assignee or otherwise, to the fullest extent permitted by law, exercise any or all of the following rights and remedies, either successively or concurrently:

(a) **Acceleration**. Beneficiary may declare the entire amount then payable in respect of the Secured Obligations to be due and payable immediately.

(b) **Entry**. Beneficiary shall have the right to enter upon and take possession of all or any portion of the Property (which Beneficiary may do in person, by agent or by court-appointed receiver, with or without bringing any action or proceeding, or by a receiver appointed

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by a court and without regard to the adequacy of its security), in its own name, without force or with such force as is permitted by law and without notice or process or with such notice or process as is required by law, unless such notice and process is waivable, in which case Trustor hereby waives such notice and process, and Beneficiary shall have the right to do any and all acts and perform any and all work which may be desirable or necessary in Beneficiary's judgment to complete any unfinished construction on the Property, to preserve and/or enhance the value, marketability or rentability of the Property, to increase the income therefrom, to manage and operate the Property or to protect the security hereof. All sums expended by Beneficiary or any Lender therefor, together with interest thereon at the Default Rate, shall be immediately due and payable by Trustor on demand and shall be secured hereby. No such action by Beneficiary shall constitute a cure or a waiver of any default.

(c) Collect Rents. Beneficiary shall have the right to sue for or otherwise collect the Rents, including those past due and unpaid, and to hold the same as additional security herefor, or to apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any Secured Obligations, all in such order as Beneficiary in its discretion may determine. Beneficiary may do any of the foregoing with or without taking possession of the Property.

(d) Appointment of Receiver. Beneficiary shall have the right to make application, ex-parte, to a court of competent jurisdiction for appointment of a receiver for all or any part of the Property, as a matter of strict right and without notice to Trustor and without regard to the adequacy of the Property for the payment of the Secured Obligations or the solvency of Trustor or any person or persons liable for the payment of the Secured Obligations. Trustor does hereby irrevocably consent to such appointment, waives any and all notices of and defenses to such appointment, and agrees not to oppose any application therefor by Beneficiary. Nothing herein shall deprive Beneficiary of any other right, remedy or privilege Beneficiary may now have under the law or in equity to have a receiver appointed. Further, the appointment of any such receiver, trustee or other appointee by virtue of any court order, statute or regulation shall not impair or in any manner prejudice the rights of Beneficiary to receive payment of the Rents pursuant to other terms and provisions of this Security Instrument or the assignment of leases and rents. Any such receiver shall have all of the usual powers and duties of receivers in similar cases, including, without limitation, the full power to hold, develop, rent, lease, manage, maintain, operate and otherwise use or permit the use of the Property upon such terms and conditions as said receiver may deem to be prudent and reasonable. Such receivership shall, at the option of Beneficiary, continue until full payment of all of the Secured Obligations or until title to the Property shall have passed by foreclosure sale under this Security Instrument or deed in lieu of foreclosure.

(e) Foreclosure. Beneficiary immediately shall have the right to foreclose this Security Instrument or to specifically enforce its provisions pursuant to the statutes in such case made and provided and sell the Property or cause the Property to be sold in accordance with the requirements and procedures provided by said statutes in a single parcel or in several parcels at the option of Beneficiary. In the event foreclosure proceedings are filed by Beneficiary, all expenses incident to such proceeding, including, but not limited to, reasonable attorneys' fees and costs, shall be paid by Trustor and secured by this Security Instrument. The Secured Obligations secured by this Security Instrument, including, without limitation, interest at the

BK 890 PG 699

Default Rate, reasonable attorneys' fees and any other amounts due and unpaid to Beneficiary under the Indemnity Agreement or this Security Instrument, may be bid by Beneficiary in the event of a foreclosure sale hereunder. In the event of a judicial sale pursuant to a foreclosure decree, it is understood and agreed that Beneficiary or its assigns may become the purchaser of the Property or any part thereof.

(f) Power of Sale. If Beneficiary exercises its rights pursuant to Section 6.02 hereof, the Trustee, or the agent or successor of Trustee, at the request of Beneficiary, may sell the Mortgaged Property or any part of the Mortgaged Property at one or more public sales at the courthouse of the county in which the Mortgaged Property or any part of the Mortgaged Property is situated, at public outcry, to the highest bidder for cash, and in bar of the right and equity of redemption, statutory right of redemption, homestead, dower, appraisement, stay, elective share and all other rights and exemptions of every kind, all of which are hereby expressly waived by Trustor, in order to pay the Secured Obligations and all expenses of sale and of all proceedings in connection therewith, including reasonable attorney's fees, after advertising the time, place and terms of sale at least once a week for three (3) consecutive weeks preceding the date of such sale in some newspaper published in the county in which the Mortgaged Property is located, or if no newspaper is printed in such county, then in a newspaper of general circulation therein, and by posting one notice of such sale at the courthouse where such sale is to be held. At any such public sale, Trustee may execute and deliver to the purchaser a conveyance of the Mortgaged Property or any part of the Mortgaged Property in fee simple. Beneficiary shall have the right to enforce any of its remedies set forth herein without notice to Trustor, except for such notice as may be required by law. In the event of any sale under this Security Instrument by virtue of the exercise of the powers herein granted, or pursuant to any order in any judicial proceedings or otherwise, the Mortgaged Property may be sold as an entirety or in separate parcels and in such manner or order as Beneficiary in its sole discretion may elect, and one or more exercises of the powers herein granted shall not extinguish or exhaust such powers, until the entire Mortgaged Property are sold. Any person, including the Trustee, Beneficiary or any Lender, may purchase the Mortgaged Property or any portion thereof at any sale. If the Secured Obligations are now or hereafter further secured by any security agreement, chattel mortgage, pledges, contracts of guaranty, assignments of lease or other security instruments, Beneficiary at its option may exhaust the remedies granted under any of said security instruments or this Security Instrument either concurrently or independently, and in such order as Beneficiary may determine. Said sale may be adjourned by the Trustee, or his agent or successors, and reset at a later date without additional publication; provided that an announcement to that effect be made at the scheduled place of sale at the time and on the date the sale is originally set or last adjourned. Any sale or sales may be made by an agent acting for the Trustee and his appointment need not be in writing. In the event of any such foreclosure sale or sale under the powers herein granted, Trustor (if Trustor shall remain in possession) shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable to tenants holding over. In the event of any sale of the Mortgaged Property as authorized herein, all prerequisites of such sale shall be presumed to have been performed, and in any conveyance given hereunder all statements of facts, or other recitals therein made, as to the non-payment of the secured indebtedness or as to the advertisement of sale, or the time, place and manner of sale, or as to any other fact or thing, shall be taken in all courts of law or equity as prima facie evidence that the facts so stated or recited are true.

Exhibit 11.01.02

NOTE 9

MS BAY 200 ACRES

A. WETLAND ISSUES

(DOCUMENTATION FOLLOWING)

DYNASTY DEVELOPMENT GROUP, LLC

2

June 15, 2007

Loren Ostrow
Silver Slipper Gaming
150 S. Los Robles Ave, #665
Pasadena, CA 91101

RE: Sublease Update

Loren:

Update on our land exchange and DMR work to date:

1. I have received your letter dated April 19th, 2007 from your office. Please note: the exact land exchange and size is listed in the sublease agreement; the exact size is actually larger than 4 acres as the letter stated.
2. I believe all of the work on the improvements to the Silver Slipper Road is completed; the 25 acre site has been cleared (trees removed, etc) and we are waiting to see if it meets DMR requirements. The roads in/out need repairing, as well as a large burn pile still needs to be burned or removed.
3. The additional 125-acre mitigation site still needs the road cut in/out and the land still must be cleared as per our agreement with the DMR; I'll meet with Nicky the second week of July, when I'm in Mississippi, to start the work.

Silver Slipper and Bal Harbour, LLC have basically performed all areas of the sublease and DMR agreements (except for the 125 acre site). The only remaining areas are for the lender and Cure to sign off to transfer the Silver Slipper property to Bal Harbour, LLC. It is to our understanding that the transfer to Bal Harbour, LLC will happen upon the refinance of land or upon the lease being signed off by Cure and the Lender.

Thank You.


Eric Nelson

Received and agreed:

Loren Ostrow, Silver Slipper Gaming

*land-sublease
correction*

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3611 S. LINDELL ROAD, STE. 201
LAS VEGAS, NV 89103
702-362-3030 TEL 702-227-0075 FAX

Rochelle McGowan

From: John Szabo [szabo@covingtonassociates.net]
 Sent: Tuesday, May 22, 2007 10:53 AM
 To: carl.r.olsen@usace.army.mil; Willa Henriksen; Greg Christodoulou
 Cc: eric@enlvcorp.com; rmcgowan@enlvcorp.com
 Subject: Letters concerning Paradise RV Park, Waveland, MS
 Attachments: Final Letter to Corps of Engineers.pdf; Final Letter to DMR.pdf

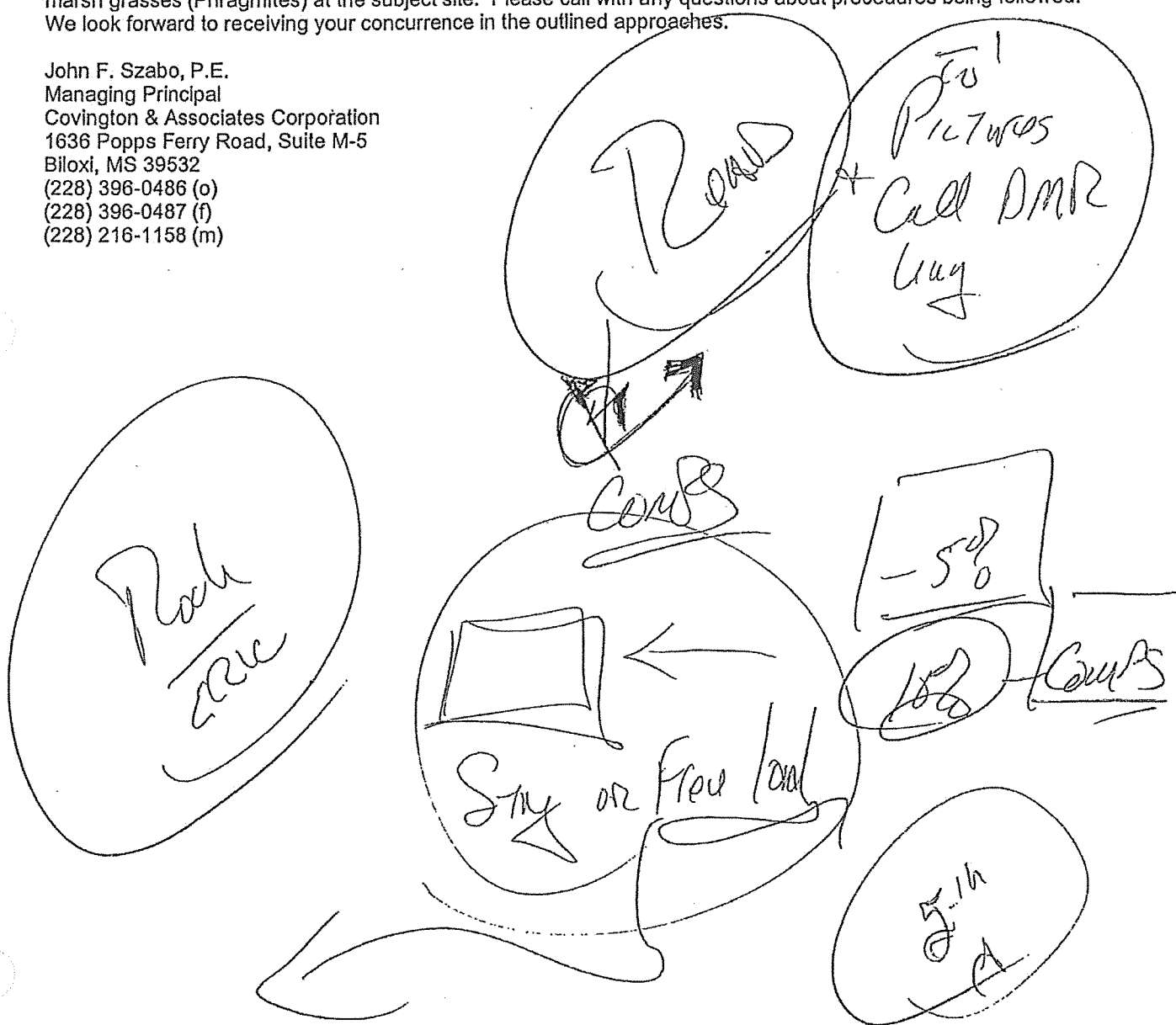
Send to Nicky + John R
 A.S.N?

(4) (5)

Carl, Willa and Greg:

Attached are letters documenting what will be done to correct alleged wetlands violations and growth of invasive marsh grasses (Phragmites) at the subject site. Please call with any questions about procedures being followed. We look forward to receiving your concurrence in the outlined approaches.

John F. Szabo, P.E.
 Managing Principal
 Covington & Associates Corporation
 1636 Popp's Ferry Road, Suite M-5
 Biloxi, MS 39532
 (228) 396-0486 (o)
 (228) 396-0487 (f)
 (228) 216-1158 (m)



5/22/2007

AAPP 6841
 DG-00292

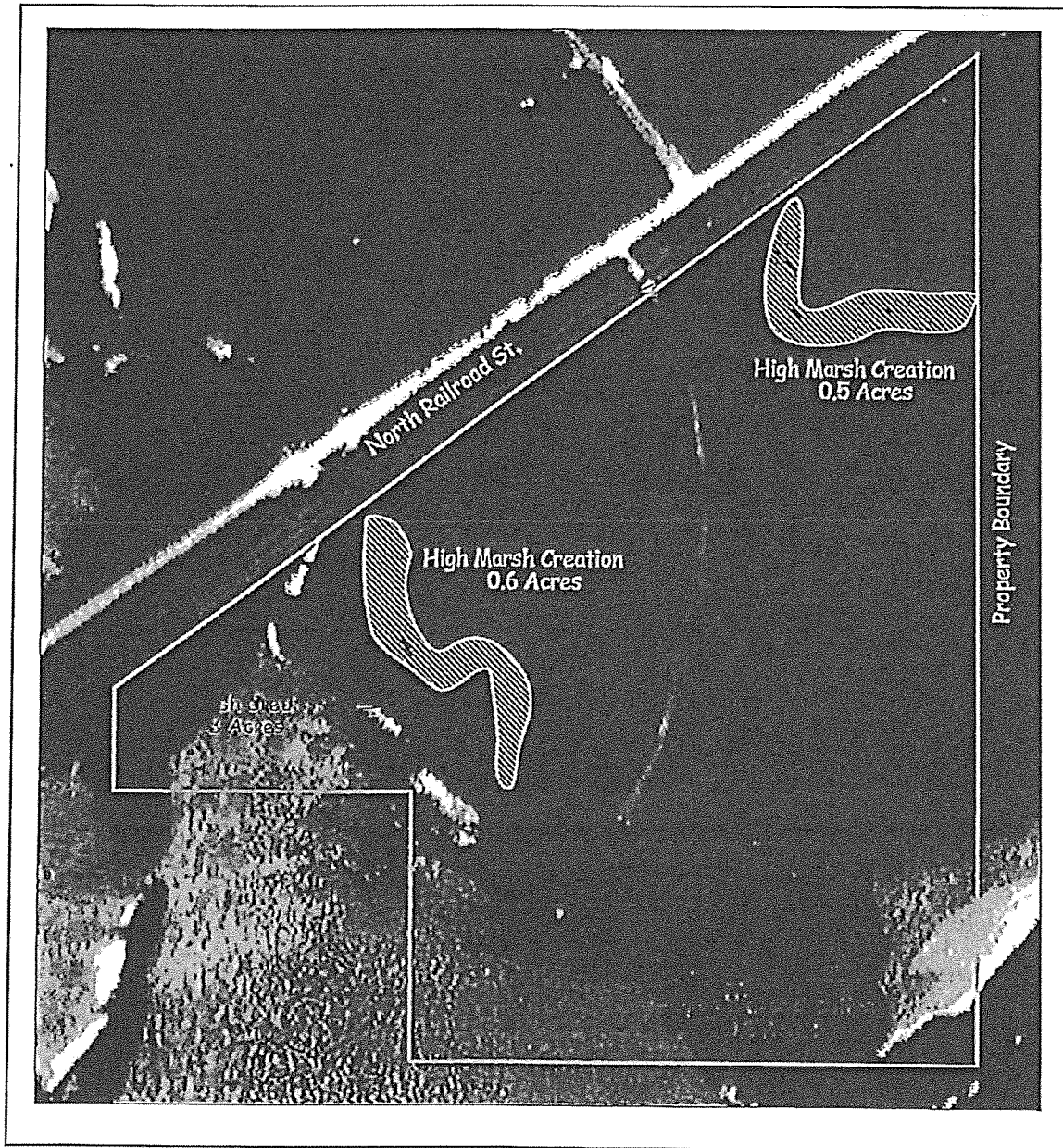


Figure 5 Off-Site Mitigation Area 1

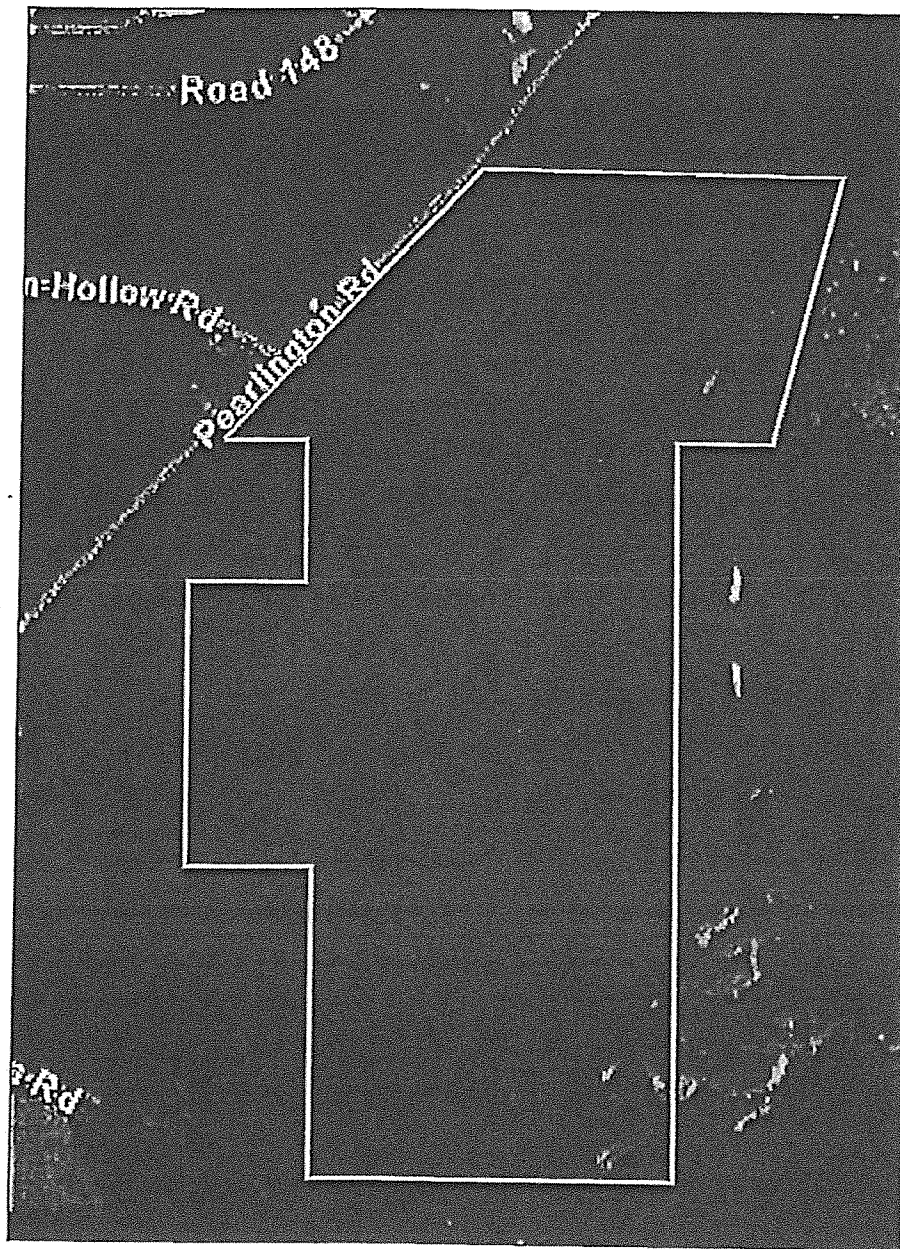


Figure 6 Off-Site Mitigation Area 2

NOTE 9

MS BAY 200 ACRES

B. MANESS

(DOCUMENTATION FOLLOWING)

HAROLD W. DUKE, P.A.
A PROFESSIONAL LAW CORPORATION
1024 WASHINGTON AVE., SUITE 205
P.O. BOX 843
GREENVILLE, MISSISSIPPI 38702-0843

HAROLD W. DUKE
E-Mail: hwduke@suddenlinkmail.com

Telephone: (662) 378-29
Facsimile: (662) 378-28

January 31, 2011

VIA FACSIMILE - 702/227-0075 and U.S. MAIL

Mr. Eric Nelson
3611 Lindell Rd., Suite 201
Las Vegas, NV 89103

RE: Lynita S. Nelson - Maness Case

Dear Eric:

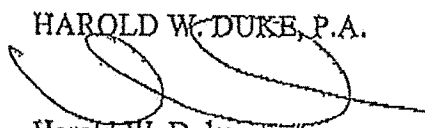
You will find attached hereto is a letter to forwarded to Lynita's Las Vegas attorney concerning Summary Judgment Motion filed on behalf of the Manesses in the Hancock County action. I am attaching for your review a copy of the Motion (via mail copy). Please note they are seeking partial summary judgment as to the liability of various Defendants. They are also seeking attorney's fees in excess of \$100,000 and damages in excess of \$1,000,000.

I cannot get any response from Lynita's attorneys in Las Vegas. They indicated she has Mississippi counsel; however, no one has contacted me. My latest attempt to contact Ms. Provost, the attorney for your wife, is attached hereto, as well as my letter of December 14, 2010.

Please call me. We need to discuss this.

Very truly yours,

HAROLD W. DUKE, P.A.


Harold W. Duke

HWD:pw
Attachments

HAROLD W. DUKE, P.A.
A PROFESSIONAL LAW CORPORATION
1024 WASHINGTON AVE., SUITE 205
P.O. BOX 843
GREENVILLE, MISSISSIPPI 38702-0843

HAROLD W. DUKE
E-Mail: hwduke@suddenlinkmail.com

Telephone: (662) 378-2946
Facsimile: (662) 378-2946

January 31, 2011

VIA FACSIMILE - 702/388-0210 and U.S. MAIL

Katherine L. Provost, Esquire
The Dickerson Law Group
1745 Village Center Circle
Las Vegas, NV 89134

RE: Lynita S. Nelson
Chancery Court of Hancock County, MS
James A. Maness and Phyllis L. Maness
v. Dynasty, Inc., Dynasty, Limited, Eric L.
Nelson Nevada Trust, Eric L. Nelson,
Trustee of Eric L. Nelson Nevada Trust,
LSN Nevada Trust

Dear Ms Provost:

This is the latest in a series of letters concerning the lawsuit pending in Hancock County, Mississippi, involving Lynita S. Nelson, LSN Nevada Trust and Eric Nelson, as well as Eric's Trust. The Plaintiffs have filed for Partial Summary Judgment. They are seeking attorney's fees in the amount of \$100,000 and damages in excess of \$1,000,000.

In the past you have indicated that Mrs. Nelson has retained Mississippi counsel to represent her in these proceedings. To date, I have not received any correspondence from any attorney in Mississippi indicating they were representing Mrs. Nelson.

Obviously, a response must be prepared on behalf of all Defendants. Mr. Nelson advises that his wife's, Lynita Nelson's, Mississippi counsel would be taking over the representation of her, individually, and her Trust.

The dilemma is that a response must be filed on behalf of Mrs. Nelson and her Trust. I intend to withdraw as attorney on behalf of Mrs. Nelson and her Trust. Before doing so, I would like to be advised of what direction Mrs. Nelson wishes to proceed. Is she going to allow her Mississippi counsel to prepare the response to the attached (via mail copy) Summary Judgment?

Katherine L. Provost, Esquire
January 31, 2011
Page 2

May I please be advised what course of direction Mrs. Nelson intends to pursue and, if that course is to be represented by Mississippi counsel, please have the attorney contact me in order that I may make the transition from my representation of Mrs. Nelson and her Trust to her Mississippi counsel.

Time is of the essence.

Very truly yours,

HAROLD W. DUKE, P.A.



Harold W. Duke

HWD:pw

cc: Mr. Eric Nelson

HAROLD W. DUKE, P.A.
A PROFESSIONAL LAW CORPORATION
1024 WASHINGTON AVE., SUITE 205
P.O. BOX 843
GREENVILLE, MISSISSIPPI 38702-0843

HAROLD W. DUKE
E-Mail: hwduke@suddenlinkmail.com

Telephone: (662) 378-2946
Facsimile: (662) 378-2946

December 14, 2010

VIA FACSIMILE - 702/388-0210 and U.S. MAIL

Katherine L. Provost, Esquire
The Dickerson Law Group
1745 Village Center Circle
Las Vegas, NV 89134

RE: Lynita S. Nelson
Chancery Court of Hancock County, MS
James A. Maness and Phyllis L. Maness
v. Dynasty, Inc., Dynasty, Limited, Eric L.
Nelson Nevada Trust, Eric L. Nelson,
Trustee of Eric L. Nelson Nevada Trust,
LSN Nevada Trust

Dear Ms. Provost:

Interrogatories have been submitted which require responses from Eric, as well as Mrs. Nelson. Eric has prepared his answers to the Interrogatories submitted by the Plaintiffs in the above styled and captioned matter, but to date I have not had the opportunity to discuss with any attorney representing Mrs. Nelson's interests as to what her answers to the Interrogatories should be.

Furthermore, I have reached the conclusion that I have a conflict of interest in the above matter, and I intend to withdraw representation from any trust of which Mrs. Nelson is the primary beneficiary. I understand the LSN Nevada Trust is Mrs. Nelson's trust.

I am unclear as to the status of the above Defendants. Would you please advise if there is any Defendant, other than LSN, which involves Mrs. Nelson? If so, I will also withdraw as attorney for that trust.

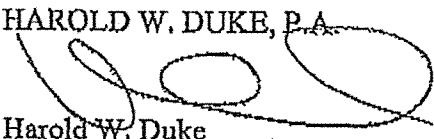
The lawsuit is at a critical stage, and I am unable to proceed further.

Would you discuss this matter with your client and advise that I will be withdrawing representation of any trust which she owns or in which she has an interest.

Katherine L. Provost, Esquire
December 14, 2010
Page 2

Very truly yours,

HAROLD W. DUKE, P.A.



Harold W. Duke

HWD:pw

cc: Mr. Eric Nelson

R. WAYNE WOODALL

Attorney At Law
1918 23rd Avenue
Gulfport, MS 39502-0028

Telephone: (228) 868-5423

Facsimile: (228) 864-7235

FACSIMILE COVER SHEET

To: HAROLD DUKE, ESQUIRE

At Fax No. (662) 378-2948

Subject: MANESS et ux. v. DYNASTY et al.

Date: January 31, 2011

From: R. WAYNE WOODALL

Number of Pages transmitted (INCLUDES COVER SHEET) Three (-3-)

NOTE: HARD COPY (X) WILL () WILL NOT FOLLOW VIA (X) U.S. POST; ()
OVERNIGHT TRANSMITTAL; () E-MAIL: _____ @ _____

FURTHER MESSAGE:

**PLEASE SEE ATTACHED CORRESPONDENCE CONFIRMING OUR CONVERSATION
OF THIS DATE RELEVANT TO THE MOTION FOR PARTIAL SUMMARY JUDGMENT
AND YOUR WITHDRAWAL FROM REPRESENTATION OF MRS NELSON**

THIS TRANSMITTAL IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHOM IT IS ADDRESSED AND MAY
CONTAIN CONFIDENTIAL AND/OR PRIVILEGED INFORMATION. IF THE READER OF THIS MESSAGE IS NOT THE ADDRESSEE
HEREIN, YOU ARE HEREBY NOTIFIED THAT ANY DISCLOSURE OF THIS MESSAGE IS PROHIBITED AND YOU ARE REQUESTED
TO NOTIFY THIS FIRM IMMEDIATELY BY TELEPHONE (COLLECT IF NECESSARY) AND TO RETURN THE ORIGINAL
DOCUMENTS TO OUR FIRM AT OUR EXPENSE, VIA U.S. POSTAL SERVICE OR UNITED PARCEL SERVICE, VIA C.O.D.,
TRANSMITTAL COVERING YOUR COSTS INCURRED IN PREPARING THE DOCUMENTS FOR SUCH DELIVERY. THANK YOU!



R. WAYNE WOODALL

R. WAYNE WOODALL

Attorney At Law
1918 2nd Avenue
Gulfport, MS 39502-0028

Telephone: (228) 864-2029

Facsimile: (228) 864-7235

January 31, 2010

Harold W. Duke, Esquire
Post Office Box 843
Greenville, MS 38702

Via: Facsimile [(662) 578-2948] and U.S. Post

Re: *Maness versus Dynasty, Inc.*
Hancock County Chancery Court
Cause Number: 2003-0465

Dear Mr. Duke:

Further to our conversation this date, this letter is to confirm that you are taking steps to withdraw from representation of Lanita Nelson and the LSN Trust. Further, it is agreed that you would have thirty (30) days within which to respond to the Motion for Partial Summary Judgment provided that within the next fourteen (14) days we will confer and set a hearing date on that Motion for Partial Summary Judgment which will be held some time in the second half of March 2011, and no later than the end of April 2011.

Further, the contact data on the Attorney who had consulted us in February 2010 relevant to assuming Lanita Nelson's representation is as follows:

Honorable Je'Neil B. Blum
Dukes, Dukes, Keating and Fancetta, P.A.
2909 13th Street
Post Office Drawer W1
Gulfport, MS 39502
Telephone: (228) 868-1111
Facsimile: (228) 863-2886

We are anxious to proceed with the Motion for Partial Summary Judgment and the assessment of damages against Mr. Nelson due to his creation of the cloud on title. As you will be able to determine, it is the Plaintiffs' position at this time that notwithstanding the attempted correction of the defective Deeds (through the execution of the "Correction Warranty Deed" by Eric Nelson, the Eric Nelson Trust, the LSN Trust, Dynasty, Inc., and Dynasty, Limited) that effort failed due in part to the "nonexistence" of Dynasty, Limited a Mississippi Corporation at that time.

Further, the Plaintiffs are seeking an award of damages against Mr. Nelson for Attorney's fees, and costs incurred in the prosecution of the case. These damages include, but are not limited to

Harold W. Duke, Esquire
Post Office Box 843
Greenville, MS 38702
Hancock County Chancery Court

January 31, 2011
Facsimile [(662) 378-2948] and U.S. Post
Maness versus Dynasty, Inc.
Cause Number 2003-0495

Attorney's Fees incurred with the Douishes, Kerrigan & Styles firm (Victor Franciawicz, Esquire); the Parsons firm in Wiggins (Honorable Tad Parsons), my fees and other expenses and losses attributed to the litigation. At this time those expenses total \$153,084.00 excluding the fees for Victor Franciawicz, (a record of which I am trying to obtain at this time.) Further damages are claimed due to the loss of the suit to K. & A. Enterprises, LLC. in the base amount of Six Hundred Thousand Dollars (\$600,000.00) with a possibility that this claim may be increased by the sum of Four Hundred Thousand Dollars (\$400,000.00) in the event of an adverse verdict in Cause Number C2501-2010-0271(4) in that action filed by K. & A. Enterprises, LLC. against my clients.

Once the Motion for Partial Summary Judgment is finalized we expect to make a decision concerning further pursuit of the adverse possession portion of the litigation.

If you have any questions, or comments, please feel free to contact my office.

Sincerely,

R. Wayne Woodall
R. Wayne Woodall

RW W/d

HAROLD W. DUKE, P.A.
A PROFESSIONAL LAW CORPORATION
1024 WASHINGTON AVE., SUITE 205
P.O. BOX 843
GREENVILLE, MISSISSIPPI 38702-0843

HAROLD W. DUKE
E-Mail: hwduke@suddenlinkmail.com

Telephone: (662) 378-2949
Facsimile: (662) 378-2948

June 8, 2010

Mr. Eric Nelson
3611 Lindell Rd., Suite 201
Las Vegas, NV 89103

Copy
EM
E-mail
by Mr
Wulfsberg
for

RE: Maness v. Dynasty, Inc.
Depositions of Jim and Phyllis Maness

Dear Eric:

As scheduled, I took the depositions of Jim and Phyllis Maness on Friday, June 4, in Gulfport.

Jim Maness is approximately 70 years of age and indicated that his last employment was in 1987, when he was a drug representative for a pharmaceutical company in New Orleans. Maness has an undergraduate degree in "paralegal studies" and a Master's Degree in political science. Since 1987, he has owned property in Hancock County, the subject of this lawsuit, and he has operated it a camp/RV park. He indicated there are approximately 16 to 18 RV spots and water and sewage. When questioned, he acknowledged that what he called RV spots do not all have water or sewage. He indicated that the trailer park is basically in the same condition as it was when he purchased it.

After Katrina he gave an option to purchase the property to Arthur Geary and Lester Waldman. Attached hereto and marked as Exhibit D-5 is a copy of that option. According to Jim Maness, they paid \$50,000 for the option which was executed on May 7, 2004. They paid an initial first payment of \$334,000, with two remaining payments of \$333,333 each. They paid the first one and then there were problems with the title, and the other payments were deferred. Attached hereto and marked as Exhibit D-3 is a copy of the title opinion which Arthur Geary had requested dated June 15, 2005. You will note it does indicate the cloud on the title which was created when you transferred property from Dynasty, Inc. to your other corporations. Also note that a "second problem" is the fact that Walker Avenue, which is part of the property, was not abandoned properly. I got Maness to acknowledge that the option agreement (Exhibit D-5) had already taken into consideration the fact that they

Mr. Eric Nelson

June 8, 2010

Page 2

were in litigation with you over the adverse possession property, and the purchase option price of \$1,000,000, as reflected in Exhibit D-5, would be paid whether or not Maness was successful in obtaining your property by adverse possession. I got Maness to admit that they would have bought the property even if he had failed in litigation.

Concerning the adverse possession, Maness was playing games during the deposition pretending ignorance of any situations. For example, he denied knowing what a Temporary Restraining Order was, although he has an undergraduate degree in "paralegal studies." I got him to acknowledge that his former attorneys had requested a Quitclaim Deed from your various entities clearing the property, which we provided and which was filed. This did not satisfy Maness because he felt he lost the opportunity to sell the property because of the cloud. I will discuss this later on, but I think one of the reasons he was not able to sell his property was due to the fact that Walker Avenue has no been property abandoned.

Maness is the type of individual who thinks he is mentally superior to everyone and goes out of his way to show you how intelligent he is. For example, I had copies of his deeds where he purchased the property in 1987, and asked did he agree that his legal descriptions when he purchase his property excluded the three parcels that he is now claiming by adverse possession. I was surprised when Maness stated in his opinion his legal description included your property. This brings up an interesting consideration for adverse possession. He was under the mistaken belief that he owned the property, not that he was acquiring it by adverse possession and, according to Maness, it was not until he got the Corrected Warranty Deed that he realized that he did not own your property. The corrected deed is attached hereto as Exhibit D-2, dated January 27, 1994. According to Maness, this is when he first realized he did not own your property. The issue that is developed now, in my opinion, is going to cast doubt on his claim for adverse possession. The claim has to hostile, with notice and intent. How could he claim hostile notice and intent when he though he owned it all along. This brings up an interesting side consideration. Maness stated that the first notice to you of the adverse claim was when he filed his lawsuit, and the only written notice that he claimed your property was contained in that letter of August 5, 2003 (Exhibit D-4), which I am attaching hereto. Other than this, he indicated he never advised you that he was seeking this property by adverse possession. He specifically recalls you crossing the disputed property. He posted no trespassing signs, did not do anything other than repair a fence and, at no time, had he advised you that he was claiming this by adverse possession. He says the only written notice was the letter, which I have attached hereto and marked Exhibit D-4. Although Maness denied knowing the property, when he bought it in 1987, did not include your strip, you will note his letter to you indicates that in 2003, there was a survey problem and he is attempting to correct it by adverse possession.

Overall, I did not find Maness to be very credible as a witness. He attempted to argue and show his superior knowledge. I think he failed in demonstrating how superior in intellect he was. I see some real issues and problems Maness may have in adverse possession. This is not to say he will not ultimately obtain adverse possession, but I had previously sent you a recent case detailing all the elements of adverse possession. If you will read that case, I think you will agree that Maness has some problems. Maness did indicate that he had used part of your property, a water tank was on the property and part of his house was on a portion of the property, and that he rented RV spots. This is contrary to all the witnesses I have talked to. I have talked to Reed Elliott and he said that is not accurate or true at all. In any event, I do not think Maness came across as very credible.

I did find one interesting thing during the course of the deposition. I asked Maness about the reservation of the names "Dynasty, Inc." (attached hereto and marked Exhibit D-6). In an effort to deny anything, he stated that he was vaguely aware of this. When questioned whether he owned the name Dynasty, Inc. or his attorney, he was unable to answer. His attorney blurted out that he owned the name Dynasty, Inc. and would sell the name Dynasty, Inc. On the record, I advised the attorney that made him a material witness, and we intended to notify him of that fact in writing and, at that time, he had to make a decision as to withdrawing as Maness' counsel. I think that puts the attorney and Maness in a bad light. If we could obtain the name Dynasty, Inc., we could have cleared all title issues. Now they have frustrated it by reserving the name. After the deposition, the attorney indicated for \$25.00, he would release the reservation of the name Dynasty, Inc., and we could have the corporation. This may be a very interesting development to be explored later on.

Maness would not answer most of the questions concerning the option that he had to sell the property as contained in Exhibit D-5. A lawsuit has been filed for the return of the money paid him. I will address that in a later part of this letter.

Also attached is Exhibit D-7, a Covenant Agreement. Maness and his wife received \$100,000 to rebuild the property after Katrina. They took the \$100,000, moved to College Point, Texas, and purchased a home.

Attached also is a copy of a lawsuit that was filed April 21, 2010, in the Chancery Court of Hancock County, Mississippi, entitled *K & A Enterprises of Mississippi, LLC v. Phyllis Maness and James A. Maness*. His attorney advised that they intended to sue you for racketeering under the RICO statutes because you are conspiring with Geary and Waldman to "steal" Maness' property. I am not certain that this lawsuit is legitimate. The attorney did

mention during one of the breaks that he used to represent Waldman and that is why he did not represent them in this lawsuit. The lawsuit certainly is strange. You will notice one of the exhibits attached to this lawsuit is a "Memorandum of Issues to be Resolved." This is a very rambling document which is difficult to read and understand. For example, please notice and observe paragraph 2 of the Memorandum of Issues to be Resolved. "A large portion of the property which Manus claims to own and sell is believed to be claimed by entity controlled by Eric Nelson. If this true, then Manus needs to cure the title prior to a closing and the option agreement needs to be extended until the litigation is resolved." Basically, the document intended to delay any other payment until adverse possession and the Walker Avenue abandonment was resolved. It does not really say that. Note paragraph 13. They were attempting to say in the event that Maness lost his lawsuit, they would refund the \$50,000 option money paid. This conflicts totally with the option to purchase, in that it clearly states that they will buy the property whether or not the litigation with you is successful. It appears that this memorandum was written by Waldman to Arthur Geary because it does mention, "It would be greatly Art's interest to convince Manus..." so forth and so on. I think that Geary and Waldman realized they made a bad deal. For example, they did not even get a deed with the deed of trust on the property. They simply had an option. It is a very rambling document.

Also attached as Exhibit "C" to the Complaint is Gillespie Title Company title opinion.

Exhibit "D" to the Complaint attempts, apparently, to extend the option and is signed by everyone. It is a little difficult to read. I think the date is 2006. It indicates that any additional payments would be deferred until the issues of the title were resolved. You may recall by 2006, we had talked with Maness' other attorney and I had actually prepared a quitclaim deed, which was given to Maness' attorney and filed in 2007. So, we had cleared the cloud you had put on the title.

Please observe Exhibit "F." This is where Maness has terminated any agreement with Geary and Waldman to purchase the property. It is dated September 8, 2009.

The last document, Exhibit "G," is a title opinion from a group of lawyers dated January 20, 2010. In the title opinion, they do not at all refer to the quitclaim deed that we had given to take the cloud off the title, so I am not sure if they did not find the deed or whatever. By this time, we had clearly cleaned up the title.

Mr. Eric Nelson
June 8, 2010
Page 5

Concerning Maness' wife, she indicated that everything was cordial with you and you were friendly to her. The only time she prevented you from coming to the property was what she described as "their road/driveway," and you were attempting to bring in logging equipment, and she told you not to use their roadway and not to cut trees on any of the property they were claiming by adverse possession. She stated that other than that she had no contact with you.

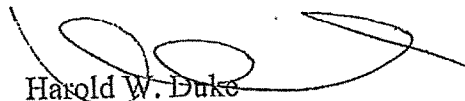
Maness did indicate his contact with you was less than satisfactory, as you threatened to kill him and every time you saw him your use of profanity toward him was an embarrassment to him.

I bring this to your attention by attaching a lawsuit because the attorney for Maness indicated he was going to bring you in as a Defendant, and he would be suing you under criminal RICO and civil, and that you were conspiring with Geary and Waldman to steal Maness' property. You told me you had limited contact with Geary and Waldman years ago. I have the feeling Geary and Waldman are in a conspiracy to file this lawsuit and get you in in hopes you will contribute to settling and resolving it.

This serves just on an interim basis to give you what transpired in the depositions and the exhibits I did use. Overall, I think the depositions went well. Once I received the transcribed depositions, I will provide you copies of both depositions. Please call me when you get a chance, and we will discuss it further.

Very truly yours,

HAROLD W. DUKE, P.A.


Harold W. Duke

HWD:pw
Enclosures

**OPTION AGREEMENT
FOR PURCHASE OF REAL ESTATE**

2009 12370
Recorded in the Above
Deed Book & Page
10-12-2009 01:11:45 PM
Timothy A Keller
Hancock County

THIS AGREEMENT is entered into on this 2nd day of May, 2004 by and between K & A Enterprises, L.L.C. on the one hand (hereinafter referred to collectively as Optionees) and Phyllis Maness and James A. Maness, of Lakeshore, Mississippi on the other hand (hereinafter collectively referred to as Optionors). All parties are of full age of majority and competent to enter into this agreement.

Option Regarding the Main Property. Optionors grant unto Optionees, for a period of One (1) calendar year from date recited in the previous paragraph, an OPTION to PURCHASE the following described real property situated in Hancock County, Mississippi according to a survey produced by Duke Levy and Associates, P.A., Consulting Engineers, Waveland, MS 39576, State of Mississippi Registered Land Surveyor number 1722, on 08 April, 2002, attached to this option as Exhibit "A", and more fully described as:

(1) Lots 13, 14, 15 and 16, Block 110, GULFVIEW SUBDIVISION, Lakeshore, Hancock County Mississippi;

(2) Beginning at a stake set 127 feet North and 236 feet East of the Southwest corner of Block 110 of GULFVIEW SUBDIVISION and running thence

South 55 degrees West 150 feet to a stake; thence
South 35 degrees East 150 feet to a stake; thence
North 55 degrees East 150 feet to a stake; then
North 35 degrees West 150 to the Place of Beginning;

(3) A strip of land between parallel lines 40 feet apart running South 35 degrees East 350 feet, more or less, the Southwesterly line of which is a continuation of the Southwesterly line of the above described property; said strip of land extending from the Southeasterly Right-of-Way line of Front Street, also known as Beach Boulevard;

Option Regarding the Adverse Possession Property. The parties to this agreement mutually acknowledge that Optionors have filed and are presently maintaining an action for adverse possession in the Chancery Court of Hancock County, Docket No. 2003-485, styled *Maness, et al. v. Dynasty, Inc., et al.* They also acknowledge that the outcome of that action is uncertain, but that they mutually intend this option to include

Page 1 of 5

EXHIBIT

D-5

AAPP 6858
DG-00309

whatever interest the Optionors acquire by virtue of that action in the property that is the subject of that action. However, Optionors do not represent, guarantee, or warrant that they now have or will acquire an interest in such property. To the extent that Optionors are successful in the action, and in addition to the property described above, this option shall also cover the following described parcels indicated on the aforesaid survey of Duke Levy and Associates, P.A., to the extent of Optionor's interest in such parcels at the time the option is exercised.

(4) Parcel "A". A parcel of land situated in part of Blocks 110 and 111, GULFVIEW SUBDIVISION, Hancock County Mississippi and being more fully described as follows: Parcel "A" Commencing at the SE Corner of lot 16, BLK 110, GULFVIEW S/D, Lakeshore, Hancock County, MS; thence S 89 degrees 44'57" W 115.16' to the P.O.B.; thence S 27 degrees 23'09" W 121.75' to a point; thence N 35 degrees 02'37" W 92.56' to a point; thence N 53 degrees 33'25" W 56.31' to a point; thence N 89 degrees 44'57" E 62.55' to the P.O.B., containing 5,985 S.F. of land, more or less;

(5) Parcel "B". A parcel of land situated in part of Blocks 110 and 111, GULFVIEW S/D Lakeshore, Hancock County MS and being more fully described as follows: Commencing at the SE corner of lot 16, BLK 110, GULFVIEW S/D, Lakeshore, Hancock County, MS; thence S 89 degrees 44'57" W 295.06' to the P.O.B.; thence S35 degrees 00'00" E 148.12' to a point; thence N 53 degrees 59'00" W 233.03' to a point; thence N 47 degrees 15'10" E 76.32' to a point; thence S 35'00" E 82.52' to the P.O.B., containing 8,722 S.F. of land more or less; and

(6) Parcel "C". A parcel of land situated in part of Blocks 110 and 111, GULFVIEW S/D, Lakeshore, Hancock County MS, and being more fully described as follows: Commencing at the corner of lot 16, BLK 110, GULFVIEW S/D, Lakeshore, Hancock County MS; thence S 89 degrees 44'57" W 177.71' to a point; thence N53 degrees 33'25" E 53.51' to a point; thence N 34 degrees 55'41" W 116.96' to P.O.B.; thence continue N 34 degrees 55'41" W 33.26' to a point; thence N 54 degrees 53'10" E 23.10' to a point; thence S 00 degrees 15'03" E 40.50' to the P.O.B., containing 384 S.F. of land, more or less.

All of the property described above is part of Block 110 and 111 of GULFVIEW SUBDIVISION, Hancock County Mississippi according to the official plat of said subdivision on file in the offices of the Clerk of the Chancery Court of Hancock County Mississippi. It is intended that this sale includes all property owned by the optionors in Block 110 and 111 of Gulfview Subdivision.

or (c) two years after the exercise of this Option): \$333,333.00 plus simple interest from date of exercise of Option at the rate of 1% over the earliest prime rate published in a calendar year by the Federal Reserve, which shall apply for the entire calendar year in which it was published.

3) Third sale price payment shall be due at the earliest of (a) when construction is started; (b) when permanent financing is closed; or (c) two years after the date of the second payment. The third and final payment to be, at the Optionors' option. The third payment shall (at Optionors' election) be either \$333,334.00 or the conveyance to Optionors (or designees or assignees of their choosing) of a condominium unit of their choice in any project developed on the site. If optionors decide to purchase a two or three bedroom unit, it is understood that optionors must cooperate with optionees to allow for the construction loan or other financing in order to build the structure. In the event sellers elect to receive the last payment in cash, the payment shall include simple interest from date of exercise of this Option at the rate of 1% over the earliest prime rate published in a calendar year by the Federal Reserve, which shall apply for the entire calendar year in which it was published. If the site is not developed into condominiums, then optionors agree that they will be paid \$333,334.00.

Passing of Title and Cooperation Clause. In the event this Option is exercised by Optionees, fee simple title to the described real estate shall not pass to the Optionees until the final sale price payment is made.

Optionors' obligation under this paragraph does not include any assurance or guarantee as to the outcome of any approval for financing, permits, or any related authorizations; nor does it include an obligation for Optionors to guarantee any loan for the benefit of Optionees; nor does it include an obligation for Optionors to subordinate any interest they may have in the real property (or in instruments, obligations, or choses in action related to it) to the interests of Optionees, their lender, their creditors, or their business associates.

Choice of Law and Forum. This Option Agreement shall be governed by Mississippi law. The parties agree that any dispute regarding this Agreement or the property to which it pertains shall be brought in state court in Hancock County, Mississippi, and the parties agree that they will waive any objection to personal jurisdiction or venue in such court. Further, the parties waive any right they may have (whether individually or jointly) to remove any action initially brought in state court to federal court.

This Option Agreement was entered into and executed on this 7th day of May, 2004 in our presence and in the presence of the undersigned competent witnesses.



WITNESSES:

Phyllis Maness
PHYLLIS MANESS

James A. Maness
JAMES A. MANESS

K & A Enterprises, L.L.C. by:

[Signature]
[Signature]

Arthur Geary
ARTHUR GEARY

[Signature]
LESTER WALDMANN

Optionee, its lenders, its creditors, or its business associates. To this end, at the time of closing, Optioners may reasonably require the protection of the interests that they retain in the property prior to title passing to Optionee by appropriate instruments, business entity resolutions, or the like filed in the land records of Hancock County.

Choice of Law and Forum. This Option Agreement shall be governed by Mississippi law. The parties agree that any dispute regarding this Agreement or the property to which it pertains shall be brought in state court in Hancock County, Mississippi, and the parties agree that they will waive any objection to personal jurisdiction or venue in such court. Further, the parties waive any right they may have (whether individually or jointly) to remove any action initially brought in state court to federal court.

Addendum To Contract

Execution by Optioners: This Option Agreement was entered into and executed on this 7th day of May, 2004 in the presence of all signatories to this instrument and in the presence of the undersigned competent witnesses.

WITNESSES:

Phyllis Maness
PHYLLIS MANESS, Optionor

James A. Maness
JAMES A. MANESS, Optionor

Execution by Optionee: This Option Agreement was entered into and executed on this 7th day of May, 2004 by the above named Optionee, acting by and through the following persons, who hereby certify and warrant that they are authorized to act on behalf of Optionee, in the presence of all signatories to this instrument and in the presence of the undersigned competent witnesses.

WITNESSES:

Arthur Gray
ARTHUR GRAY

Lester Waldmann
LESTER WALDMANN

GILLESPIE TITLE COMPANY

2416 14TH STREET, GULFPORT, MS 39501

Phone: 228-864-4542 Fax: 228-864-8464

amy@gillespietitle.com

June 15, 2005

Mr. Arthur Geary
Via Fax Transmission
504-948-3417

*Re: Property of James A. and Phyllis L. Maness
Part of Blocks 110 and 111
Gulfview Subdivision, Hancock County, MS*

Dear Mr. Geary:

At your request, I have made an examination of the land records with regard to the property which is owned by James and Phyllis Maness. I am writing you this opinion on the property which is owned in fee simple by James and Phyllis Maness and not on the status of the property that is the subject of the suit for adverse possession.

My initial examination of the property found that James and Phyllis Maness owned the following described property in fee simple:

Lots 13, 14, 15, and 16, Block 110, Gulfview Subdivision, Lakeshore, Hancock County, Mississippi, as per map or plat of said subdivision on file in the Office of the Chancery Clerk of Hancock County, Mississippi.

Being the same property that was conveyed from Grace A. Ortte to Gaston J. B. Gelis and Thelma L. Gelis, Husband and Wife, by deed dated August 7, 1978, and recorded among the Deed Records in the Office of the Chancery Clerk of Hancock County, Mississippi, on August 15, 1978, in Book AA-26 at Page 487.

And Also,

Beginning at a stake set 127 feet North and 236 feet East of the Southwest corner of Block 110 of Gulfview Subdivision and running thence South 55 degrees West 150 feet to a stake; thence South 35 degrees East 150 feet to a stake; thence North 55 degrees East 150 feet to a stake; thence North 35 degrees West 150 feet to the Place of Beginning.

Also a strip of land between parallel lines 40 feet apart running South 35 degrees East 350 feet, more or less, the Southwesterly line of which is continuation of the Southwesterly line of the above described property; said strip of land extending from the southeasterly right-of-way line of Front Street or Beach Boulevard.

EXHIBIT

D-3

AAPP 6863

DG-00314

Mr. Arthur Geary
June 15, 2005
Page 2 of 3

Being part of Block 110 and 111 of Gulfview Subdivision, Hancock County, Mississippi, according to the official plat of said subdivision on file in the Office of the Chancery Clerk of Hancock County, Mississippi.

Being the same property that was conveyed from Maurice J. Caillouet and Winnie B. Caillouet, husband and wife, to Gaston J. B. Gelis and wife, Thelma L. Gelis by deed dated October 1, 1971, and recorded among the Deed Records in the Office of the Chancery Clerk of Hancock County, Mississippi on October 5, 1971, in Book W-O, Pages 126-127.

Together with all and singular the rights, privileges, improvements and appurtenances to the same belonging or in anywise appertaining.
(the "Subject Property")

The Subject Property was originally acquired by James A. and Phyllis L. Maness ("Maness") by deed dated March 20, 1987 from Gaston J. B. Gelis and Thelma L. Gelis and recorded in Book BB14 at Page 634 and corrected by corrected warranty deed dated January 27, 1994 and recorded in Book BB99 at Page 559, both deed are filed in the Office of the Chancery Clerk of Hancock County, Mississippi.

Up to this point in time it appears from an examination of the records that Maness had good title to the Subject Property. In October, 1998 Dynasty, Inc. ("Dynasty") got involved by acquiring title to adjacent property from the Marion B. Elliott Trust. Dynasty acquired all of Block 110, Gulfview Subdivision, LESS AND EXCEPT that certain property conveyed by Grace A. Ortte (predecessor in title to Maness) in Book I-9 at Page 133 and Book AA-26 at Page 487. Dynasty also acquired all of Block 111, Gulfview Subdivision, LESS AND EXCEPT that part conveyed by Grace Ortte in Book I-9 at Page 133 and in Book J-8 at Page 495. The less and except parcels eliminated the Subject Property from what was conveyed to Dynasty.

Dynasty later conveyed its property to Eric L. Nelson, Trustee of Eric L. Nelson Nevada Trust u/a/d 5/30/01 ("Nelson Trust") by deed recorded in Book BB-279 at Page 243. In said deed Dynasty purported to convey all of Blocks 110 and 111 leaving out the *less and except*. I found no other reference to Dynasty receiving any other interest in Blocks 110 or 111 than what was conveyed in the above referenced deed from the Marion Elliott Trust. However, this creates a cloud on the title for which an exception will have to be made on any title insurance policy written on the Subject Property.

The second item that creates a problem on the title is the presence of Walker Avenue within the boundaries of the Subject Property. When Gulfview Subdivision was platted it contained streets that were dedicated to the County. These streets do not appear to have even been opened but nonetheless they appear on surveys of the property and were dedicated to the County when the original subdivision was platted. The Hancock County Board of Supervisors attempted to vacate the portion of Walker Avenue that runs through the Subject Property in January 1994 but it does not appear from the public record that the vacation was done properly. The statute under which the

Mr. Arthur Geary
June 15, 2005
Page 3 of 3

Board proceeded for the vacation of Walker Avenue requires that notice be published in the newspaper and no publication was recited within the document nor was there a proof of publication attached thereto. Therefore, it does not appear that the vacation of Walker Avenue was performed properly and should be corrected.

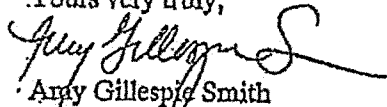
These are the two title issues that were raised upon investigation into the records concerning title to the Subject Property. These issues are further complicated by the fact that Dynasty and Maness are embroiled in a legal battle for the rights to adjacent properties.

Upon meeting with Victor Frankowitz and Joel Blackledge, legal counsel for Maness, it was determined that the suit for adverse possession should include a count for clearing the title issues or the court may not let an owner of the property re-try the title issues at a later time and also to have all matters resolved within the present cause of action. In addition, at the meeting Joel and Vic informed me that they would be postponing the original court date that was set for June, 2005 and continuing the case until such time as all matters can be tried together with the adverse possession matter. The two problems on the title should be cleared in the suit for adverse possession to make this title marketable and insurable.

The timeline that was discussed was that the best case scenario was that the lawsuit would be tried by August 2005 with an appeal time period of six months to one year. The worst case scenario is that the lawsuit could take six months to one year to complete with an appeal period to extend to two years.

In conclusion, it is my opinion that in light of the title problems that exist on the Subject Property you will not be able to obtain a loan on the property nor be able to obtain title insurance without exceptions on the Subject Property. In order to have a title insurance company insure the Subject Property without exception to the two items mentioned herein the title must be cleared and this can be handled within the litigation for adverse possession.

Yours very truly,


Amy Gillespie Smith

**OPTION AGREEMENT
FOR PURCHASE OF REAL ESTATE**

2009 12370
Recorded in the Above
Used Book & Page
10-12-2009 01:11:45 PM
Timothy A Keller
Hancock County

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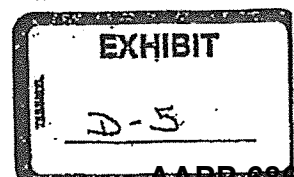
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South 55 degrees West 150 feet to a stake; thence
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Page 1 of 5



AAPP-8866
DG-00317

whatever interest the Optionors acquire by virtue of that action in the property that is the subject of that action. However, Optionors do not represent, guarantee, or warrant that they now have or will acquire an interest in such property. To the extent that Optionors are successful in the action, and in addition to the property described above, this option shall also cover the following described parcels indicated on the aforesaid survey of Duke Levy and Associates, P.A., to the extent of Optionor's interest in such parcels at the time the option is exercised.

(4) Parcel "A". A parcel of land situated in part of Blocks 110 and 111, GULFVIEW SUBDIVISION, Hancock County Mississippi and being more fully described as follows: Parcel "A" Commencing at the SE Corner of lot 16, BLK 110, GULFVIEW S/D, Lakeshore, Hancock County, MS; thence S 89 degrees 44'57" W 115.16' to the P.O.B.; thence S 27 degrees 23'09" W 121.75' to a point; thence N 35 degrees 02'37" W 92.56' to a point; thence N 53 degrees 33'25" W 56.51' to a point; thence N 89 degrees 44'57" E 62.55' to the P.O.B., containing 3,985 S.F. of land, more or less;

(5) Parcel "B". A parcel of land situated in part of Blocks 110 and 111, GULFVIEW S/D Lakeshore, Hancock County MS and being more fully described as follows: Commencing at the SE corner of lot 16, BLK 110, GULFVIEW S/D, Lakeshore, Hancock County, MS; thence S 89 degrees 44'57" W 293.06' to the P.O.B; thence S35 degrees 00'00" E 148.12' to a point; thence N 53 degrees 59'00" W 233.03' to a point; thence N 47 degrees 15'10" E 76.32' to a point; thence S 35'00" E 82.52' to the P.O.B., containing 8,722 S.F. of land more or less; and

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All of the property described above is part of Block 110 and 111 of GULFVIEW SUBDIVISION, Hancock County Mississippi according to the official plat of said subdivision on file in the offices of the Clerk of the Chancery Court of Hancock County Mississippi. It is intended that this sale includes all property owned by the optionors in Block 110 and 111 of Gulfview Subdivision.

or (c) two years after the exercise of this Option); \$333,333.00 plus simple interest from date of exercise of Option at the rate of 1% over the earliest prime rate published in a calendar year by the Federal Reserve, which shall apply for the entire calendar year in which it was published.

3) Third sale price payment shall be due at the earliest of (a) when construction is started; (b) when permanent financing is closed; or (c) two years after the date of the second payment. The third and final payment to be, at the Optionors' option. The third payment shall (at Optionors' election) be either \$333,334.00 or the conveyance to Optionors (or designees or assignees of their choosing) of a condominium unit of their choice in any project developed on the site. If optionors decide to purchase a two or three bedroom unit, it is understood that optionors must cooperate with optionees to allow for the construction loan or other financing in order to build the structure. In the event sellers elect to receive the last payment in cash, the payment shall include simple interest from date of exercise of this Option at the rate of 1% over the earliest prime rate published in a calendar year by the Federal Reserve, which shall apply for the entire calendar year in which it was published. If the site is not developed into condominiums, then optionors agree that they will be paid \$333,334.00.

Passing of Title and Cooperation Clause. In the event this Option is exercised by Optionees, fee simple title to the described real estate shall not pass to the Optionees until the final sale price payment is made.

Optionors' obligation under this paragraph does not include any assurance or guarantee as to the outcome of any approval for financing, permits, or any related authorizations; nor does it include an obligation for Optionors to guarantee any loan for the benefit of Optionees; nor does it include an obligation for Optionors to subordinate any interest they may have in the real property (or in instruments, obligations, or choses in action related to it) to the interests of Optionees, their lender, their creditors, or their business associates.

Choice of Law and Forum. This Option Agreement shall be governed by Mississippi law. The parties agree that any dispute regarding this Agreement or the property to which it pertains shall be brought in state court in Hancock County, Mississippi, and the parties agree that they will waive any objection to personal jurisdiction or venue in such court. Further, the parties waive any right they may have (whether individually or jointly) to remove any action initially brought in state court to federal court.

This Option Agreement was entered into and executed on this 7th day of May, 2004 in our presence and in the presence of the undersigned competent witnesses.



Page 4 of 5

WITNESSES:

Phyllis Maness
PHYLLIS MANESS

James A. Maness
JAMES A. MANESS

K & A Enterprises, L.L.C. by:

[Signature]
[Signature]

Arthur Geary
ARTHUR GEARY

[Signature]
LESTER WALDMANN

Optionee, its lenders, its creditors, or its business associates. To this end, at the time of closing, Optionors may reasonably require the protection of the interests that they retain in the property prior to title passing to Optionee by appropriate instruments, business entity resolutions, or the like filed in the land records of Hancock County.

~~Choice of Law and Forum.~~ This Option Agreement shall be governed by Mississippi law. The parties agree that any dispute regarding this Agreement or the property to which it pertains shall be brought in state court in Hancock County, Mississippi, and the parties agree that they will waive any objection to personal jurisdiction or venue in such court. Further, the parties waive any right they may have (whether individually or jointly) to remove any action initially brought in state court to federal court.

Addendum To Contract

Execution by Optionors: This Option Agreement was entered into and executed on this 7th day of May, 2004 in the presence of all signatories to this instrument and in the presence of the undersigned competent witnesses.

WITNESSES:

Phyllis Maness
PHYLLIS MANESS, Optionor
James A. Maness
JAMES A. MANESS, Optionor

Execution by Optionee: This Option Agreement was entered into and executed on this 7th day of May, 2004 by the above named Optionee, acting by and through the following persons, who hereby certify and warrant that they are authorized to act on behalf of Optionee, in the presence of all signatories to this instrument and in the presence of the undersigned competent witnesses.

WITNESSES:

Arthur Geary
ARTHUR GEARY
Lester Waldmann
LESTER WALDMANN

STATE OF MISSISSIPPI
COUNTY OF HANCOCK

BOOK 8899 PAGE 559

C O R R E C T I O N
WARRANTY DEED

WHEREAS, the Deed from Gaston J. B. Gelis and wife, Thelma L. Gelis, conveyed certain real property located in Hancock County, Mississippi, by Warranty Deed dated March 20, 1987, and recorded among the Deed Records in the Office of the Chancery Clerk of Hancock County, Mississippi, on March 20 1987, in Book BB-14, Pages 634-635; and

WHEREAS, the legal description of said property was incomplete and incorrect; and

WHEREAS, the Grantee of said property, namely James E. Maness, was actually James A. Maness; and

WHEREAS, it is the desire of the Grantors therein to correct said legal description and the name of the Grantee; Therefore

FOR AND IN CONSIDERATION of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, we, GASTON J. B. GELIS and wife, THELMA L. GELIS, do hereby sell, and warrant unto JAMES A. MANESS and wife, PHYLLIS L. MANESS, as tenants by the entirety, with full rights of survivorship, and not as tenants in common, the following real property, located in Hancock County, Mississippi; and described as follows, to wit:

(1) Lots 13, 14, 15 and 16, Block 110, GULFVIEW SUBDIVISION, Lakeshore, Hancock County, Mississippi, as per map or plat of said subdivision on file in the Office of the Clerk of the Chancery Court of Hancock County, Mississippi.

EXHIBIT

D-2

BOOK BB 99 PAGE 560

Being the same property that was conveyed from Grace A. Ortte to Gaston J. B. Gelis and Thelma L. Gelis, Husband and Wife, by Deed dated August 7, 1978, and recorded among the Deed Records in the Office of the Chancery Clerk of Hancock County, Mississippi, on August 15, 1978, in Book AA-26, Page 487.

(2) Beginning at a stake set 127 feet North and 236 feet East of the SouthWest corner of Block 110 of GULFVIEW SUBDIVISION and running thence South 55 degrees West 150 feet to a stake; thence South 35 degrees East 150 feet to a stake; thence North 55 degrees East 150 feet to a stake; thence North 35 degrees West 150 feet to the Place of Beginning.

ALSO a strip of land between parallel lines 40 feet apart running South 35 degrees East 350 feet, more or less, the SouthWesterly line of which is a continuation of the SouthWesterly line of the above described property; said strip of land extending from the SouthEasterly Right-of-Way line of Front Street or Beach Boulevard.

Being a part of Block 110 and 111 of GULFVIEW SUBDIVISION, Hancock County, Mississippi, according to the official plat of said Subdivision on file in the Office of the Clerk of the Chancery Court of Hancock County, Mississippi.

Being the same property that was conveyed from Maurice J. Caillouet and Winnie H. Caillouet, husband and wife, by Deed dated October 1, 1971, and recorded among the Deed Records in the Office of the Chancery Clerk of Hancock County, Mississippi, on October 5, 1971, in Book W-0, Pages 126-127.

Together with all and singular the rights, privileges, improvements and appurtenances to the same belonging or in anywise appertaining.

This conveyance is subject to any and all recorded restrictive covenants, rights-of-way and easements of record as the same relate to the hereinabove described property.

This conveyance is further subject to any and all prior reservations, conveyances and leases of any and all oil, gas and other mineral interests in, on or under the hereinabove described

property

WITNESS OUR SIGNATURES ON this 21st day of January, 1994.

Gaston J. B. Gelis
GASTON J. B. GELIS

Thelma L. Gelis
THELMA L. GELIS

STATE OF MISSISSIPPI
COUNTY OF HANCOCK

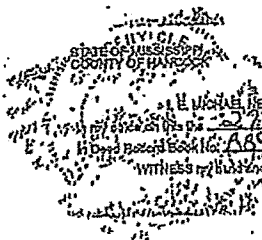
PERSONALLY APPEARED BEFORE ME; the undersigned authority in and for the aforesaid County and State, on this the 21st day of January, 1994, within my jurisdiction, the within named GASTON J. B. GELIS and wife, THELMA L. GELIS, who acknowledged that they executed the above and foregoing instrument.

(SEAL)

Robin B. Gelis
NOTARY PUBLIC
My commission expires:

GRANTOR'S ADDRESS:
Mr. and Mrs. Gaston J. B. Gelis
5370 South Beach Boulevard
Bay St. Louis, MS 39520
no telephone

GRANTEE'S ADDRESS:
Mr. and Mrs. James E. Maness
5370 South Beach Boulevard
Bay St. Louis, MS 39520
no telephone



I, MICHAEL BECAUSE, Clerk of the Chancery Court of said County, certify that the within instrument was filed for record on this 21st day of January, 1994, at 4:34 o'clock P.M., and duly recorded in Book No. 99, Page No. 561-562.

Witness my hand and Seal of Office, this 21st day of January, 1994.

E. MICHAEL BECAUSE, Chancery Clerk

By: Shelia Daniel, D.O.

*** Certified Copy Page ***

I, Timothy A Kellar, Chancery Clerk, do hereby certify that the foregoing is a FULL, TRUE and CORRECT copy of the Instruments(s) herewith set out as same appears of record in: Deed BOOK - 29099, AT PAGE - 559 in said court.

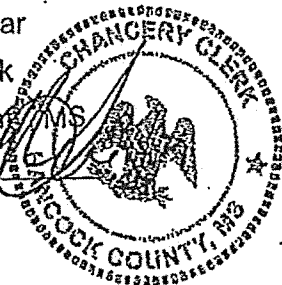
Witness my hand and seal this 1 Day of February, 2010.

Timothy A Kellar

Chancery Clerk

Hancock County, MS

DC:



Printed: 02-01-2010 02:44:02 PM

Optical file reference: d22f.71ab

AAPP 6874
DG-00325



JAMES A. MANESS
5370 South Beach
BAY SAINT LOUIS, MISSISSIPPI 39520
PHONE (228) 466-3808

August 5, 2003

Mr. Eric Nelson
3611 South Lindell Rd.
Las Vegas, NV 89103

Re: Chancery Court Cause No. 2003-485

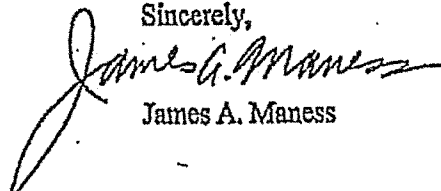
Dear Mr. Nelson,

Mike Cure informs me that you have no objection to the adverse possession and quiet title action my wife and I have instituted. The action primarily involves our attempts to obtain a clear and quiet title to those portions of Walker Avenue that I had the county abandon years ago. The other portion of the action involves less than one sixth of an acre that results from the erroneous survey done by Harry Smith almost 20 years ago. The new survey by registered surveyor Duke Levy indicates slightly different boundaries than the original survey. Phyllis and I like things tidy and neat and this is the reason I have been attempting to sit down with you and explain these boundary issues for several years.

If you would be so kind as to sign the attached NO CONTEST form and return it to me in the enclosed prepaid return addressed envelope by August 15, 2003 I will see that the Court settles all title issues in this cause and this matter will be complete.

Thanks for your understanding and cooperation in a matter very important to my wife and myself.

Sincerely,


James A. Maness

EXHIBIT

D-4

IN THE CHANCERY COURT OF HANCOCK COUNTY, MISSISSIPPI

JAMES A. MANESS, and
PHYLLIS L. MANESS

PLAINTIFFS

VERSUS

CAUSE NUMBER 2003-485

FILED

AUG 07 2003

TIMOTHY A. KELLAR
CHANCERY CLERK

BY

[Signature]

D.C.

DYNASTY, INC., AND ALL OTHER
PERSONS UNKNOWN, CLAIMING
ANY RIGHT, TITLE, ESTATE, LIEN,
OR INTEREST IN THE REAL PROPERTY
DESCRIBED IN THE COMPLAINT ADVERSE
TO PLAINTIFF'S OWNERSHIP, OR ANY
CLOUD UPON PLAINTIFF'S TITLE.
DEFENDANTS

DEFENDANTS

DEFENDANT'S NOTICE OF NO CONTEST AND AGREEMENT TO
PLAINTIFF'S ADVERSE POSSESSION CLAIM

I, Eric Nelson, declare that I am the majority owner of DYNASTY, INC., the Defendant in the instant cause. I declare that I am the executive officer empowered to make decisions on behalf of DYNASTY, INC. I declare that I purchased the following-described real property for Dynasty, Inc., to wit:

All of Block 110 and 111, GULFVIEW SUBDIVISION, Hancock County, Mississippi, as per the official plat of said subdivision on file in the office of Clerk of Chancery Court of Hancock County, Mississippi: LESS AND EXCEPT that part of said block 110 previously conveyed by Grace Ortte, by deed dated January 12, 1952 and recorded in Book I-9, page 133 and deed dated August 7, 1978 and recorded in Book AA-26, page 487 and that part of said Block 111 previously conveyed by deed dated January 12, 1952 and recorded in Book I-9, page 133 and deed dated April 22, 1954, and recorded in Book J-8, page 495; Deed Records of Hancock County, Mississippi.

The property described above immediately surrounds and abuts the property described by Plaintiff on all points of the compass.

If it pleases the Court, I, Eric Nelson, declare and request the Court to grant Plaintiff James A. Maness and Phyllis L. Maness the relief requested in the form requested in their ADVERSE POSSESSION AND QUIET TITLE CLAIM.

Witness my signature this the ____ day of August 2003.

Eric Nelson

State of _____

County of _____

Personally appeared before me, the undersigned authority in and for the State and County aforesaid, the above named Eric Nelson, who solemnly and truly declared and affirmed before me that the matters and facts set forth in the foregoing DEFENDANTS NOTICE OF NO CONTEST AND AGREEMENT TO PLAINTIFF'S ADVERSE POSSESSION CLAIM are true and correct as therein stated.

Affirmed and subscribed before me this ____ day of August, 2003

Notary Public
My Commission Expires _____

102229322



R. WAYNE WOODALL, P.A.
ATTORNEY AT LAW

1918 23rd Ave. • Gulfport, MS 39501 • Phone: (228) 868-5423 • Fax: (228) 864-7235

February 1, 2010

Honorable Delbert Hoseman
Secretary of State
Corporations Division
P.O. Box 136
Jackson, Mississippi 39225-0136

Re: Reservation of Name; **DYNASTY, INC.**

Dear Mr. Hoseman:

Please find enclosed your form F-0016 RESERVATION OF NAME for the above named entity. In addition, please find our check in the sum and amount of Twenty Five Dollars (\$25.00) as required for filing fees. We also enclose a postage prepaid self-addressed envelope for the return of the RESERVATION OF NAME document once filed.

Please file the enclosed and return a copy to our offices.

As always, if you have any questions, please do not hesitate to contact this office.

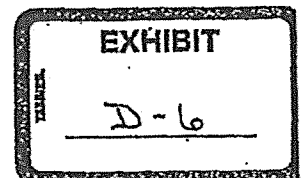
Sincerely,

R. WAYNE WOODALL, P.A.

R. Wayne Woodall

RWW/dd

Enclosure: As stated



AAPP 6878
DG-00329

102229322

OFFICE OF THE MISSISSIPPI

P.O. BOX 136, JACKSON, MS 39205-0136 (601) 359-1333

Date Filed: 02/02/2010 08:00 AM
C. Delbert Hosemann, Jr.
Secretary of State

Reservation of Name

1. Type of Corporation ('X' in one only)



Mississippi Profit



Mississippi Nonprofit



Mississippi Limited Partnership



Foreign Limited Partnership



Foreign Profit



Foreign Nonprofit

2. Name to reserve

DYNASTY, INC.

3. (For Foreign Corporations and Limited Partnerships ONLY) - Name elected to use in Mississippi

4. Applicant's name and address

R. WAYNE WOODALL

Address

1918 23RD AVENUE

City, State, ZIP5, ZIP4

GULFPORT

MS

39501

-

Signature
of Owner/
Applicant*R Wayne Woodall*

(Please keep writing within blocks)

Covenant Agreement

1000 1000

2008 16877

Recorded in the Above

Deed Book & Page

07-10-2008 11:22:01 AM

Timothy A Keller

Hancock County

The space above is reserved for Recordation

Return Document to:
Reznick Mississippi LLC
Post Office Box 66
Clinton, MS 39060-066

Prepared by:
John H. Rice, Esq.
Betch & Bingham, LLP
Post Office Box 130
1310 Twenty Fifth Avenue
Gulfport, MS 39502-0130
Phone: 228/864-9900

Grantor(s):
JAMES A MANESS PHYLLIS L MANESS
5370 S BEACH BLVD
BAY ST. LOUIS, MS 39520
(228) 360-3609

Grantee:
Mississippi Development Authority
Post Office Box 849
Jackson, MS 39205

Indexing Instructions 2 (As Identified by Title): LOTS 13-16, BLOCK 110, GULF VIEW SUBDIVISION, HANCOCK COUNTY, MISSISSIPPI.

**DECLARATION OF
COVENANTS RUNNING WITH THE LAND
HURRICANE KATRINA-PHASE II**

THIS DECLARATION OF COVENANTS RUNNING WITH THE LAND ("Covenants") is made by the undersigned homeowner(s) ("Owner") effective as of the date set forth herein below.

RECITALS

The Owner is the fee simple owner of the property described on Exhibit "A" ("Property") attached hereto. The structure located on the Property was damaged or destroyed by Hurricane Katrina on August 29, 2005. The Owner has been awarded a grant from the United States of America under the HUD Community Development Block Grant ("CDBG") Program, which Program is being administered by the Mississippi Development Authority ("MDA").

Page 1 of 5

05/10/2007 11:15 AM, JAMES A MANESS

EXHIBIT

D-7

AAPP-6880

DG-00331

Covenant Agreement

AGREEMENTS

NOW, THEREFORE, for and in consideration of the grant proceeds, the receipt of which is duly acknowledged, as a condition of Owner receiving such grant proceeds, and in order to mitigate future damage from hurricanes and similar natural disasters, Owner hereby makes the following covenants and agreements, which covenants and agreements shall constitute perpetual covenants and restrictions running with and encumbering the Property.

1. **Covenant as to Flood Elevation:** If a structure on the Property was destroyed by Hurricane Katrina or if there is hereafter a tearing down or destruction of a structure located on the Property, any rebuilding of a new structure shall conform to the latest (most recent) elevation requirement(s) issued by FEMA, or its successors, pursuant to the National Flood Insurance Program, or a successor program, whether advisory, preliminary or final. This elevation requirement applies only to the principal residential or commercial structure located on the Property, and not accessory structures, including, but not limited to, parking garages, carports, parking lots, sheds and storage buildings.

2. **Covenant as to Insurance:** Any structure on any part of the Property shall, at all times, be insured under a policy of flood insurance in the amount of the lesser of (i) One Hundred Per Cent (100%) of the full insurable value of the structure as determined by the applicable property insurer; or (ii) the maximum amount available for the property under the National Flood Insurance Program, or a successor program, required for residential or commercial properties, depending on the usage or zoning of the property. Such structure also shall, at all times, be insured under a policy of casualty insurance in an amount not less than the full insurable value of the structure as determined by the property insurer. This flood insurance and casualty insurance requirement applies only to the principal residential or commercial structure located on the Property, and not accessory structures, including but not limited to, parking garages, carports, parking lots, sheds and storage buildings.

3. **Covenant as to Building Codes:** If a structure located on the Property has been replaced or repaired as of the date of execution of these Covenants, the structure shall conform to the minimal building codes in the jurisdiction in which the Property is located in effect at the time the replacement or repair was commenced. Any repairs commenced on or after the date of execution of these Covenants and any structure hereafter placed on the Property shall conform to the minimal standards set by the 2003 International Residential or Commercial Building Code.

4. **Covenant as to Manufactured Housing:** If housing hereafter placed on the Property shall be manufactured housing, such housing shall comply with the Federal Manufactured Housing Code required by HUD at the time of placement on the Property and shall conform to the latest (most recent) elevation requirement(s) issued by FEMA, or its successors, pursuant to the National Flood Insurance Program, or a successor program, whether advisory, preliminary or final.

5. **Covenants Running With The Property:** These Covenants shall constitute covenants running with the Property and shall be binding upon the Owner and the Owner's successors and assigns.

6. **Enforcement of Covenants:** These Covenants shall be enforceable, at law or in equity, by the county or municipality where the Property is located, the State of Mississippi, or the United States of America, and Owner(s) hereby agree(s) that injunctive relief shall be available to enforce these Covenants. The priority of any first mortgage lien encumbering the Property shall not be affected by any judgment or other lien obtained for a violation of these Covenants.

7. **Release:** On the request of the then owner of the Property, and joined by any first lien holder, these Covenants may be released, in whole or in part, by the Mississippi Development Authority, its successor, or such other authority designated by the Governor of the State of Mississippi, if, in its judgment, the Covenant to be released no longer serves its intended purpose or if it is otherwise in the best interests of the public to do so.

8. **Definitions:** The terms "repair," "repaired," "rebuilt," and "rebuild" as used in these Covenants shall be determined and interpreted by the local building officials of the governmental authority having jurisdiction over the Property. A duly issued certificate of occupancy, or its equivalent, issued by the governmental authority having jurisdiction over the Property shall be prima facie evidence that these Covenants have been complied with as of the date of the issuance thereof.

Covenant Agreement

These Covenants shall be recorded in the land deed records of the Office of the Chancery Clerk of the County, and, if applicable, Judicial District, in which the Property is located.

This the 9 day of July, 2008

HOMEOWNER: JAMES A MANESS	CO-HOMEOWNER 1: PHYLLIS L MANESS
Print Name: <u>JAMES A. MANESS</u>	Print Name: <u>Phyllis L. Maness</u>
Signature: <u>James A. Maness</u>	Signature: <u>Phyllis L. Maness</u>
CO-HOMEOWNER 2:	CO-HOMEOWNER 3:
Print Name:	Print Name:
Signature:	Signature:
CO-HOMEOWNER 4:	CO-HOMEOWNER 5:
Print Name:	Print Name:
Signature:	Signature:
CO-HOMEOWNER 6:	CO-HOMEOWNER 7:
Print Name:	Print Name:
Signature:	Signature:
CO-HOMEOWNER 8:	CO-HOMEOWNER 9:
Print Name:	Print Name:
Signature:	Signature:

STATE OF MISSISSIPPI

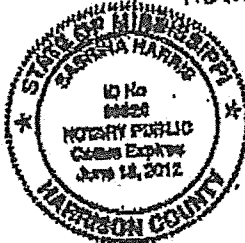
COUNTY OF Harrison

Personally appeared before me, the undersigned authority in and for the said county and state, on this 9 day of July, 2008 within my jurisdiction, the within named, James A. Maness and Phyllis L. Maness who acknowledged that (he)(she)(they) executed this above and foregoing instrument.

Sabrina Harris
NOTARY PUBLIC

SEAL

My commission expires: _____



Page 3 of 5

001602473, JAMES A MANESS



Covenant Agreement

STATE OF MISSISSIPPI

COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the said county and state, on this _____ day of _____, 20____, within my jurisdiction, the within named _____

who acknowledged that (he)(she)(they) executed the above and foregoing instrument.

NOTARY PUBLIC

SEAL

My commission expires:
_____

Covenant Agreement

Page 5 of 5

Exhibit "A"

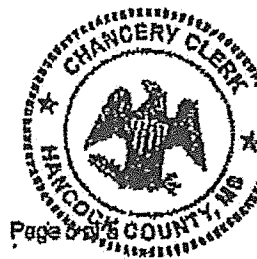
Residence Address: 5370 S BEACH BLVD BAY ST. LOUIS, MS 38520

Tax Parcel Number: 164K-0-28-046.000

County of Residence: HANCOCK

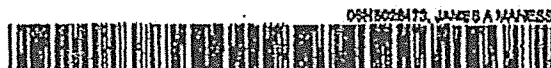
Legal Description: LOTS 13, 14, 15 AND 16, BLOCK 110, GULFVIEW SUBDIVISION, LAKESHORE, HANCOCK COUNTY, MISSISSIPPI, AS PER MAP OR PLAT OF SAID SUBDIVISION ON FILE IN THE OFFICE OF THE CLERK OF THE CHANCERY COURT OF HANCOCK COUNTY, MISSISSIPPI, BEING THE SAME PROPERTY THAT WAS CONVEYED FROM GRACE A. ORTTE TO GASTON J. B. GELIS AND THELMA L. GELIS, HUSBAND AND WIFE, BY DEED DATED AUGUST 7, 1978, AND RECORDED AMONG THE DEED RECORDS IN THE OFFICE OF THE CHANCERY CLERK OF HANCOCK COUNTY, MISSISSIPPI, ON AUGUST 15, 1978, IN BOOK AA-26, PAGE 487. (2) BEGINNING AT A STAKE SET 127 FEET NORTH AND 236 FEET EAST OF THE SOUTHWEST CORNER OF BLOCK 110 OF GULFVIEW SUBDIVISION AND RUNNING THENCE SOUTH 55 DEGREES WEST 150 FEET TO A STAKE; THENCE SOUTH 35 DEGREES EAST 150 FEET TO A STAKE; THENCE NORTH 55 DEGREES EAST 150 FEET TO A STAKE; THENCE NORTH 35 DEGREES WEST 150 FEET TO THE PLACE OF BEGINNING. ALSO A STRIP OF LAND BETWEEN PARALLEL LINES 40 FEET APART RUNNING SOUTH 35 DEGREES EAST 350 FEET, MORE OR LESS, THE SOUTHWESTERLY LINE OF WHICH IS A CONTINUATION OF THE SOUTHWESTERLY LINE OF THE ABOVE DESCRIBED PROPERTY; SAID STRIP OF LAND EXTENDING FROM THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF FRONT STREET OR BEACH BOULEVARD, BEING A PART OF BLOCK 110 AND 111 OF GULFVIEW SUBDIVISION, HANCOCK COUNTY, MISSISSIPPI, ACCORDING TO THE OFFICIAL PLAT OF SAID SUBDIVISION ON FILE IN THE OFFICE OF THE CLERK OF THE CHANCERY COURT OF HANCOCK COUNTY, MISSISSIPPI, BEING THE SAME PROPERTY THAT WAS CONVEYED FROM MAURICE J. CAILLOUET AND WINNIE B. CAILLOUET, HUSBAND AND WIFE, BY DEED DATED OCTOBER 1, 1971, AND RECORDED AMONG THE DEED RECORDS IN THE OFFICE OF THE CHANCERY CLERK OF HANCOCK COUNTY, MISSISSIPPI, ON OCTOBER 6, 1971, IN BOOK W-0, PAGES 126-127.

Indexing Instructions: LOTS 13-16, BLOCK 110, GULF VIEW SUBDIVISION, HANCOCK COUNTY, MISSISSIPPI.



Hancock County
I certify this instrument was filed on
07-10-2008 11:22:01 AM
and recorded in Deed Book
2008 at pages 16877 - 16881
- Timothy A Keller

Julia Daniels



IN THE CHANCERY COURT OF HANCOCK COUNTY, MISSISSIPPI

K & A ENTERPRISES OF
MISSISSIPPI, LLC

PLAINTIFF

VERSUS

FILED

CAUSE NO. C2301-0871(C4)

PHYLLIS MANESS and
JAMES A. MANESS

APR 21 2010

TIMOTHY A. KELLAR
CHANCERY CLERK

DEFENDANTS

By 10/2 D.C.

SUMMONS

TO: James A. Maness
1733 Arrington Road
College Station, TX 77845

NOTICE TO DEFENDANT

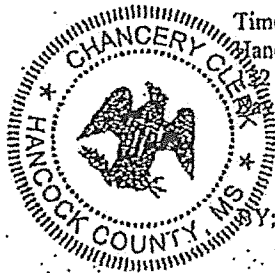
THE COMPLAINT WHICH IS ATTACHED TO THIS SUMMONS IS IMPORTANT AND YOU MUST
TAKE IMMEDIATE ACTION TO PROTECT YOUR RIGHTS.

You are required to mail or hand-deliver a copy of a written response to the Complaint to Michael
J. Casano, attorney for the Plaintiff, whose address is 4370 Leisure Time Drive, Diamondhead, Mississippi,
39525.

Your response must be mailed or delivered within thirty (30) days from the date of delivery of this
Summons and Complaint or a judgment by default will be entered against you for the money or other
things in the Complaint.

You must also file the original of your response with the Clerk of this Court within a reasonable
time afterward.

Issued under my hand and seal of said Court, this the 21 day of April, 2010.



Timothy A. Kellar, Chancery Court Clerk,
Hancock County
32 Main Street, Suite A
St. Louis, Mississippi 39520

D. L. Lee
(SEAL)

Delivered
05-15-10
Chanda Step

IN THE CHANCERY COURT OF HANCOCK COUNTY, MISSISSIPPI.

K & A ENTERPRISES OF
MISSISSIPPI, LLC

PLAINTIFF

VERSUS

FILED

CAUSE NO. 2301-10-0271 (4)

PHYLLIS MANESS and
JAMES A. MANESS

APR 21, 2010

TIMOTHY A. KELLAR
CHANCERY CLERK

DEFENDANTS

By D. L. Lee D.C.

SUMMONS

TO: Phyllis Maness
1733 Arrington Road
College Station, TX 77845

NOTICE TO DEFENDANT

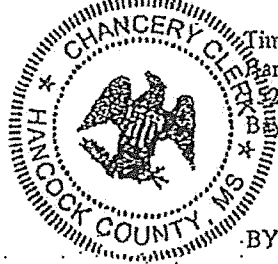
THE COMPLAINT WHICH IS ATTACHED TO THIS SUMMONS IS IMPORTANT AND YOU MUST
TAKE IMMEDIATE ACTION TO PROTECT YOUR RIGHTS.

You are required to mail or hand-deliver a copy of a written response to the Complaint to Michael
J. Casano, attorney for the Plaintiff, whose address is 4370 Leisure Time Drive, Diamondhead, Mississippi,
39525.

Your response must be mailed or delivered within thirty (30) days from the date of delivery of this
Summons and Complaint or a judgment by default will be entered against you for the money or other
things in the Complaint.

You must also file the original of your response with the Clerk of this Court within a reasonable
time afterward.

Issued under my hand and seal of said Court, this the 21 day of April, 2010.



Timothy A. Kellar, Chancery Court Clerk,
Hancock County
202 Main Street, Suite A
Bldg. 100
St. Louis, Mississippi 39520

BY: D. L. Lee
(SEAL)

*Delivered
05-12-10
Clerk's Sp*

COPY

IN THE CHANCERY COURT OF HANCOCK COUNTY, MISSISSIPPI

K & A ENTERPRISES OF
MISSISSIPPI, LLC

PLAINTIFF

VERSUS

FILED
APR 21 2010

CAUSE NO. CA 301-10-0271 (4)

PHYLLIS MANESS and
JAMES A. MANESS

Timothy A. Keller, Chancery Clerk
By: [Signature]

DEFENDANTS

COMPLAINT

COMES NOW the Plaintiff, K&A Enterprises, LLC. by and through its counsel of record, The Casano Law Firm, P.A., and files this, its Complaint for damages against the Defendants, Phyllis Maness and James A. Maness, and for cause of action would respectfully show unto the Court as follows:

1. The Plaintiff, K&A Enterprises of Mississippi, LLC is a Louisiana Limited Liability Company with its principal place of business at *301 Huey P. Long Avenue, Gretna, Louisiana 70953*.
2. The Defendant, Phyllis Maness, upon information and belief is an adult resident citizen of 1733 Arrington Road, College Station, Brazos County, Texas 77845, who may be served with process of this Court pursuant to Rule 4 of the Miss. R. Civ. P.
3. The Defendant, James A. Maness, upon information and belief is an adult resident citizen of 1733 Arrington Road, College Station, Brazos County, Texas 77845, who may be served with process of this Court pursuant to Rule 4 of the Miss. R. Civ. P.
4. The subject matter of the litigation is rights and obligations concerning, in part, property located in Hancock County, Mississippi. The Parties hereto have also contractually consented to jurisdiction in Hancock County, Mississippi.

5. Jurisdiction and venue are proper in the Chancery Court of Hancock County, Mississippi.

FACTS

6. On or about May 7, 2004, the parties hereto entered an Option Agreement for Purchase of Real Estate. A copy of the Option Agreement for Purchase of Real Estate is attached hereto and incorporated herein by reference as Exhibit "A". At the time of execution of Exhibit "A" the Plaintiff tendered a \$50,000.00 deposit to the Defendants. Exhibit "A" states that, "Optionors shall have thirty (30) days from notice by the Optionees of any title defects to cure such defects, unless curative measures require action by a public entity or court of law. In that event, the thirty (30) day limit shall not apply, but Optionors shall be obligated to pursue diligently and in good faith all necessary filings and applications necessary to cure title."

7. On or about April 25, 2005 and April 26, 2005, the parties hereto executed a Notice of Exercise of Option with attached Memorandum of Issues regarding the rights and obligations of the parties pursuant to Exhibit "A". A copy of the Notice of Exercise of Option and memorandum of issues to be resolved is attached hereto and incorporated herein by reference as Exhibit "B". By executing Exhibit "B", the parties acknowledged, "[n]otice is hereby given that this may cause a cloud on the title that needs to be cleared before this property can be merchantable."

8. On or about June 15, 2005, an opinion was obtained from the Gillespie Title Company, identifying various issues with the title on the subject property. A copy of the opinion is attached hereto and incorporated herein by reference as Exhibit "C".

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

Page 6
07/05/12

Basis: Adjusted

Account	T	Description	Dec 31, 2009	Dec 31, 2010 Unadjusted	Adjustments	Dec 31, 2010 Adjusted
	AJE21	Reclassify 50% of the Lindell net cash flow, generated from the ELNNVT to the LSNNVT loan			(1,145.00)	
6041	E	Lindell - Property Taxes	10,325.00	0.00		5,470.00
	AJE01	Record 2010 activity			10,940.00	
	AJE21	Reclassify 50% of the Lindell net cash flow, generated from the ELNNVT to the LSNNVT loan			(5,470.00)	
6042	E	Lindell - R&M Expenses	5,247.00	0.00		742.00
	AJE01	Record 2010 activity			1,484.00	
	AJE21	Reclassify 50% of the Lindell net cash flow, generated from the ELNNVT to the LSNNVT loan			(742.00)	
6043	E	Lindell - Utilities Expense	976.00	0.00		0.00
6044	E	Lindell - Advertising Expense	195.00	0.00		0.00
6105	E	Medical Expense	0.00	0.00		2,242.00
	AJE01	Record 2010 activity			2,242.00	
6260	E	Interest Expense - Mellon	483.33	0.00		0.00
6300	E	Accounting Expense	10,768.00	0.00		1,260.36
	AJE18	Dec Mellon activity			1,260.36	
6310	E	Legal/Professional Fees	6,407.00	0.00		15,347.00
	AJE01	Record 2010 activity			15,347.00	
6330	E	Lease Expense	32,000.00	0.00		0.00
6340	E	Postage Expense	374.00	0.00		75.00
	AJE01	Record 2010 activity			75.00	
6360	E	Insurance Expense	0.00	0.00		2,460.00
	AJE01	Record 2010 activity			2,460.00	
6370	E	Phone Expense	112.00	0.00		453.00
	AJE01	Record 2010 activity			453.00	
6380	E	Office Supplies Expense	910.00	0.00		0.00
6400	E	Meals & Entertainment	5,896.00	0.00		0.00
6410	E	Travel Expense	6,926.00	0.00		705.00
	AJE01	Record 2010 activity			705.00	
6420	E	Gifts Expense	5,700.00	0.00		4,600.00
	AJE01	Record 2010 activity			4,600.00	
6430	E	Charitable Contributions	2,500.00	0.00		0.00
6450	E	Outside Services	9,703.00	0.00		600.00
	AJE01	Record 2010 activity			600.00	
6480	E	Dues & Subscriptions	1,848.00	0.00		353.00
	AJE01	Record 2010 activity			353.00	
6540	E	Other Taxes	200.00	0.00		0.00
6550	E	Other License Fees	0.00	0.00		169.00
	AJE01	Record 2010 activity			169.00	
6620	E	Admin/Consulting Exp	100.00	0.00		0.00
6630	E	Bank Charges/Invest Fees	32,946.95	0.00		29,823.73

AAPP 6789

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

Page 7
07/05/12

Basis: Adjusted

Account	T	Description	Dec 31, 2009	Dec 31, 2010 Unadjusted	Adjustments	Dec 31, 2010 Adjusted
	AJE01	Record 2010 activity			273.00	
	AJE04	Jan-Feb WF #6521 activity - account was closed in Feb, including Banone deposit for a distrib to Eric from Banone			25.00	
	AJE06	Jan Mellon activity			1,222.87	
	AJE06	Jan Mellon activity			1,222.87	
	AJE08	Feb Mellon activity			1,300.69	
	AJE08	Feb Mellon activity			1,300.69	
	AJE09	March Mellon activity			1,303.31	
	AJE09	March Mellon activity			1,303.30	
	AJE10	April Mellon activity			1,288.60	
	AJE10	April Mellon activity			1,288.59	
	AJE11	May Mellon activity			1,291.06	
	AJE11	May Mellon activity			1,291.06	
	AJE12	June Mellon activity			1,290.18	
	AJE12	June Mellon activity			1,290.18	
	AJE13	July Mellon activity			1,284.00	
	AJE13	July Mellon activity			1,283.99	
	AJE14	Aug Mellon activity			1,289.34	
	AJE14	Aug Mellon activity			1,289.33	
	AJE15	Sept Mellon activity			1,298.06	
	AJE15	Sept Mellon activity			1,298.05	
	AJE16	Oct Mellon activity			1,286.81	
	AJE16	Oct Mellon activity			1,286.81	
	AJE17	Nov Mellon activity			1,277.79	
	AJE17	Nov Mellon activity			1,277.78	
	AJE18	Dec Mellon activity			1,260.37	
6660	E	Soris rent	146,700.00	0.00		0.00
6670	E	Education Expense	347.00	0.00		0.00
6690	E	Bad Debt Notes	5,000.00	0.00		173,456.00
	AJE29	Record the 2010 bad debts			173,456.00	
6710	E	Land Proprrty Taxes - LV & MS	2,411.00	0.00		18,299.00
	AJE01	Record 2010 activity			18,299.00	
6720	E	Personal Federal Tax Expense	0.00	0.00		0.00
	AJE01	Record 2010 activity			(17,887.00)	
	AJE20	Move Eric's 2007 federal tax refund which was posted against federal income tax expense			17,887.00	
6730	E	Personal State Taxes	0.00	0.00		0.00
6740	E	Depreciation Expense	2,144.00	0.00		0.00
Total			0.00	0.00	0.00	0.00
Profit/(Loss)			(213,012.29)	0.00	(60,110.34)	(60,110.34)

Exhibit 08

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE01	Adjusting	12/31/10				
		1003	Checking - B of A ELN #2798	22,295.00		
		1005	B of A MMA #4215		6,458.00	
		1010	Ameriprise MMA		8,175.00	
		1110	Ameriprise Stocks		19,381.00	
		1210	N/R - Eric Nelson Auctioneering	933,200.00		
		1255	Due From Carlene Gutierrez	10,000.00		
		1340	N/R - Banone LLC	274,256.00		
		1345	N/R - Banone AZ LLC	312,490.00		
		1360	N/R - Cal Nelson	742,368.00		
		1570	Gateway Lots (29)		626.00	
		1595	Automobiles	29,186.00		
		2015	Tenant Security Deposits		2,500.00	
		2105	LOC - Mellon Bank		1,957,368.00	
		2230	N/P - L. Martin	9,000.00		
		3005	Contributions - Eric Nelson		378,426.00	
		3010	Distributions - Eric Nelson		5,371.00	
		3025	Draws - Kids Expenses	82,290.00		
		4020	Gain/Loss on Stock sales		2,650.00	
		4060	R/I 830 Arnold MS		6,000.00	
		4100	Misc. Income		147.00	
		4205	Bank Interest Inc		21.00	
		4245	Interest Income - Soris		18,735.00	
		4250	Interest Income - B of A Investment		22.00	
		4260	Interest Income - Nicky		20,000.00	
		4305	Dividends - Amex		25.00	
		4095	R/I Lindell		34,920.00	
		6000	830 Arnold Expenses	3,337.00		
		6040	Lindell - Insurance Expense	2,290.00		
		6041	Lindell - Property Taxes	10,940.00		
		6042	Lindell - R&M Expenses	1,484.00		
		6105	Medical Expense	2,242.00		
		6310	Legal/Professional Fees	15,347.00		
		6340	Postage Expense	75.00		
		6360	Insurance Expense	2,460.00		
		6370	Phone Expense	453.00		
		6410	Travel Expense	705.00		
		6420	Gifts Expense	4,600.00		
		6450	Outside Services	600.00		
		6480	Dues & Subscriptions	353.00		
		6550	Other License Fees	169.00		
		6630	Bank Charges/Invest Fees	273.00		
		6710	Land Property Taxes - LV & MS	18,299.00		
		6720	Personal Federal Tax Expense		17,887.00	
		Record 2010 activity				
AJE02	Adjusting	12/31/10				
		3005	Contributions - Eric Nelson	14,237.99		
		1015	B of A #4354		14,237.13	
		4297	Investment Income-Bank/Broker Accts		0.86	
		Jan-April B of A #4354 activity - acct was closed in April				Jan-Apr St
AJE03	Adjusting	12/31/10				
		1014	Cash - Wells Fargo #6005		54,751.25	
		4297	Investment Income-Bank/Broker Accts		14.85	
		1340	N/R - Banone LLC	54,766.10		
		Jan-Feb WF #6005 activity - account closed in Feb with the funds transferred to Banone LLC				Jan-Feb St

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE04	Adjusting	12/31/10				
		1012	Cash - Wells Fargo #6521		3,464.11	
		4297	Investment Income-Bank/Broker Accts		0.42	
		3010	Distributions - Eric Nelson		8,000.00	
		6630	Bank Charges/Invest Fees	25.00		
		3010	Distributions - Eric Nelson	9,440.65		
		3010	Distributions - Eric Nelson	1,998.88		
			Jan-Feb WF #6521 activity - account was closed in Feb, including Banone deposit for a distrib to Eric from Banone			Jan-Feb St
AJE05	Adjusting	12/31/10				
		3010	Distributions - Eric Nelson	400,000.00		
		1210	N/R - Eric Nelson Auctioneering		400,000.00	
			Reverse client's erroneous journal entry, we recorded this ENA loan activity as part of our 2009 ajes.			GL p24
AJE06	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		14,392.30	
		3005	Contributions - Eric Nelson	20,000.00		
		4297	Investment Income-Bank/Broker Accts		2.53	
		6630	Bank Charges/Invest Fees	1,222.87		
		6630	Bank Charges/Invest Fees	1,222.87		
		3010	Distributions - Eric Nelson		250,000.00	
		1013	Mellon Broker Accounts #1700/1780	241,949.09		
			Jan Mellon activity			Jan Stmt
AJE07	Adjusting	12/31/10				
		3025	Draws - Kids Expenses		82,290.00	
		3010	Distributions - Eric Nelson	82,290.00		
			Combine the draws accounts			
AJE08	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		5,009.32	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,300.69		
		6630	Bank Charges/Invest Fees	1,300.69		
		1013	Mellon Broker Accounts #1700/1780		17,592.06	
			Feb Mellon activity			Feb Stmt
AJE09	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts	500.49		
		4297	Investment Income-Bank/Broker Accts		5,941.80	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,303.31		
		6630	Bank Charges/Invest Fees	1,303.30		
		1013	Mellon Broker Accounts #1700/1780		17,165.30	
			March Mellon activity			March Stmt

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE10	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		14,968.19	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,288.60		
		6630	Bank Charges/Invest Fees	1,288.59		
		4297	Investment Income-Bank/Broker Accts		3,529.77	
		1013	Mellon Broker Accounts #1700/1780		4,079.23	
		April Mellon activity				April Stmt
AJE11	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		9,767.55	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,291.06		
		6630	Bank Charges/Invest Fees	1,291.06		
		1013	Mellon Broker Accounts #1700/1780		12,814.57	
		May Mellon activity				May Stmt
AJE12	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		10,395.95	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,290.18		
		6630	Bank Charges/Invest Fees	1,290.18		
		4297	Investment Income-Bank/Broker Accts	1,245.74		
		1013	Mellon Broker Accounts #1700/1780		13,430.15	
		June Mellon activity				June Stmt
AJE13	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		20,177.45	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,284.00		
		6630	Bank Charges/Invest Fees	1,283.99		
		1013	Mellon Broker Accounts #1700/1780		2,390.54	
		July Mellon activity				July Stmt
AJE14	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		4,687.89	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,289.34		
		6630	Bank Charges/Invest Fees	1,289.33		
		4297	Investment Income-Bank/Broker Accts		11,868.51	
		1013	Mellon Broker Accounts #1700/1780		6,022.27	
		Aug Mellon activity				Aug Stmt
AJE15	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		3,363.30	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,298.06		
		6630	Bank Charges/Invest Fees	1,298.05		
		4297	Investment Income-Bank/Broker Accts		4,338.74	
		4297	Investment Income-Bank/Broker Accts		5,921.03	
		1013	Mellon Broker Accounts #1700/1780		8,973.04	

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
			Sept Mellon activity			Sept Stmt
AJE16	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		15,114.22	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,286.81		
		6630	Bank Charges/Invest Fees	1,286.81		
		4297	Investment Income-Bank/Broker Accts		12,444.82	
		1013	Mellon Broker Accounts #1700/1780	4,985.42		
			Oct Mellon activity			Oct Stmt
AJE17	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		9,654.42	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,277.79		
		6630	Bank Charges/Invest Fees	1,277.78		
		4297	Investment Income-Bank/Broker Accts		3,001.92	
		1013	Mellon Broker Accounts #1700/1780		9,899.23	
			Nov Mellon activity			Nov Stmt
AJE18	Adjusting	12/31/10				
		4297	Investment Income-Bank/Broker Accts		11,226.04	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,260.37		
		6300	Accounting Expense	1,260.36		
		4297	Investment Income-Bank/Broker Accts		41.62	
		1013	Mellon Broker Accounts #1700/1780		11,253.07	
			Dec Mellon activity			Dec Stmt
AJE19	Adjusting	12/31/10				
		1013	Mellon Broker Accounts #1700/1780		26,087.52	
		4297	Investment Income-Bank/Broker Accts	26,087.52		
			Mellon 2010 bond amortization			
AJE20	Adjusting	12/31/10				
		6720	Personal Federal Tax Expense	17,887.00		
		3005	Contributions - Eric Nelson		17,887.00	
			Move Eric's 2007 federal tax refund which was posted against federal income tax expense			GL p34
AJE21	Adjusting	12/31/10				
		4095	R/I Lindell	17,460.00		
		6040	Lindell - Insurance Expense		1,145.00	
		6041	Lindell - Property Taxes		5,470.00	
		6042	Lindell - R&M Expenses		742.00	
		2210	Due (to)/from LSN NV Trust		10,103.00	
			Reclassify 50% of the Lindell net cash flow, generated from the ELNNVT to the LSNNVT			Exh 4.01

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
			loan			
AJE22	Adjusting	12/31/10				
		2210	Due (to)/from LSN NV Trust		20,700.00	
		1855	Investment - Banone LLC	20,700.00		
			Reclassify 50% of the Lindell net cash flow, generated from Banone LLC, to the LSNNVT loan			Exh 4.01
AJE23	Adjusting	12/31/10				
		4060	R/I 830 Arnold MS	6,000.00		
		6000	830 Arnold Expenses		3,337.00	
		2210	Due (to)/from LSN NV Trust		2,663.00	
			Reclassify 100% of the Arnold home net cash flow to the LSNNVT			Exh 4.02
AJE24	Adjusting	12/31/10				
		3010	Distributions - Eric Nelson	70,330.00		
		3010	Distributions - Eric Nelson	37,953.00		
		1340	N/R - Banone LLC		108,283.00	
			Record the 2010 distributions to Eric and kids expenses paid by Banone LLC on behalf of the trust			D-01
AJE25	Adjusting	12/31/10				
		3010	Distributions - Eric Nelson	11,287.00		
		3010	Distributions - Eric Nelson	1,589.00		
		3010	Distributions - Eric Nelson	7,124.00		
		1290	Due To/From Dynasty Development LL		20,000.00	
			Record the 2010 distributions to Eric and the kids expenses paid by Dynasty Dev on behalf of the trust			D-01
AJE26	Adjusting	12/31/10				
		3005	Contributions - Eric Nelson	30,098.47		
		3010	Distributions - Eric Nelson		30,098.47	
			Move the Ameriprise funds received against the amount coded to distributions in error			GL p23
AJE27	Adjusting	12/31/10				
		1006	B of A CD #3733, 6328		35,953.29	
		3005	Contributions - Eric Nelson	35,953.29		
			Reverse CD aje to record the remaining CD on the books			GL p1, 22

Prepared by _____
Reviewed by _____

Eric L. Nelson Nevada Trust
Adjusting Journal Entries

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE28	Adjusting	12/31/10				
		1006	B of A CD #3733, 6328		18,924.20	
		3010	Distributions - Eric Nelson	18,924.20		
			W/o the remaining CD balance to draws, not sure what happened to the funds			
AJE29	Adjusting	12/31/10				
		1260	Due From Cliff McCarlie		95,431.00	
		1300	Due From Element Iron		53,000.00	
		1310	Due From Jesse Harber		25,025.00	
		6690	Bad Debt Notes	173,456.00		
			Record the 2010 bad debts			per ELN
AJE30	Adjusting	12/31/10				
		1595	Automobiles		29,186.00	
		3014	Distributions - Garrett	29,186.00		
			Reclassify the purchase of Garett's auto to distributions - beneficiaries			GL p12
		TOTAL		4,064,972.93	4,064,972.93	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

Page 1
07/05/12

Basis: Adjusted

Account	T	Description	Sep 30, 2010	Sep 30, 2011 Unadjusted	Adjustments	Sep 30, 2011 Adjusted
1003	A	Checking - B of A ELN #2798	32,733.00	55,028.00		55,218.00
	AJE01	1/1 to 9/30/11 activity			190.00	
1005	A	B of A MMA #4215	6,458.00	0.00		0.00
1006	A	B of A CD #3733, 6328	54,877.49	0.00		0.00
1010	A	Ameriprise MMA	8,175.00	0.00		0.00
1012	A	Cash - Wells Fargo #6521	3,464.11	0.00		0.00
1013	A	Mellon Broker Accounts #1700/1780	2,668,292.43	2,785,519.96		1,435,755.85
	AJE02	January Mellon activity			(1,229.55)	
	AJE03	February Mellon activity			(19,958.69)	
	AJE04	March Mellon activity			(14,046.81)	
	AJE05	April Mellon activity			(7,526.79)	
	AJE06	May Mellon activity			(14,666.75)	
	AJE07	June Mellon activity			(18,742.65)	
	AJE08	July Mellon activity			26,908.35	
	AJE09	August Mellon activity			(1,259,893.53)	
	AJE10	Sept Mellon activity			(21,160.25)	
	AJE11	Jan-Sept Mellon bond amortization			(19,447.44)	
1014	A	Cash - Wells Fargo #6005	54,751.25	0.00		0.00
1015	A	B of A #4354	14,237.13	0.00		0.00
1110	A	Ameriprise Stocks	19,381.00	0.00		0.00
1210	A	N/R - Eric Nelson Auctioneering	398,639.00	931,839.00		1,112,653.00
	AJE01	1/1 to 9/30/11 activity			180,814.00	
1255	A	Due From Carlene Gutierrez	10,000.00	20,000.00		0.00
	AJE18	Write off 2011 bad debts			(20,000.00)	
1260	A	Due From Cliff McCarlie	95,431.00	0.00		0.00
1290	A	Due To/From Dynasty Development LLC	(54,451.00)	(74,451.00)		(74,451.00)
1295	A	Due From Nelson P & S	10,000.00	10,000.00		10,000.00
1300	A	Due From Element Iron	53,000.00	0.00		0.00
1310	A	Due From Jesse Harber	25,025.00	0.00		0.00
1335	A	N/R - Bledsoe	2,000.00	2,000.00		0.00
	AJE18	Write off 2011 bad debts			(2,000.00)	
1340	A	N/R - Banone LLC	3,763,145.75	3,983,884.85		4,285,694.85
	AJE01	1/1 to 9/30/11 activity			349,746.00	
	AJE14	Record 1/1 to 9/30/11 distributions to Eric and kids expenses paid by Banone LLC on behalf of the trust			(47,936.00)	
1341	A	N/R - Banone (RMD Checks)	1,258,000.00	1,258,000.00		1,258,000.00
1345	A	N/R - Banone AZ LLC	100,000.00	412,490.00		412,490.00
1346	A	N/R - Banone AZ LLC (RMD Checks)	30,800.00	30,800.00		30,800.00
1355	A	N/R - WY Lots Development	4,796.00	4,796.00		4,796.00
1360	A	N/R - Cal Nelson	1,129,423.00	1,871,791.00		1,871,791.00
1375	A	N/R - David Muir	22,000.00	22,000.00		0.00
	AJE18	Write off 2011 bad debts			(22,000.00)	
1380	A	N/R - Grotta Note	80,350.00	80,350.00		80,350.00

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

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Basis: Adjusted

Account	T	Description	Sep 30, 2010	Sep 30, 2011 Unadjusted	Adjustments	Sep 30, 2011 Adjusted
1385	A	N/R - Nicky Cvitanovich	200,000.00	200,000.00		200,000.00
1390	A	N/R - Bay Resorts LLC	20,000.00	20,000.00		20,000.00
1570	A	Gateway Lots (29)	134,498.00	133,872.00		133,926.00
	AJE01	1/1 to 9/30/11 activity			54.00	
1588	A	Furniture Fixtures & Equipment	38,487.00	38,487.00		38,487.00
1590	A	Cabin Vehicles	11,722.00	11,722.00		11,722.00
1591	A	Lindell Office Building-50%	749,627.00	749,627.00		749,627.00
1592	A	Brianhead Cabin-50%	1,555,796.00	1,555,796.00		1,555,796.00
1735	A	Accum Dep - FF&E	(22,071.00)	(22,071.00)		(22,071.00)
1825	A	Investment - Dynasty Develop	2,059,702.00	2,059,702.00		2,009,684.00
	AJE15	Record Dynasty Dev 1/1 to 9/30/11 distributions to Eric and kids expenses paid			(50,018.00)	
1840	A	Investment - WY Rodeo Events	131,739.00	131,739.00		131,739.00
1850	A	Investment - Dimick Book	10,000.00	10,000.00		0.00
	AJE19	Write off the Dimick Brook investment			(10,000.00)	
1855	A	Investment - Banone LLC	110,000.00	130,700.00		161,469.00
	AJE17	Reclassify 50% of the Lindell 1/1 to 9/30/11 rental net cash flow from Banone LLC			30,769.00	
1860	A	Investment - Wild Grizzly Casino	1,052,226.00	1,052,226.00		1,052,226.00
1865	A	Investment - Paradise Bay MS	26,000.00	26,000.00		26,000.00
1870	A	Investment - Riverwalk Ent	35,000.00	35,000.00		35,000.00
1875	A	Investment - Hideaway Casino	29,355.00	29,355.00		29,355.00
1880	A	Investment - 50% Bay Resorts LLC (80 Acre	217,312.00	217,312.00		217,312.00
1895	A	Investment - 50% Emerald Bay	25,523.00	25,523.00		25,523.00
1900	A	Investment - Eric Nelson Auctioneering	59,100.00	59,100.00		59,100.00
2015	L	Tenant Security Deposits	(5,844.00)	(8,344.00)		(8,344.00)
2105	L	LOC - Mellon Bank	0.00	(1,957,368.00)		(1,110,998.00)
	AJE01	1/1 to 9/30/11 activity			(450,000.00)	
	AJE09	August Mellon activity			1,300,000.00	
	AJE12	Adjust the Mellon line of credit to actual			(3,630.00)	
2210	L	Due (to)/from LSN NV Trust	96,869.61	63,403.61		28,730.61
	AJE16	Reclassify 100% of the 1/1 to 9/30/11 830 Arnold rental net cash flow			(3,904.00)	
	AJE17	Reclassify 50% of the Lindell 1/1 to 9/30/11 rental net cash flow from Banone LLC			(30,769.00)	
2230	L	N/P - L. Martin	(372,996.00)	(363,996.00)		(363,996.00)
2240	L	N/P - P. Nelson	(81,749.00)	(81,749.00)		(81,749.00)

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

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07/05/12

Basis: Adjusted

Account	T	Description	Sep 30, 2010	Sep 30, 2011 Unadjusted	Adjustments	Sep 30, 2011 Adjusted
2241	L	N/P - Soris	(1,580,000.00)	(1,580,000.00)		(500,000.00)
	AJE21	To record renegotiation of Soris agrmt and trsf AZ property debt reduced by FMV of AZ Land			1,080,000.00	
3000	L	Capital/Trust Equity	(2,738,018.21)	(2,738,018.21)		(2,738,018.21)
3005	L	Contributions - Eric Nelson	0.00	0.00		0.00
	AJE01	1/1 to 9/30/11 activity			(180,000.00)	
	AJE02	January Mellon activity			20,000.00	
	AJE03	February Mellon activity			20,000.00	
	AJE04	March Mellon activity			20,000.00	
	AJE05	April Mellon activity			20,000.00	
	AJE06	May Mellon activity			20,000.00	
	AJE07	June Mellon activity			20,000.00	
	AJE08	July Mellon activity			20,000.00	
	AJE09	August Mellon activity			20,000.00	
	AJE10	Sept Mellon activity			20,000.00	
3010	L	Distributions - Eric Nelson	0.00	0.00		218,265.00
	AJE01	1/1 to 9/30/11 activity			83,581.00	
	AJE13	Move kids expenses to draws			61,408.00	
	AJE14	Record 1/1 to 9/30/11 distributions to Eric and kids expenses paid by Banone LLC on behalf of the trust			31,028.00	
	AJE14	Record 1/1 to 9/30/11 distributions to Eric and kids expenses paid by Banone LLC on behalf of the trust			16,908.00	
	AJE15	Record Dynasty Dev 1/1 to 9/30/11 distributions to Eric and kids expenses paid			3,270.00	
	AJE15	Record Dynasty Dev 1/1 to 9/30/11 distributions to Eric and kids expenses paid			46,748.00	
	AJE20	Move the auto purchase for Aubry to a separate distribution account			(24,678.00)	
3012	L	Distributions - Erica	28,581.00	28,581.00		28,581.00
3013	L	Distributions - Aubrey	25,490.00	25,490.00		50,168.00
	AJE20	Move the auto purchase for Aubry to a separate distribution account			24,678.00	
3014	L	Distributions - Garrett	0.00	29,186.00		29,186.00
3025	L	Draws - Kids Expenses	0.00	0.00		0.00
	AJE01	1/1 to 9/30/11 activity			61,408.00	
	AJE13	Move kids expenses to draws			(61,408.00)	
3050	L	Retained Earnings	(11,606,877.56)	(11,275,323.21)		(11,275,323.21)
4046	R	Loss on Dimick Brook Investment	0.00	0.00		10,000.00
	AJE19	Write off the Dimick Brook investment			10,000.00	
4060	R	R/I 830 Arnold MS	0.00	0.00		0.00
	AJE01	1/1 to 9/30/11 activity			(4,450.00)	
	AJE16	Reclassify 100% of the 1/1 to 9/30/11 830 Arnold rental net cash flow			4,450.00	
4100	R	Misc. Income	0.00	0.00		(1,081,714.37)
	AJE01	1/1 to 9/30/11 activity			(1,370.00)	
	AJE10	Sept Mellon activity			(344.37)	
	AJE21	To record renegotiation of Soris agrmt and trsf AZ property debt reduced by FMV of AZ Land			(1,080,000.00)	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

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07/05/12

Basis: Adjusted

Account	T	Description	Sep 30, 2010	Sep 30, 2011 Unadjusted	Adjustments	Sep 30, 2011 Adjusted
4220	R	Interest Income - Cal	0.00	0.00		(23,334.00)
	AJE01	1/1 to 9/30/11 activity			(23,334.00)	
4260	R	Interest Income - Nicky	0.00	0.00		(18,000.00)
	AJE01	1/1 to 9/30/11 activity			(18,000.00)	
4297	R	Investment Income-Bank/Broker Accts	0.00	0.00		(151,160.86)
	AJE02	January Mellon activity			(21,254.41)	
	AJE03	February Mellon activity			(2,502.85)	
	AJE04	March Mellon activity			(6,162.39)	
	AJE04	March Mellon activity			(2,260.03)	
	AJE05	April Mellon activity			(14,926.70)	
	AJE06	May Mellon activity			(9,510.86)	
	AJE06	May Mellon activity			1,709.74	
	AJE07	June Mellon activity			(8,870.76)	
	AJE07	June Mellon activity			5,135.45	
	AJE08	July Mellon activity			(28,317.51)	
	AJE08	July Mellon activity			(21,060.31)	
	AJE09	August Mellon activity			(18,149.28)	
	AJE09	August Mellon activity			(44,425.14)	
	AJE10	Sept Mellon activity			(13.25)	
	AJE11	Jan-Sept Mellon bond amortization			19,447.44	
6000	E	830 Arnold Expenses	0.00	0.00		0.00
	AJE01	1/1 to 9/30/11 activity			546.00	
	AJE16	Reclassify 100% of the 1/1 to 9/30/11 830 Arnold rental net cash flow			(546.00)	
6260	E	Interest Expense - Mellon	0.00	0.00		3,630.00
	AJE12	Adjust the Mellon line of credit to actual			3,630.00	
6310	E	Legal/Professional Fees	0.00	0.00		200.00
	AJE01	1/1 to 9/30/11 activity			200.00	
6450	E	Outside Services	0.00	0.00		500.00
	AJE01	1/1 to 9/30/11 activity			500.00	
6630	E	Bank Charges/Invest Fees	0.00	0.00		21,271.34
	AJE01	1/1 to 9/30/11 activity			2.00	
	AJE02	January Mellon activity			1,241.98	
	AJE02	January Mellon activity			1,241.98	
	AJE03	February Mellon activity			1,230.77	
	AJE03	February Mellon activity			1,230.77	
	AJE04	March Mellon activity			1,234.62	
	AJE04	March Mellon activity			1,234.61	
	AJE05	April Mellon activity			1,226.75	
	AJE05	April Mellon activity			1,226.74	
	AJE06	May Mellon activity			1,233.94	
	AJE06	May Mellon activity			1,233.93	
	AJE07	June Mellon activity			1,238.98	
	AJE07	June Mellon activity			1,238.98	
	AJE08	July Mellon activity			1,234.74	
	AJE08	July Mellon activity			1,234.73	
	AJE09	August Mellon activity			1,233.98	
	AJE09	August Mellon activity			1,233.97	
	AJE10	Sept Mellon activity			758.94	
	AJE10	Sept Mellon activity			758.93	
6690	E	Bad Debt Notes	0.00	0.00		44,000.00
	AJE18	Write off 2011 bad debts			44,000.00	
6750	E	Temporary Distribution	0.00	0.00		113.00
	AJE01	1/1 to 9/30/11 activity			113.00	

Eric L. Nelson Nevada Trust
Trial Balance Worksheet

Basis: Adjusted

Account	T	Description	Sep 30, 2010	Sep 30, 2011 Unadjusted	Adjustments	Sep 30, 2011 Adjusted
		Total	0.00	0.00	0.00	0.00
		Profit/(Loss)	0.00	0.00	1,194,494.89	1,194,494.89

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
AJE01	Adjusting	09/30/11					
		1003	Checking - B of A ELN #2798	190.00			
		1210	N/R - Eric Nelson Auctioneering	180,814.00			
		1340	N/R - Banone LLC	349,746.00			
		1570	Gateway Lots (29)	54.00			
		2105	LOC - Mellon Bank		450,000.00		
		3005	Contributions - Eric Nelson		180,000.00		
		3010	Distributions - Eric Nelson	83,581.00			
		3025	Draws - Kids Expenses	61,408.00			
		4060	R/I 830 Arnold MS		4,450.00		
		4100	Misc. Income		1,370.00		
		4220	Interest Income - Cal		23,334.00		
		4260	Interest Income - Nicky		18,000.00		
		6000	830 Arnold Expenses	546.00			
		6310	Legal/Professional Fees	200.00			
		6450	Outside Services	500.00			
		6750	Temporary Distribution	113.00			
		6630	Bank Charges/Invest Fees	2.00			
						45,793.00	
			1/1 to 9/30/11 activity				
AJE02	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		21,254.41		
		3005	Contributions - Eric Nelson	20,000.00			
		6630	Bank Charges/Invest Fees	1,241.98			
		6630	Bank Charges/Invest Fees	1,241.98			
		1013	Mellon Broker Accounts #1700/17		1,229.55		
						18,770.45	
			January Mellon activity				Jan Stmt
AJE03	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		2,502.85		
		6630	Bank Charges/Invest Fees	1,230.77			
		6630	Bank Charges/Invest Fees	1,230.77			
		3005	Contributions - Eric Nelson	20,000.00			
		1013	Mellon Broker Accounts #1700/17		19,958.69		
						41.31	
			February Mellon activity				Feb Stmt
AJE04	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		6,162.39		
		3005	Contributions - Eric Nelson	20,000.00			
		4297	Investment Income-Bank/Broker A		2,260.03		
		6630	Bank Charges/Invest Fees	1,234.62			
		6630	Bank Charges/Invest Fees	1,234.61			
		1013	Mellon Broker Accounts #1700/17		14,046.81		
						5,953.19	
			March Mellon activity				March Stmt

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
AJE05	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		14,926.70		
		3005	Contributions - Eric Nelson	20,000.00			
		6630	Bank Charges/Invest Fees	1,226.75			
		6630	Bank Charges/Invest Fees	1,226.74			
		1013	Mellon Broker Accounts #1700/17		7,526.79		
						12,473.21	
			April Mellon activity				April Stmt
AJE06	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		9,510.86		
		3005	Contributions - Eric Nelson	20,000.00			
		6630	Bank Charges/Invest Fees	1,233.94			
		6630	Bank Charges/Invest Fees	1,233.93			
		4297	Investment Income-Bank/Broker A	1,709.74			
		1013	Mellon Broker Accounts #1700/17		14,666.75		
						5,333.25	
			May Mellon activity				May Stmt
AJE07	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		8,870.76		
		3005	Contributions - Eric Nelson	20,000.00			
		6630	Bank Charges/Invest Fees	1,238.98			
		6630	Bank Charges/Invest Fees	1,238.98			
		4297	Investment Income-Bank/Broker A	5,135.45			
		1013	Mellon Broker Accounts #1700/17		18,742.65		
						1,257.35	
			June Mellon activity				June Stmt
AJE08	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		28,317.51		
		3005	Contributions - Eric Nelson	20,000.00			
		6630	Bank Charges/Invest Fees	1,234.74			
		6630	Bank Charges/Invest Fees	1,234.73			
		4297	Investment Income-Bank/Broker A		21,060.31		
		1013	Mellon Broker Accounts #1700/17	26,908.35			
						46,908.35	
			July Mellon activity				July Stmt
AJE09	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		18,149.28		
		6630	Bank Charges/Invest Fees	1,233.98			
		6630	Bank Charges/Invest Fees	1,233.97			
		3005	Contributions - Eric Nelson	20,000.00			
		2105	LOC - Mellon Bank	1,300,000.00			
		4297	Investment Income-Bank/Broker A		44,425.14		
		1013	Mellon Broker Accounts #1700/17		1,259,893.53		

Eric L. Nelson Nevada Trust
Adjusting Journal Entries

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
			August Mellon activity			60,106.47	Aug Stmt
AJE10	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A		13.25		
		3005	Contributions - Eric Nelson	20,000.00			
		6630	Bank Charges/Invest Fees	758.94			
		6630	Bank Charges/Invest Fees	758.93			
		4100	Misc. Income		344.37		
		1013	Mellon Broker Accounts #1700/17		21,160.25		
						(1,160.25)	Sept Stmt
			Sept Mellon activity				
AJE11	Adjusting	09/30/11					
		4297	Investment Income-Bank/Broker A	19,447.44			
		1013	Mellon Broker Accounts #1700/17		19,447.44		
						(19,447.44)	
			Jan-Sept Mellon bond amortization				
AJE12	Adjusting	09/30/11					
		2105	LOC - Mellon Bank		3,630.00		
		6260	Interest Expense - Mellon	3,630.00			
						(3,630.00)	
			Adjust the Mellon line of credit to actual				
AJE13	Adjusting	09/30/11					
		3010	Distributions - Eric Nelson	61,408.00			
		3025	Draws - Kids Expenses		61,408.00		
						0.00	
			Move kids expenses to draws				
AJE14	Adjusting	09/30/11					
		3010	Distributions - Eric Nelson	31,028.00			
		3010	Distributions - Eric Nelson	16,908.00			
		1340	N/R - Banone LLC		47,936.00		
						0.00	
			Record 1/1 to 9/30/11 distributions to Eric and kids expenses paid by Banone LLC on behalf of the trust				D-01

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
AJE15	Adjusting	09/30/11					
		3010	Distributions - Eric Nelson	3,270.00			
		3010	Distributions - Eric Nelson	46,748.00			
		1825	Investment - Dynasty Develop		50,018.00		
						0.00	
			Record Dynasty Dev 1/1 to 9/30/11 distributions to Eric and kids expenses paid				D-01
AJE16	Adjusting	09/30/11					
		4060	R/I 830 Arnold MS	4,450.00			
		6000	830 Arnold Expenses		546.00		
		2210	Due (to)/from LSN NV Trust		3,904.00		
						(3,904.00)	
			Reclassify 100% of the 1/1 to 9/30/11 830 Arnold rental net cash flow				Exh 4.02
AJE17	Adjusting	09/30/11					
		2210	Due (to)/from LSN NV Trust		30,769.00		
		1855	Investment - Banone LLC	30,769.00			
						0.00	
			Reclassify 50% of the Lindell 1/1 to 9/30/11 rental net cash flow from Banone LLC				Exh 4.01
AJE18	Adjusting	09/30/11					
		1255	Due From Carlene Gutierrez		20,000.00		
		1335	N/R - Bledsoe		2,000.00		
		1375	N/R - David Muir		22,000.00		
		6690	Bad Debt Notes	44,000.00			
						(44,000.00)	
			Write off 2011 bad debts				per ELN
AJE19	Adjusting	09/30/11					
		1850	Investment - Dimick Book		10,000.00		
		4046	Loss on Dimick Brook Investment	10,000.00			
						(10,000.00)	
			Write off the Dimick Brook investment				per ELN
AJE20	Adjusting	09/30/11					
		3010	Distributions - Eric Nelson		24,678.00		
		3013	Distributions - Aubrey	24,678.00			

Eric L. Nelson Nevada Trust
Adjusting Journal Entries

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
			Move the auto purchase for Aubry to a separate distribution account			0.00	GL p16
AJE21	Adjusting	09/30/11					
		2241	N/P - Soris	1,080,000.00			
		4100	Misc. Income		1,080,000.00		
						1,080,000.00	
			To record renegotiation of Soris agrmt and trsf AZ property debt reduced by FMV of AZ Land				
		TOTAL		<u>3,588,513.32</u>	<u>3,588,513.32</u>	<u>1,194,494.89</u>	

Exhibit 9

Eric L. Nelson Nevada Trust
Comparison of Wyoming Downs Sale Proceeds to Net Trust Assets
as of September 30, 2011

Assets:

Cash - B of A Checking	\$ 55,218	
Mellon Broker Account	1,435,756	
N/R - Eric Nelson Auctioneering	1,112,653	
Due from Nelson P & S	10,000	
N/R - Banone LLC	4,285,695	
N/R - Banone LLC (EMD Checks)	1,258,000	
N/R - Banone AZ LLC	412,490	
N/R - Banone AZ LLC (EMD Checks)	30,800	
N/R - WY Lots Development	4,796	
N/R - Cal Nelson	1,871,791	
N/R - Grotta Note	80,000	
N/R - Nicky Cvintanovich	200,000	
N/R - Bay Resorts LLC	20,000	
Gateway Lots (29)	133,926	
Furniture Fixtures & Equipment	38,487	
Accum Dep - FF & E	(22,071)	
Cabin Vehicles	11,722	
Lindell Office Building-50%	1,000,000	
Brianhead Cabin-50%	1,500,000	
Investment - Dynasty Development	2,009,684	
Investment - WY Rodeo Events	131,739	
Investment - Banone LLC	161,469	
Investment - Wild Grizzly Casino	1,052,226	
Investment - Paradise Bay MS	26,000	
Investment - Riverwalk Ent	35,000	
Investment - Hideaway Casino	29,355	
Investment - 50% Bay Resorts	217,312	
Investment - 50% Emerald Bay	25,523	
Investment - Eric Nelson Auctioneering	59,100	
Total Assets		17,186,671

Liabilities:

Due to Dynasty Development LLC	74,451	
Tenant Security Deposits	8,344	
LOC - Mellon Bank	1,110,998	
N/P - L. Martin	363,996	
N/P - P. Nelson	81,749	
N/P - Soris	1,300,000	
Total Liabilities		2,939,538
Net Assets excluding due to (from) LSNNVT		14,247,133

Net Proceeds from Sale of Wyoming Downs 11,120,958

Percent of total assets 78.06%

Compound Period : Monthly

Nominal Annual Rate : 4.500 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	06/15/2007	1,580,654.37	1		
2 Payment	07/15/2007	10,000.00	240	Monthly	06/15/2027

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	06/15/2007				1,580,654.37
1	07/15/2007	10,000.00	5,927.45	4,072.55	1,576,581.82
2	08/15/2007	10,000.00	5,912.18	4,087.82	1,572,494.00
3	09/15/2007	10,000.00	5,896.85	4,103.15	1,568,390.85
4	10/15/2007	10,000.00	5,881.47	4,118.53	1,564,272.32
5	11/15/2007	10,000.00	5,866.02	4,133.98	1,560,138.34
6	12/15/2007	10,000.00	5,850.52	4,149.48	1,555,988.86
2007 Totals		60,000.00	35,334.49	24,665.51	
7	01/15/2008	10,000.00	5,834.96	4,165.04	1,551,823.82
8	02/15/2008	10,000.00	5,819.34	4,180.66	1,547,643.16
9	03/15/2008	10,000.00	5,803.66	4,196.34	1,543,446.82
10	04/15/2008	10,000.00	5,787.93	4,212.07	1,539,234.75
11	05/15/2008	10,000.00	5,772.13	4,227.87	1,535,006.88
12	06/15/2008	10,000.00	5,756.28	4,243.72	1,530,763.16
13	07/15/2008	10,000.00	5,740.36	4,259.64	1,526,503.52
14	08/15/2008	10,000.00	5,724.39	4,275.61	1,522,227.91
15	09/15/2008	10,000.00	5,708.35	4,291.65	1,517,936.26
16	10/15/2008	10,000.00	5,692.26	4,307.74	1,513,628.52
17	11/15/2008	10,000.00	5,676.11	4,323.89	1,509,304.63
18	12/15/2008	10,000.00	5,659.89	4,340.11	1,504,964.52
2008 Totals		120,000.00	68,975.66	51,024.34	
19	01/15/2009	10,000.00	5,643.62	4,356.38	1,500,608.14
20	02/15/2009	10,000.00	5,627.28	4,372.72	1,496,235.42
21	03/15/2009	10,000.00	5,610.88	4,389.12	1,491,846.30
22	04/15/2009	10,000.00	5,594.42	4,405.58	1,487,440.72
23	05/15/2009	10,000.00	5,577.90	4,422.10	1,483,018.62
24	06/15/2009	10,000.00	5,561.32	4,438.68	1,478,579.94
25	07/15/2009	10,000.00	5,544.67	4,455.33	1,474,124.61
26	08/15/2009	10,000.00	5,527.97	4,472.03	1,469,652.58
27	09/15/2009	10,000.00	5,511.20	4,488.80	1,465,163.78
28	10/15/2009	10,000.00	5,494.36	4,505.64	1,460,658.14
29	11/15/2009	10,000.00	5,477.47	4,522.53	1,456,135.61
30	12/15/2009	10,000.00	5,460.51	4,539.49	1,451,596.12
2009 Totals		120,000.00	66,631.60	53,368.40	
31	01/15/2010	10,000.00	5,443.49	4,556.51	1,447,039.61

	Date	Payment	Interest	Principal	Balance
32	02/15/2010	10,000.00	5,426.40	4,573.60	1,442,466.01
33	03/15/2010	10,000.00	5,409.25	4,590.75	1,437,875.26
34	04/15/2010	10,000.00	5,392.03	4,607.97	1,433,267.29
35	05/15/2010	10,000.00	5,374.75	4,625.25	1,428,642.04
36	06/15/2010	10,000.00	5,357.41	4,642.59	1,423,999.45
37	07/15/2010	10,000.00	5,340.00	4,660.00	1,419,339.45
38	08/15/2010	10,000.00	5,322.52	4,677.48	1,414,661.97
39	09/15/2010	10,000.00	5,304.98	4,695.02	1,409,966.95
40	10/15/2010	10,000.00	5,287.38	4,712.62	1,405,254.33
41	11/15/2010	10,000.00	5,269.70	4,730.30	1,400,524.03
42	12/15/2010	10,000.00	5,251.97	4,748.03	1,395,776.00
2010 Totals		120,000.00	64,179.88	55,820.12	
43	01/15/2011	10,000.00	5,234.16	4,765.84	1,391,010.16
44	02/15/2011	10,000.00	5,216.29	4,783.71	1,386,226.45
45	03/15/2011	10,000.00	5,198.35	4,801.65	1,381,424.80
46	04/15/2011	10,000.00	5,180.34	4,819.66	1,376,605.14
47	05/15/2011	10,000.00	5,162.27	4,837.73	1,371,767.41
48	06/15/2011	10,000.00	5,144.13	4,855.87	1,366,911.54
49	07/15/2011	10,000.00	5,125.92	4,874.08	1,362,037.46
50	08/15/2011	10,000.00	5,107.64	4,892.36	1,357,145.10
51	09/15/2011	10,000.00	5,089.29	4,910.71	1,352,234.39
52	10/15/2011	10,000.00	5,070.88	4,929.12	1,347,305.27
53	11/15/2011	10,000.00	5,052.39	4,947.61	1,342,357.66
54	12/15/2011	10,000.00	5,033.84	4,966.16	1,337,391.50
2011 Totals		120,000.00	61,615.50	58,384.50	
55	01/15/2012	10,000.00	5,015.22	4,984.78	1,332,406.72
56	02/15/2012	10,000.00	4,996.53	5,003.47	1,327,403.25
57	03/15/2012	10,000.00	4,977.76	5,022.24	1,322,381.01
58	04/15/2012	10,000.00	4,958.93	5,041.07	1,317,339.94
59	05/15/2012	10,000.00	4,940.02	5,059.98	1,312,279.96
60	06/15/2012	10,000.00	4,921.05	5,078.95	1,307,201.01
61	07/15/2012	10,000.00	4,902.00	5,098.00	1,302,103.01
62	08/15/2012	10,000.00	4,882.89	5,117.11	1,296,985.90
63	09/15/2012	10,000.00	4,863.70	5,136.30	1,291,849.60
64	10/15/2012	10,000.00	4,844.44	5,155.56	1,286,694.04
65	11/15/2012	10,000.00	4,825.10	5,174.90	1,281,519.14
66	12/15/2012	10,000.00	4,805.70	5,194.30	1,276,324.84
2012 Totals		120,000.00	58,933.34	61,066.66	
67	01/15/2013	10,000.00	4,786.22	5,213.78	1,271,111.06
68	02/15/2013	10,000.00	4,766.67	5,233.33	1,265,877.73
69	03/15/2013	10,000.00	4,747.04	5,252.96	1,260,624.77
70	04/15/2013	10,000.00	4,727.34	5,272.66	1,255,352.11
71	05/15/2013	10,000.00	4,707.57	5,292.43	1,250,059.68
72	06/15/2013	10,000.00	4,687.72	5,312.28	1,244,747.40
73	07/15/2013	10,000.00	4,667.80	5,332.20	1,239,415.20
74	08/15/2013	10,000.00	4,647.81	5,352.19	1,234,063.01
75	09/15/2013	10,000.00	4,627.74	5,372.26	1,228,690.75
76	10/15/2013	10,000.00	4,607.59	5,392.41	1,223,298.34

	Date	Payment	Interest	Principal	Balance
	77 11/15/2013	10,000.00	4,587.37	5,412.63	1,217,885.71
	78 12/15/2013	10,000.00	4,567.07	5,432.93	1,212,452.78
2013 Totals		120,000.00	56,127.94	63,872.06	
	79 01/15/2014	10,000.00	4,546.70	5,453.30	1,206,999.48
	80 02/15/2014	10,000.00	4,526.25	5,473.75	1,201,525.73
	81 03/15/2014	10,000.00	4,505.72	5,494.28	1,196,031.45
	82 04/15/2014	10,000.00	4,485.12	5,514.88	1,190,516.57
	83 05/15/2014	10,000.00	4,464.44	5,535.56	1,184,981.01
	84 06/15/2014	10,000.00	4,443.68	5,556.32	1,179,424.69
	85 07/15/2014	10,000.00	4,422.84	5,577.16	1,173,847.53
	86 08/15/2014	10,000.00	4,401.93	5,598.07	1,168,249.46
	87 09/15/2014	10,000.00	4,380.94	5,619.06	1,162,630.40
	88 10/15/2014	10,000.00	4,359.86	5,640.14	1,156,990.26
	89 11/15/2014	10,000.00	4,338.71	5,661.29	1,151,328.97
	90 12/15/2014	10,000.00	4,317.48	5,682.52	1,145,646.45
2014 Totals		120,000.00	53,193.67	66,806.33	
	91 01/15/2015	10,000.00	4,296.17	5,703.83	1,139,942.62
	92 02/15/2015	10,000.00	4,274.78	5,725.22	1,134,217.40
	93 03/15/2015	10,000.00	4,253.32	5,746.68	1,128,470.72
	94 04/15/2015	10,000.00	4,231.77	5,768.23	1,122,702.49
	95 05/15/2015	10,000.00	4,210.13	5,789.87	1,116,912.62
	96 06/15/2015	10,000.00	4,188.42	5,811.58	1,111,101.04
	97 07/15/2015	10,000.00	4,166.63	5,833.37	1,105,267.67
	98 08/15/2015	10,000.00	4,144.75	5,855.25	1,099,412.42
	99 09/15/2015	10,000.00	4,122.80	5,877.20	1,093,535.22
	100 10/15/2015	10,000.00	4,100.76	5,899.24	1,087,635.98
	101 11/15/2015	10,000.00	4,078.63	5,921.37	1,081,714.61
	102 12/15/2015	10,000.00	4,056.43	5,943.57	1,075,771.04
2015 Totals		120,000.00	50,124.59	69,875.41	
	103 01/15/2016	10,000.00	4,034.14	5,965.86	1,069,805.18
	104 02/15/2016	10,000.00	4,011.77	5,988.23	1,063,816.95
	105 03/15/2016	10,000.00	3,989.31	6,010.69	1,057,806.26
	106 04/15/2016	10,000.00	3,966.77	6,033.23	1,051,773.03
	107 05/15/2016	10,000.00	3,944.15	6,055.85	1,045,717.18
	108 06/15/2016	10,000.00	3,921.44	6,078.56	1,039,638.62
	109 07/15/2016	10,000.00	3,898.64	6,101.36	1,033,537.26
	110 08/15/2016	10,000.00	3,875.76	6,124.24	1,027,413.02
	111 09/15/2016	10,000.00	3,852.80	6,147.20	1,021,265.82
	112 10/15/2016	10,000.00	3,829.75	6,170.25	1,015,095.57
	113 11/15/2016	10,000.00	3,806.61	6,193.39	1,008,902.18
	114 12/15/2016	10,000.00	3,783.38	6,216.62	1,002,685.56
2016 Totals		120,000.00	46,914.52	73,085.48	
	115 01/15/2017	10,000.00	3,760.07	6,239.93	996,445.63
	116 02/15/2017	10,000.00	3,736.67	6,263.33	990,182.30
	117 03/15/2017	10,000.00	3,713.18	6,286.82	983,895.48
	118 04/15/2017	10,000.00	3,689.61	6,310.39	977,585.09
	119 05/15/2017	10,000.00	3,665.94	6,334.06	971,251.03

	Date	Payment	Interest	Principal	Balance
120	06/15/2017	10,000.00	3,642.19	6,357.81	964,893.22
121	07/15/2017	10,000.00	3,618.35	6,381.65	958,511.57
122	08/15/2017	10,000.00	3,594.42	6,405.58	952,105.99
123	09/15/2017	10,000.00	3,570.40	6,429.60	945,676.39
124	10/15/2017	10,000.00	3,546.29	6,453.71	939,222.68
125	11/15/2017	10,000.00	3,522.09	6,477.91	932,744.77
126	12/15/2017	10,000.00	3,497.79	6,502.21	926,242.56
2017 Totals		120,000.00	43,557.00	76,443.00	
127	01/15/2018	10,000.00	3,473.41	6,526.59	919,715.97
128	02/15/2018	10,000.00	3,448.93	6,551.07	913,164.90
129	03/15/2018	10,000.00	3,424.37	6,575.63	906,589.27
130	04/15/2018	10,000.00	3,399.71	6,600.29	899,988.98
131	05/15/2018	10,000.00	3,374.96	6,625.04	893,363.94
132	06/15/2018	10,000.00	3,350.11	6,649.89	886,714.05
133	07/15/2018	10,000.00	3,325.18	6,674.82	880,039.23
134	08/15/2018	10,000.00	3,300.15	6,699.85	873,339.38
135	09/15/2018	10,000.00	3,275.02	6,724.98	866,614.40
136	10/15/2018	10,000.00	3,249.80	6,750.20	859,864.20
137	11/15/2018	10,000.00	3,224.49	6,775.51	853,088.69
138	12/15/2018	10,000.00	3,199.08	6,800.92	846,287.77
2018 Totals		120,000.00	40,045.21	79,954.79	
139	01/15/2019	10,000.00	3,173.58	6,826.42	839,461.35
140	02/15/2019	10,000.00	3,147.98	6,852.02	832,609.33
141	03/15/2019	10,000.00	3,122.28	6,877.72	825,731.61
142	04/15/2019	10,000.00	3,096.49	6,903.51	818,828.10
143	05/15/2019	10,000.00	3,070.61	6,929.39	811,898.71
144	06/15/2019	10,000.00	3,044.62	6,955.38	804,943.33
145	07/15/2019	10,000.00	3,018.54	6,981.46	797,961.87
146	08/15/2019	10,000.00	2,992.36	7,007.64	790,954.23
147	09/15/2019	10,000.00	2,966.08	7,033.92	783,920.31
148	10/15/2019	10,000.00	2,939.70	7,060.30	776,860.01
149	11/15/2019	10,000.00	2,913.23	7,086.77	769,773.24
150	12/15/2019	10,000.00	2,886.65	7,113.35	762,659.89
2019 Totals		120,000.00	36,372.12	83,627.88	
151	01/15/2020	10,000.00	2,859.97	7,140.03	755,519.86
152	02/15/2020	10,000.00	2,833.20	7,166.80	748,353.06
153	03/15/2020	10,000.00	2,806.32	7,193.68	741,159.38
154	04/15/2020	10,000.00	2,779.35	7,220.65	733,938.73
155	05/15/2020	10,000.00	2,752.27	7,247.73	726,691.00
156	06/15/2020	10,000.00	2,725.09	7,274.91	719,416.09
157	07/15/2020	10,000.00	2,697.81	7,302.19	712,113.90
158	08/15/2020	10,000.00	2,670.43	7,329.57	704,784.33
159	09/15/2020	10,000.00	2,642.94	7,357.06	697,427.27
160	10/15/2020	10,000.00	2,615.35	7,384.65	690,042.62
161	11/15/2020	10,000.00	2,587.66	7,412.34	682,630.28
162	12/15/2020	10,000.00	2,559.86	7,440.14	675,190.14
2020 Totals		120,000.00	32,530.25	87,469.75	

	Date	Payment	Interest	Principal	Balance
163	01/15/2021	10,000.00	2,531.96	7,468.04	667,722.10
164	02/15/2021	10,000.00	2,503.96	7,496.04	660,226.06
165	03/15/2021	10,000.00	2,475.85	7,524.15	652,701.91
166	04/15/2021	10,000.00	2,447.63	7,552.37	645,149.54
167	05/15/2021	10,000.00	2,419.31	7,580.69	637,568.85
168	06/15/2021	10,000.00	2,390.88	7,609.12	629,959.73
169	07/15/2021	10,000.00	2,362.35	7,637.65	622,322.08
170	08/15/2021	10,000.00	2,333.71	7,666.29	614,655.79
171	09/15/2021	10,000.00	2,304.96	7,695.04	606,960.75
172	10/15/2021	10,000.00	2,276.10	7,723.90	599,236.85
173	11/15/2021	10,000.00	2,247.14	7,752.86	591,483.99
174	12/15/2021	10,000.00	2,218.06	7,781.94	583,702.05
2021 Totals		120,000.00	28,511.91	91,488.09	
175	01/15/2022	10,000.00	2,188.88	7,811.12	575,890.93
176	02/15/2022	10,000.00	2,159.59	7,840.41	568,050.52
177	03/15/2022	10,000.00	2,130.19	7,869.81	560,180.71
178	04/15/2022	10,000.00	2,100.68	7,899.32	552,281.39
179	05/15/2022	10,000.00	2,071.06	7,928.94	544,352.45
180	06/15/2022	10,000.00	2,041.32	7,958.68	536,393.77
181	07/15/2022	10,000.00	2,011.48	7,988.52	528,405.25
182	08/15/2022	10,000.00	1,981.52	8,018.48	520,386.77
183	09/15/2022	10,000.00	1,951.45	8,048.55	512,338.22
184	10/15/2022	10,000.00	1,921.27	8,078.73	504,259.49
185	11/15/2022	10,000.00	1,890.97	8,109.03	496,150.46
186	12/15/2022	10,000.00	1,860.56	8,139.44	488,011.02
2022 Totals		120,000.00	24,308.97	95,691.03	
187	01/15/2023	10,000.00	1,830.04	8,169.96	479,841.06
188	02/15/2023	10,000.00	1,799.40	8,200.60	471,640.46
189	03/15/2023	10,000.00	1,768.65	8,231.35	463,409.11
190	04/15/2023	10,000.00	1,737.78	8,262.22	455,146.89
191	05/15/2023	10,000.00	1,706.80	8,293.20	446,853.69
192	06/15/2023	10,000.00	1,675.70	8,324.30	438,529.39
193	07/15/2023	10,000.00	1,644.49	8,355.51	430,173.88
194	08/15/2023	10,000.00	1,613.15	8,386.85	421,787.03
195	09/15/2023	10,000.00	1,581.70	8,418.30	413,368.73
196	10/15/2023	10,000.00	1,550.13	8,449.87	404,918.86
197	11/15/2023	10,000.00	1,518.45	8,481.55	396,437.31
198	12/15/2023	10,000.00	1,486.64	8,513.36	387,923.95
2023 Totals		120,000.00	19,912.93	100,087.07	
199	01/15/2024	10,000.00	1,454.71	8,545.29	379,378.66
200	02/15/2024	10,000.00	1,422.67	8,577.33	370,801.33
201	03/15/2024	10,000.00	1,390.50	8,609.50	362,191.83
202	04/15/2024	10,000.00	1,358.22	8,641.78	353,550.05
203	05/15/2024	10,000.00	1,325.81	8,674.19	344,875.86
204	06/15/2024	10,000.00	1,293.28	8,706.72	336,169.14
205	07/15/2024	10,000.00	1,260.63	8,739.37	327,429.77
206	08/15/2024	10,000.00	1,227.86	8,772.14	318,657.63
207	09/15/2024	10,000.00	1,194.97	8,805.03	309,852.60

	Date	Payment	Interest	Principal	Balance
	208 10/15/2024	10,000.00	1,161.95	8,838.05	301,014.55
	209 11/15/2024	10,000.00	1,128.80	8,871.20	292,143.35
	210 12/15/2024	10,000.00	1,095.54	8,904.46	283,238.89
	2024 Totals	120,000.00	15,314.94	104,685.06	
	211 01/15/2025	10,000.00	1,062.15	8,937.85	274,301.04
	212 02/15/2025	10,000.00	1,028.63	8,971.37	265,329.67
	213 03/15/2025	10,000.00	994.99	9,005.01	256,324.66
	214 04/15/2025	10,000.00	961.22	9,038.78	247,285.88
	215 05/15/2025	10,000.00	927.32	9,072.68	238,213.20
	216 06/15/2025	10,000.00	893.30	9,106.70	229,106.50
	217 07/15/2025	10,000.00	859.15	9,140.85	219,965.65
	218 08/15/2025	10,000.00	824.87	9,175.13	210,790.52
	219 09/15/2025	10,000.00	790.46	9,209.54	201,580.98
	220 10/15/2025	10,000.00	755.93	9,244.07	192,336.91
	221 11/15/2025	10,000.00	721.26	9,278.74	183,058.17
	222 12/15/2025	10,000.00	686.47	9,313.53	173,744.64
	2025 Totals	120,000.00	10,505.75	109,494.25	
	223 01/15/2026	10,000.00	651.54	9,348.46	164,396.18
	224 02/15/2026	10,000.00	616.49	9,383.51	155,012.67
	225 03/15/2026	10,000.00	581.30	9,418.70	145,593.97
	226 04/15/2026	10,000.00	545.98	9,454.02	136,139.95
	227 05/15/2026	10,000.00	510.52	9,489.48	126,650.47
	228 06/15/2026	10,000.00	474.94	9,525.06	117,125.41
	229 07/15/2026	10,000.00	439.22	9,560.78	107,564.63
	230 08/15/2026	10,000.00	403.37	9,596.63	97,968.00
	231 09/15/2026	10,000.00	367.38	9,632.62	88,335.38
	232 10/15/2026	10,000.00	331.26	9,668.74	78,666.64
	233 11/15/2026	10,000.00	295.00	9,705.00	68,961.64
	234 12/15/2026	10,000.00	258.61	9,741.39	59,220.25
	2026 Totals	120,000.00	5,475.61	114,524.39	
	235 01/15/2027	10,000.00	222.08	9,777.92	49,442.33
	236 02/15/2027	10,000.00	185.41	9,814.59	39,627.74
	237 03/15/2027	10,000.00	148.60	9,851.40	29,776.34
	238 04/15/2027	10,000.00	111.66	9,888.34	19,888.00
	239 05/15/2027	10,000.00	74.58	9,925.42	9,962.58
	240 06/15/2027	10,000.00	37.42	9,962.58	0.00
	2027 Totals	60,000.00	779.75	59,220.25	
	Grand Totals	2,400,000.00	819,345.63	1,580,654.37	

Last interest amount increased by 0.06 due to rounding.

Exhibit 11

Nelson vs. Nelson Summary of Liabilities

Eric's Description	Debtor	Amount Posted to the Books	Other Liab. Not Posted to the Books	Comments	W/P ref
Wyoming 200 Acres	LSNNVT	-	-	Operating agreement for LLC never signed, no liabilities noted. Operating agreement states that LSNNVT owns only 40%. There may be a verbal agreement that this property is subject to the LLC agreement.	Note 7
MS Bay 200 Acres-Wetland Issues	ELNNVT (DDG)/LSN NVT	-	-	There are wetland violations and growth of invasive marsh grasses (Phragmites) at the site. This effects ELNNVT 120 acres and LSNNVT 80 acres. The estimated amount of the contingent liability for cleanup is unknown.	Note 9a
MS Bay 200 Acres-Maness	LSNNVT	-	1,100,000	Maness is seeking a partial summary judgment of legal fees \$100k and damages of \$1 million in regards to slander of title issues dating back to 2004. In 2004 the 80 acres were assigned to LSNNVT from ELNNVT, the deeds were done incorrectly which led to the lawsuit. This effects the LSNNVT 80 acres.	Note 9b
MS Bay 200 Acres-Soris	ELNNVT (DDG)	500,000		Liability is on the books of ELNNVT and explained in the Gerety report. Per the Soris/Nelson letter of understanding on 2/19/10, collateral on this debt is 30 acres of the 120 acres that ELNNVT (DDG) owns. \$1,364,998 guaranteed based on todays values short fall is approximately \$500,000	Note 9c
MS Bay 200 Acres-Silver Slipper DDJ Capital Mgmt Lien	ELNNVT (DDG)		1,000,000	120 Acres is secured by a 4/7/05 deed of trust for a loan to Silver Slipper (Dynasty Development Group LLC).	Note 9e
MS Bay 200 Acres-Martin	ELNNVT	200,000	-	6/1/06 liability is on the books of ELNNVT. 120 acres serves as collateral on this debt. We did not obtain the deed of trust but did obtain a copy of the note agreement which was between Martin and Eric Nelson. The note should have been between Martin and ELNNVT. The funds were deposited into ELNNVT.	Note 9f
MS Bay 200 Acres-Harold Duke	ELNNVT (DDG)		378,000	6/6/11 US Bankruptcy Court Proof of Claim from Duke, debtor is Dynasty Development Group. Legal fees relating to MS property 200 acres Maness legal issues. Dynasty owns the cash held from the settlement with the Silver Slipper.	Note 9g, 10a
MS Bay 200 Acres-Cliff McCarlie	n/a		60,000	9/24/08 letter to McCarlie states that he has 3% of 125 acres, there is no written agreement/deed of trust. (2,000,000 x 3%)	Note 9h
Dynasty Development Group LLC-Grotta LLC	ELNNVT (DDG)		525,000	Has threatened litigation in a letter dated 2/9/11 due to the impairment of its investment in Mississippi and Silver Slipper Casino due to the divorce proceedings. Silver Slipper Casino (DDG) has a note payable to Grotta, we did not obtain a copy of the note.	Note 10b
Dynasty Development Group LLC-Paul Nelson	n/a	78,000	-	Investor in Silver Slipper Casino. Paul is due his capital call amount back from distribution from the Silver Slipper per Eric.	Note 10c
Payable to Paul Nelson	ELNNVT	3,749		Additional amount owed the Paul per general ledger. Did not see Note.	
Dynasty Development Group LLC-Robert & Lana Martin	ELNNVT	105,000	-	1/28/05 liability is on the books of ELNNVT, we did obtain a copy of the note agreement	Note 10d
Payable to Lana Martin	ELNNVT	58,996		Additional amount owed the Maritns per general ledger. Did not see Note.	G/L
Payable to Grotta			98,099	Capital call paid by Grotta due from proceeds from sale of Silver Slipper	Note 10b
Dynasty Development Group LLC-Mike Cure	n/a	-	-	Investor in Silver Slipper Casino. No debt due.	Note 10e
Dynasty Development Group LLC-Cliff McCarlie	n/a	-	-	Investor in Silver Slipper Casino. No debt due.	Note 10f
Dynasty Development Group LLC-Silver Slipper	n/a	-	-	Dynasty was forced to sell its interest in Silver Slipper at \$1.56 million, which is currently being held in an attorney trust account. No liability	Note 10g

Nelson vs. Nelson
Summary of Liabilities

Eric's Description	Debtor	Amount Posted to the Books	Other Liab. Not Posted to the Books	Comments	W/P ref
Dynasty Development Group LLC- Greenville Entertainment LLC	ELNNVT (DDG)		3,533,200	Greenville Entertainment LLC, per a letter dated 8/27/09, is owed the amount of principal and interest from the Hideaway Casino, LLC (owned by Dynasty Development Group LLC) failed business venture	Note 12
Dynasty Development Group LLC- Harold Duke	ELNNVT (DDG)		50,000	Legal fees relating to Hideaway Casino (DDG) issues	Note 12
Banone LLC - Cal Nelson	n/a	-	-	To receive a percentage of profits from entity. No debt due	Notes 13-14
Banone AZ LLC - Paul Nelson	n/a	-	-	To receive a percentage of profits from entity. No debt due	Note 15
		945,745	6,744,299		

Notes:

per Lana, the MS 200 plus acres of land are currently owned by:
ELNNVT (Dynasty Development Group LLC) - 120 acres
LSNNVT - 80 acres

Dynasty Development Group LLC "DDG" has filed for bankruptcy protection

Exhibit 11.01

NELSON vs. NELSON LIABILITIES:

(This information was provided to Larry Bertsch on 9/20/11 in a binder following the format of Larry's report dated 7-5-11 which is following this reference page. Only Notes listed have liabilities attached to them)

ALL ADDITIONAL INFORMATION IN BLUE HAS BEEN ADDED FOR FURTHER CLARIFICATION AS OF 2/27/12.

Note 7 - Wyoming (200 acres) (LSN Nevada Trust)

There are currently liabilities on this property. Ownership is 40% by Nelson (50% to Paul Nelson/10% to Aleda Nelson). Property has limited access (16 years) remaining on access road. (Contract being provided is only a preliminary. Ownership names are incorrect. Unable to locate final contract.)

Note 9 - MS Bay (200 acres) (Eric L Nelson Nevada Trust/LSN Nevada Trust)

There are liabilities associated with this property. Current title issues due to not being granted as agreed by parties. Original owner was Eric L Nelson Nevada Trust and LLCs owned by the Trust.

- A. Wetland Issues. (Unknown value)
- B. Maness- lawsuit filed a portion of the land that operates the RV Park. Approximate liability \$1,000,000. (Slander of title) Liability \$300,000-\$1,000,000
- C. Frank Soris Family Trust- Approximately 30 acres are currently owned by Soris. (Further guarantee on balance of difference of AZ property transferred on amount owed of \$1,360,000 which is approximately \$623,000)
- E. Silver Slipper- Approximately 120 acres is secured by a Deed of Trust for the loan to the Silver Slipper.
(DDJ \$1,000,000 lien on 120 acre Dynasty land)
- F. Martin- \$200,000 of the debt owed to Martin is secured also by the 120 acres above. (Not recorded but secured by Promissory Note provided)
- G. Harold Duke claim for legal Fees
- H. Cliff McCarlie 3%

Note 10-Dynasty Development Group, LLC (Eric L Nelson Nevada Trust)

- A. \$400,000 (APPROXIMATE) claim for Legal Fees – Harold Duke

Nelson vs. Nelson Liabilities
9/20/2011

- B. Grotta LLC- Optionee to a percentage of 34% ownership in Silver Slipper (\$445,000 invested as well as a cash call paid of \$98,099 and loans of \$525,000).
- C. Paul Nelson- Optionee to a percentage of the 34% ownership in Silver Slipper (as well as cash call paid of \$81,000 plus interest in March 2007).
- D. Robert/Lana Martin- Optionee to a percentage of the 34% ownership in Silver Slipper (\$305,000 invested as well as approximately \$70,000 plus interest contributed to a cash call by the Silver Slipper in March 2007.)
- E. Mike Cure- Optionee to a percentage of the 34% ownership in Silver Slipper.
- F. Cliff McCarlie- Optionee to a percentage of the 34% ownership in Silver Slipper
- G. No longer owns a percentage of Silver Slipper Casino. Forced to sell at approximately \$1,560,000 (March 2007 Cash call amount plus 5%) which is currently being held in an attorney Trust Account. (Rochelle will provide under separate email the documentation being submitted to Court for release of a portion of these funds)

Note 12 - Hideaway Casino, LLC (Eric L Nelson Nevada Trust)

There are liabilities associated with this asset. / Tax Liabilities are unknown.

- A. Mr. Bieri is owed approximately \$3,000,000 from the failure of this business venture. Threat of future claim.
- B. Harold Duke is owed legal fees of approximately \$50,000.

Note 13-14 - Banone, LLC (Eric L Nelson Nevada Trust)

Cal Nelson -Claim, per agreement to receive percentage of profits from sale of the assets/business percentage.

Note 15 - Banone AZ, LLC (Eric L Nelson Nevada Trust)

Paul Nelson- Agreement on file to receive a percentage of the profits from the sale of the assets.

Exhibit 11.01.01

NOTE 7

WYOMING 200 ACRES

(DOCUMENTATION FOLLOWING)

2/10/06
To Paul & Eric - please review. We'll need to meet for a few minutes to finalize items like
m Alled
OPERATING AGREEMENT
OF
WYOMING EQUESTRIAN ESTATES, LLC
1. Land shares =

THIS OPERATING AGREEMENT (this "Agreement") is entered into as of the day of February, 2005, by PAUL E. NELSON, LYNITA SUE NELSON TRUST, and ALEDA C. NELSON TRUST (the "Initial Members").

NOW, THEREFORE, the Initial Members agree as follows:

2. but only Paul gets building share profits
Need to state how
ARTICLE 1
FORMATION

1.1 Formation and Name. The Initial Members have caused to be formed a limited-liability company (the "Company") pursuant to Chapter 86 of the Nevada Revised Statutes (the "Act"). The name of the Company is "Wyoming Equestrian Estates, LLC."

1.2. Business. The business of the Company shall be to engage in any lawful activity, including owning any real property or other assets. *works*

1.3. Registered Office. The registered office of the Company shall be located c/o Rochelle McGowan, 3611 South Lindell, Suite 201, Las Vegas, Nevada 89103, or at such other place within the State of Nevada as the Manager of the Company may from time to time designate. The Company may maintain such additional offices as the Manager(s) may from time to time determine.)

1.4. Term. The term of existence of the Company begins on the day the Articles of Organization are filed with the Secretary of State and shall be perpetual or until terminated pursuant to the terms and conditions of this Agreement.

1.5 Ownership. The Company is owned entirely by the Initial Members and shall be treated as such for federal income tax purposes. The initial capital contribution to the Company of each of the Initial Members is:

Paul Nelson	\$50.00
Eric Nelson	\$40.00
Aleda Nelson	\$10.00

1.6 Management. All of the affairs and activities of the Company shall be managed by its Management Committee, which shall be elected and/or removed from time to time by the Initial Members. The initial Manager Committee of the Company is comprised of Paul E. Nelson, ~~Eric L. Nelson~~ and Aleda C. Nelson. The Management Committee shall not receive any compensation for service in such capacity but shall be reimbursed by the Company for actual out-of-pocket expenditures on behalf of the Company.

1.7 Articles of Organization: The Articles of Organization shall be executed by the Organizer and recorded in the office of the Secretary of State of the State of Nevada. The Members agree to execute, acknowledge, file, record and/or publish as necessary, such amendments to said Article

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of Organization as may be required by this Agreement or by law and such other documents as may be appropriate to comply with the requirements of law for the formation, preservation and/or operation of the company.

1.8. Principal Place of Business and Maintenance of Records. The address in the State of Nevada where records will be maintained and the principal office and place of business of the company shall be at 3611 S. Lindell Road, Las Vegas, Nevada 89103, or such other place as the Members shall from time to time determine.

1.9 Resident Agent. The name and address of the resident agent for service of process is Rochelle McGowan, 3611 South Lindell, Suite 201, Las Vegas, Nevada 89103.

1.10 Title. Title to the property and assets of the Company shall be held in the name of the Company.

ARTICLE II CAPITALIZATION AND FINANCING OF THE COMPANY

Section 2.1 Capital Contribution.

a. Initial Capital Contribution. The members shall contribute as their initial capital contributions to the Company all of their right, title and interest in and to the property described in schedule "A" attached hereto and incorporated by reference. The Members agree that the property described on Schedule "a" hereto has a total fair market value as reflected on Schedule "A"

b. Initial Percentage Interests and Units:

<u>MEMBERS</u>	<u>PERCENTAGE INTEREST</u>	<u>UNITS</u>
Paul E. Nelson	50	5
Eric L. Nelson	40	4
Aleda C. Nelson	10	1

c. Additional Capital Contributions by Members. No Members shall be required to make additional contributions to the Company's capital except as expressly agreed upon by all Members in writing.

d. Return of Contributions. Each Member shall look solely to the Company Property for return of such Members' capital contributions and, if the Company property is insufficient to return such capital contributions, such Member shall have no recourse against any other Member for that purpose. Unless otherwise specified, a Member is not entitled to receive out of the Company property any part of his capital until:

- (1) All liabilities of the Company, except liabilities to Members on account of their contributions to capital, have been paid or there remains property of the Company sufficient to pay them;
- (2) The unanimous consent of all Members is had unless the return of the capital contribution may be rightfully demanded as provided below in Section 2.1(e) hereof; or

(2)

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(3) The Articles of Organization are cancelled or so amended as to set out the withdrawal or reduction.

- e. Right to Demand Return of Contributions. Subject to the provisions of Section 2.1 (d) hereof, a Member may rightfully demand the return of his contribution on the dissolution of the company. On return, a Member, irrespective of the nature of his contribution, has only the right to demand and receive cash or a combination of cash and promissory notes in return for his contribution to capital. No note shall have a payment period in excess of the statutory life of the Company. However, by a majority vote of the Members, other property may be permitted to be returned in lieu of or as part of any payment by cash or cash and notes.
- f. Loans to Company. No member shall lend or advance money to or for the Company's benefit without the written approval of a majority of the Members. If any Member, with the written consent of a majority of the other Members, lends money to the Company in addition to its contribution to the Company capital, the loan shall be a debt of the Company to that Member, and shall bear a market rate of interest to be approved in writing by the Members. The liability shall not be regarded as an increase of the lending Member's capital, and it shall not entitle it to any increased share of the Company's net income, distributions or voting rights.

Section 2.2 Units in the Company. Each Member shall be issued by the Company the number of Units stated in 2.1 (b) above. Thereafter, each Member or new member who makes an additional capital contribution to the Company shall be issued additional Unites by the Company, based upon the fair market value of the property contributed and the per Unit fair market value of the Company at the time of the additional contribution. Fair market value shall be determined in the sole discretion of the members. The company shall have the power to issue any number of Company Unites as necessary to give effect to this Section 2.2 The initial Company Unites and Percentage Interests of each Member shall be set forth in attached Schedule "B".

Section 2.3 Default. If any Member fails to make the required Capital Contributions under the terms of this Agreement, the Company shall have all rights and remedies, at law or equity, to enforce the provisions of this Agreement.

☆☆ ? if each unit is equal on the land, but the sales of the actual shares is different
ARTICLE III
PROFITS AND LOSSES: DISTRIBUTIONS
Section 3.1 Allocation of Profits and Losses. The Company's Profits and Losses shall be allocated among the Members, in proportion to their respective Company Percentage Interests. *does that part*

Section 3.2 Determination of Profits and Losses. The Company's profits or losses for each fiscal year shall be determined as soon as practicable after the close of the fiscal year in accordance with Section 1.9 (n). *require an additional*

Section 3.3 Transfer of Company Interest. In the event a Member transfers all or part of such Member's interest in the Company pursuant to Article VIII, the Profit of Losses of the Company allocable to the interest so transferred shall be prorated between the transferor and the transferee for the fiscal year in which such transfer occurs by taking *??*

(3)

into account their varying interests during the period if accordance with Code Section 706(d) using any conventions permitted by law and selected by the Members. All distributions on or before the date of such transfer shall be made to the transferor, and All distributions thereafter shall be made to the transferee.

Section 3.4 Tax Status, Allocations and Reports.

- (a) Unless otherwise agreed upon by the Members, the Company shall for tax purposes, utilize the method of depreciation which will result in the greatest amount of deduction in each year.
- (b) The members shall prepare, or cause to be prepared, all tax returns which must be filed on behalf of the Company with any taxing authority and make timely filing thereof. The cost thereof shall be borne by the Company.
- (c) For accounting and federal and state income tax purposes, all income, deductions, credits, gains and losses of the Company shall be allocated to the Members in proportion to their respective Company Percentage Interests. Any item stipulated to be a Company expense under the terms of this Agreement, or which would be so treated in accordance with generally accepted accounting principals, shall be treated as a Company expense for all purposes hereunder, whether or not such item is deductible for purposes of computing net income for deferral income tax purposes.
- (d) In the event that the Company has taxable income that is characterized as ordinary income under the recapture provisions of the Code, each Member's distributive share of taxable gain or loss from the sale of Company assets (to the extent possible) shall include a proportionate share of this recaptured income equal to the Member's share of prior cumulative depreciation deductions with respect to the assets which gave rise to the recapture income.

Section 3.5 Tax Allocations: Code Section 704(c). Regardless of the other provisions of this Operating Agreement relating to allocation of income, gain, loss, deduction, to the extent such item relates to property contributed to the Limited Liability Company by the Members, such allocations shall be adjusted to comply with the provisions of Section 704© of the code and the Regulations thereunder.

Section 3.6 Tax Allocations: Code Section 704 (b) Regardless of any other provision of this Agreement, the Members' capital accounts, and allocations of all items of income, loss, deduction, and credit to the Members, shall be in accordance with Section 704(b) of the Code and the regulations thereunder.

Section 3.7 Company Expenses. All legal fees (except legal fees and expenses incurred by each Member in connection with the formation and organization of the Company), architectural, engineering, consulting and other similar fees and expenses reasonably incurred by the Members in connection with the operation of the Company shall be deemed Company expenses and shall be reimbursed out of Company funds when such expenses and fees have been approved by the Members.

Section 3.8 Cash Distribution to Members.

- (a) The term "distributable funds" shall mean the amount by which the total of the cash on

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hand and in the Company's bank accounts is in excess of the reasonable cash requirements and repair and replacement reserves of the Company. The cash requirements shall include, but not be limited to, the amounts reasonably (in accordance with generally accepted accounting procedures) required for taxes, insurance premiums, debt service and other expenses of the Company. In addition, reasonable cash requirements shall include reserves for future acquisitions and development of real estate and other Company business interests.

(b) The Company's distributable funds shall be determined and distributed at least annually, or at such other times as the Members may in their sole discretion determine that funds are available therefore, taking into account such reasonable reserves as may be necessary for the prudent operation of the Company, in the following order of priorities:

- (1) To Members in proportionate amounts sufficient to cover taxes owed by the Members as a result of the incomes and operations of the Company. In making this distribution the highest income tax rate for married individuals filing jointly shall be assumed for each Member.
- (2) To make payments on any outstanding loans by a y Member to the Company in accordance with the terms of said loans.
- (3) Finally, any remaining distributable funds shall be proportionately allocated among the Members according to their respective Company Percentage Interests.

ARTICLE IV COMPANY ACCOUNTING

Section 4.1 Fiscal Year: Accounting Method. The Company's fiscal year shall be from January 1 to December 31, and income or losses shall be reported on a cash basis or tax purposes.

Section 4.2 Company Books:

- (a) Proper and complete books of account of the Company business shall be kept at the Company's principal place of business or such other place as the Members shall designate. The books of account shall be maintained on a cash basis in accordance with generally accepted accounting principles, consistently applied, and shall show all items of income and expense.
- (b) Each Member, at its sole cost and expense, shall have the right at all times during usual business hours to audit, examine and make copies of or extracts from the Company's books of account. Such right may be exercised through any agent or employee of such Member designated by the Member or by an independent certified public accountant designated by such Member. The Member exercising such right shall bear all expenses incurred in any such examination made on the Member's behalf.

Section 4.3 Capital Accounts. An individual capital account shall be determined in accordance with Section 1.9 (d) above. In the event any interest in the Company is

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transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent that such capital Account related to the transferred interest.

Section 4.4

Bank Accounts. Funds of the Company shall be deposited in a Company account or accounts in the bank or banks approved by the Members. Withdrawals from such bank accounts shall be made only by parties previously approved, in writing, by the Members.

Section 4.5

Annual Report. Within ninety (90) days after the end of each fiscal year of the Company or within such longer period as is reasonably necessary, the Members shall make available to each Member an annual report. This report shall consist of at least (i) a copy of the Company's federal income tax returns. For that fiscal year, and (ii) any additional information that the Members may require for the preparation of their federal and state income tax returns.

ARTICLE V

ADMINISTRATION OF COMPANY BUSINESS

Section 5.1

Management. One or more Managers shall be chosen by the Members to constitute a Management Committee to manage the day-to-day operations and affairs of the Company and make Company decisions.

Section 5.2

Original Management Committee. Paul E. Nelson and Aleda C. Nelson shall be the original Managers of the Management Committee and shall serve as the Management Committee until the next annual meeting of Members or until the successor of a Manager shall have been elected and qualified.

Section 5.3

Authority of Management Committee. Any two (2) of the Managers of the Management Committee shall have the authority to manage day-to-day operations and affairs of the Company and to make decisions regarding the business of the Company, except that any one (1) of the Managers of the Management Committee may sign checks on behalf of the Company. Any action taken by two (2) Managers of the Management Committee (except for signing of checks, where only one (1) Manager is required) shall constitute the act of and serve to bind the Company. In dealing with the Managers acting on behalf of the Company, no person shall be required to inquire into the authority of any Manager to bind the Company. Persons dealing with the Company are entitled to rely conclusively on the power and authority of the Managers(s) as set forth in this agreement.

Section 5.4

Powers of Management Committee. The powers of the Management Committee shall include, but shall not be limited to, the power to

- (a) Create, by grant or otherwise, easements and servitude relating to the Company's property;
- (b) Employ and dismiss from employment any and all employees, agents, independent contractors, real estate managers, brokers, attorneys, and accountants;
- (c) To let or lease all or any portion of any Company property for any purpose and without

(6)

limit as to the term thereof, whether or not that term (including renewal terms) shall extend beyond the date of termination of the Company and whether or not the portion so leased is to be occupied by the lessee or, in turn, subleased in whole or in part to others.

- (d) Construct, alter, improve, repair, raze, replace, or rebuild any property;
- (e) To require members to subordinate any interests that they may hold in contributed capital according to the terms, conditions, and complete discretion of the Management Committee;
- (f) Obtain replacements of any construction financing related in any way to the property owned by the Company, and to repay in whole or in part, refinance, recast, modify, consolidate, or extend any construction financing, affecting such property;
- (g) Operate, maintain, finance, improve, construct; own, grant options with respect to, sell, convey, assign, mortgage, and lease any real estate or any personal property necessary, convenient, or incidental to the accomplishment of the purposes of the Company;
- (h) Execute any and all agreements, contracts, documents, certifications, and instruments necessary or convenient in connection with managing the affairs of the Company
- (i) Borrow funds and issue evidences of indebtedness necessary, convenient, or incidental to the accomplishment of the purposes of the Company, and secure the same by
- (j) Mortgage, pledge or other lien on any property of the Company;
- (k) Institute, prosecute, defend, settle compromise, and dismiss lawsuits or other judicial or administrative proceedings brought on or in behalf of, or against, the Company or the Members in connection with activities arising out of, connected with, or incidental to this Agreement, and to engage counsel or other advisors in connection therewith;
- (l) Take such action on behalf of the Company as may be necessary to acquire real or personal property for the Company as the Members deem advisable or beneficial to the purposes and goals of the Company
- (m) Be reimbursed for all expenses incurred in conducting the Company business, all taxes paid by the Managers in connection with the Company business, and all costs associated with the development, organization, and initial operation of the Company;
- (n) Deposit Company funds in an account or accounts to be established in such financial institutions (including any state or federally chartered bank or savings and loan association), and authorize withdrawals of those funds by such persons, at such times, and in those amounts, as the Management Committee may designate;
- (o) Place record title to any property in the name of the Company or in the name of a nominee or a trustee for the purpose of construction financing or any other convenience or benefit of the company;

(P)

- (p) Cause the Company to carry such indemnification insurance on the Company, the Members and any other persons entitled to indemnification by the Company;
- (q) Keep, or cause to be kept, full and accurate records of all transactions of the Company;
- (r) Prepare, or cause to be prepared, all tax returns and reports for the Company and, in
- (s) connection therewith, make any tax elections that the Members deem advisable, including but not limited to the election referred to in Section 754 of the Code, and act as "tax matters partner" for the company, within the meaning of Sections 6221 through 6232 of the Code;
- (t) Prepare, or cause to be prepared, and deliver to each Member reports and other information required by this Agreement, and such other information as in the judgment of the Members shall be reasonably necessary for the Members to be advised of the results of operations of the Company;
- (u) Cause the Company to guaranty the debts of the third parties and to secure same by mortgage, pledge or other lien upon property of the Company;
- (v) Execute, acknowledge, and deliver any and all instruments to effectuate any and all of the foregoing;

Section 5.5 Responsibility for Books and Records. Proper and complete records and books of account shall be kept by the Management Committee in which shall be entered fully and accurately all transactions and other matters relative to the Company's business as are usually entered into records and books of account maintained by persons engaged in businesses of a like character. The Company books and records shall be prepared in accordance with generally accepted accounting practices, consistently applied, and shall be kept on the case basis. The books and records shall at all times be maintained at the principal place of business of the Company and shall be open to the inspection and examination of the Members or their duly authorized representatives as provided in Article IV, Section 4.2.

Section 5.6 Reports to Members. As soon as is practicable in the particular case, the Management Committee shall be necessary for the preparation by such a Member of his income or other tax returns;

- (a) Such information concerning the Company after the end of each fiscal year as shall be necessary for the preparation by such a Member of his income or other tax returns;
- (b) An unaudited statement prepared by the Management Committee setting forth, as of the end of an for each fiscal year, a profit and loss statement and a balance sheet of the Company and a statement showing the amounts allocated to or against each Interest during that year;
- (c) If feasible, on or before October 15 of each year, a statement setting forth projected Taxable Income or Tax Losses to be generated by the Company for the fiscal year;
- (d) Other information as in the judgment of the Management Committee shall be reasonably necessary for the other Members to be advised of the results of operations of the Company.

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Section 5.7 Additional Reports. The Management Committee may prepare and deliver to the Members from time to time during each fiscal year, in connection with distributions or otherwise, unaudited statements showing the results of operation of the Company to the date of that statement.

Section 5.8: Time to be Devoted to Business. The Management Committee shall devote such time to the Company's business as is necessary to manage and supervise the Company's business and affairs in an efficient manner. Nothing in this Agreement shall preclude the employment, at the expense of that Company, of any agent or third party to manage or provide other services with respect to the company's property or administrative business, subject to the control of the Management Committee.

Section 5.9 Limits on Powers of Management Committee. Anything in this Agreement to the contrary notwithstanding, the Management Committee shall not, without an affirmative vote of the Members holding a majority of the Company interests, cause or permit the Company to;

- (a) Commingle the Company's funds with those of any other person, or employ or permit another to employ those funds or assets in any manner except for the exclusive benefit of the company (except to the extent that funds are temporarily retained by agents of the Company); and
- (b) Do any act which would make it impossible to carry on the ordinary business of the Company.

Section 5.10 Authority to Pay Certain fees and Expenses. The Members hereby acknowledge that in certain instances there may be certain circumstances that make it appropriate for the Company to contract for the performance of services or the purchase, sale or other disposition of goods or other property, by or with some other party or entity related to or affiliated with the Members, or any one of them, or with respect to any entity to which the Members or any one of them may have a direct or indirect ownership or controlling interest; however, in each such instance;

- (a) Any such service, goods or property obtained from any such person or entity shall be on terms no less favorable to the Company than those reasonably available from third parties;
- (b) The Sale, lease or other transfer of any portion of the property to any such person or entity shall be on terms, and at a price, no less favorable to the Company than those reasonably available to third parties; and
- (c) A Member shall be reimbursed by the Company for the reasonable out-of-pocket expense incurred by such Member on behalf of the Company in connection with the Company's business and affairs upon presentation of proper receipts and invoices.

Section 5.11 Company Indemnity of Managers of Management Committee. The doing of any act or the failure to do any act by a Manager which shall not constitute fraud or intentional, wrongful misconduct in pursuance of the authority granted, the effect of which may cause or result in loss or damage to the Company, if done in good faith, shall not subject a Manager, its partner, affiliates, officers, directors, employees or their successors and assigns, to any liability; and in such event, the Company will indemnify and hold harmless a Manager, its partners, affiliates, officers, directors, employees or their successors and

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assigns, from any claim, loss, expense, liability, action or damage resulting from or relating to any such act or omission, including without limitation reasonable fees and expenses of attorneys engaged by them in defense of such act or omission and other reasonable costs and expenses of litigation and appeal.

ARTICLE VI

SALARY TO MANAGERS OF MANAGEMENT COMMITTEE

Section 6.1 Managers' Compensation. Upon approval of a majority-in-interest of the Members, the Managers of the Management Committee may receive a reasonable compensation for services rendered to the Company payable at least annually. This compensation shall be in addition to his/her respective share of that Company's profits. The amount of compensation paid to a Manager shall be fixed by a majority-in-interest of the Members and may be reviewed and adjusted periodically by a majority-in-interest of the Members.

ARTICLE VII

ROLE AND LIABILITY OF MEMBERS

Section 7.1 Limited Liability of Members. No Member shall have any personal liability whatsoever to the creditors of the Company for the debts of the Company or any losses beyond his/her capital contribution. In accordance with Nevada law, a Member may, under certain circumstances, be required to return to the Company, for the benefit of Company creditors, amounts previously distributed to it as a return of capital. For purposes of this paragraph, the Members intend that no distribution to any Member of distributable funds shall be deemed a return or withdrawal of capital, even if such distribution represent, for federal income tax purposes or otherwise (in whole or in part), a return of capital, and that no Member shall be obligated to pay any such amount to or for the account of the Company or any creditor of the Company.

Section 7.2 Voting Rights. The Members shall have the right to vote on the matters explicitly set forth in this agreement.

Section 7.3 Future Projects. The Members shall have a right of first refusal for percentage interests (up to their current percentage interests in the LLC), in any new project or projects which the Members may decide to undertake, whether such project or projects is/are undertaken through another limited liability company, a partnership, a corporation or Individually.

ARTICLE VIII

SALE OR TRANSFER OF A COMPANY INTEREST

Section 8.1 Restriction on Transfer. No Member shall sell, exchange, assign, pledge, give or otherwise transfer or encumber in any manner or by any means whatsoever, all or part of such Member's interest in the Company, except in the manner as provided below. Should any Member desire to sell his interest in the Company, he shall be at liberty to do so; provided however, that before so doing, he shall first offer such interest to the other Members, which offer shall be in writing, and shall state the price which said selling Member is willing to accept, and the terms and conditions of payment. Each Member shall have the right of right of first refusal to purchase a pro-rata share of that selling Member's

interest, based upon the purchasing Member's interest as compared to all the percentage interests of other purchasing Members. The other Members shall have an option for a

(10)

period of thirty (30) days from the date of the service of said written offer, in which to purchase, on a pro-rate basis, based upon the purchasing Members' percentage interest, said interest at the price and upon the terms and conditions therein stated. If such other Members should fail to exercise said option with said thirty (30) day period, then the

selling

Member shall have the right to sell his interest at any time within six (60 months from and after the time of the expiration of said option, to any third party at the same or higher price, but may not sell the same for a lesser price nor upon terms more favorable to the purchaser than those contained in said offer, without first giving to the other Members another thirty (30) days option to purchase at such reduced price or upon such more favorable terms.

Should the selling Member fail to sell the interest to such third party within six (6) months from the date of the expiration of the last option given to the Members, then the right to

sell

to any third party shall cease and the selling Member may not sell his interest after such six (6) month period without giving to the other Members another thirty (30) day option to purchase as hereinabove set forth and first provided.

Section 8.2 Exempt Transfers. The right of first refusal as described immediately above shall not apply to the following transfers;

- (a) A bequest upon death, or a lifetime gift, of the Member's interest to the Member's issue, or to the Member's immediate family members including spouse, parents and siblings;
- (b) A transfer to a trust of which, and only so long as, the Member is a trustee or co-trustee; and
- (c) A transfer to a partnership, corporation or limited liability company of which and only so long as, the Member is a 50% or more owner.

Section 8.3 Rights of Transferee. If a Member makes a transfer or assignment of its interest, the Transferee of the Member's interest shall have no right to participate in the management of the business and affairs of the Company or to become a Member. The Transferee is only entitled to receive the share of profits or other compensation by way of income, and the return of contributions, to which that Member would otherwise be entitled.

Section 8.4 Substituted Member. No assignee or transfer of the whole or any portion of a Member's interest in the Company shall have the right to become a substituted Member in place of his assignor unless all of the members approve in writing such proposed transfer or assignment. The substituted Member has all the rights and powers and is subject to all the restrictions and liabilities of his Transferor, except that substitution of the Transferee does not release the Transferor from liability to the Company.

Section 8.5 Admission of New Members. New Members may be added to the Company upon unanimous written consent by those who are members at the time the new member or members are added. Any new Member who may be admitted to the Company shall be required to execute a counterpart copy of the Agreement, as amended, pursuant to which such new Member agrees to be bound by the provisions of the Agreement, as amended.

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ARTICLE IX
DURATION OF BUSINESS: DISSOLUTION

Section 9.1 Duration. The Company shall continue:

- (a) Until all interests in the property acquired by it have been sold or disposed of, or have been abandoned; or
- (b) Until dissolved and terminated as provided for herein below:

Section 9.2 Dissolution of Company. The Company shall be dissolved only upon the occurrence of any of the following events:

- (a) Upon the sale or other disposition of all the assets to which the Company has any rights, title or interest and the distribution to the Members of the proceeds from such sales or other disposition;
- (b) Upon unanimous written agreement of all Members;
- (c) Upon entry of a dissolution decree or judicial order by a court of competent jurisdiction; or
- (d) Upon the death, insanity, retirement resignation, expulsion, bankruptcy or dissolution of a Member or occurrence of any other event which terminates a Member's continued membership in the Company, provided, however that in the event a majority in interest of the remaining Members consent to continue the business of the company, the company shall not be dissolved or terminated but shall continue in existence according to the terms of this agreement.

Section 9.3 Distribution Upon Termination. In the event of dissolution and final termination, the Members shall wind up the affairs of the company, shall sell all the Company assets as promptly as is consistent with obtaining, insofar as possible, the fair value thereof, and after paying all liabilities, and including all costs of dissolution, and subject to the right of the Members to set up cash reserves to meet short-term Company liabilities and other liabilities or obligations of the company, shall distribute the remainder ratably to the Members pursuant to the relevant provisions of this Agreement.

Section 9.4 Procedure Upon Dissolution. On any dissolution and termination of the Company under this Agreement or applicable law, except as otherwise provided in this Agreement, the continuing operation of the Company's business shall be confined to those activities reasonably necessary to wind up the Company's affairs discharge its obligations, and either liquidates the Company's assets and delivers the proceeds of liquidation or preserve and distribute its assets in kind promptly on dissolution. A notice of dissolution shall be published under applicable Nevada Law, or as otherwise appropriate.

Section 9.5 Winding up of the Company. Upon the dissolution of the company, the proceeds from the liquidation of the assets of the company and collection of the receivables of the Company, together with the assets distributed in kind, to the extent sufficient therefore, shall be applied and distributed in the following order of priority:

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- (a) To the payment and discharge of all of the Company's debts and liabilities and the expenses of liquidation, in the order of priority as provided and to the extent otherwise permitted by law;
- (b) To the creation of any reserves which the Members deem necessary for any contingent or unforeseen liabilities or obligations of the Company;
- (c) To the payment and discharge of all the Company's debts and liabilities owing to Members, but if the amount available for payment is insufficient then prorate in proportion to the amount of the Company debts and liabilities owing to each Member; and
- (d) To the Members according to their respective capital account balances and then according to their respective Percentage interests.

Section 9.6 Gains or Losses in Process of Liquidation. Any gain or loss on disposition of Company Property in the process of liquidation shall be credited or charged to the Members in the proportions of their interests in Profits or Losses as determined under Article II. Any property distributed in kind in the liquidation shall be valued and treated as though the property were sold and the cash proceeds were distributed. The difference between the value of the property distributed in kind and its book value shall be treated as a gain or loss on sale of the property, and shall be credited or charged to the Members in the proportions of their interests in profits and losses as specified in Article II, subject, however, to any allocation of gain or loss which may otherwise be required under the Internal Revenue Code of 1986, as amended.

ARTICLE X POWER OF ATTORNEY

Section 10.1 Management Committee as Attorney-In-Fact. Each Member hereby makes, constitutes and appoints each Manager of the Management Committee and each successor manager, with full power of substitution and re-substitution, his true and lawful attorney-in-fact for him and in his name, place and stead and for his use and benefit, to sign, execute, certify, acknowledge, swear to, file and record;

- (a) This Agreement and all agreements, certificates, instruments and other documents amending or changing this Agreement as now or hereafter amended which the Management Committee may deem necessary or appropriate as permitted under this Agreement to reflect only the following amendments or changes:
- (b)
 - (1) The exercise by the Management Committee of any power granted to it under this agreement;
 - (2) Any amendments adopted by the Members in accordance with the terms of this Agreement;
 - (3) The admission of any substituted Member;
 - (4) The disposition by any Member of its interest in the Company
- (d) Any certificates, instruments and documents as may be required by, or may be appropriate under, the laws of the State of Nevada or any other state or jurisdiction

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in which the Company is doing or intends to do business.

Each Member authorizes each such attorney-in-fact to take any further action which such attorney-in-fact shall consider necessary or advisable in connection with any of the foregoing.

Section 10.2 Nature of Special Power. The power of attorney granted pursuant to this Article X;

- (a) Is a special power of attorney coupled with an interest;
- (b) May be exercised by any such attorney-in-fact by listing the Members executing any agreement, certificate, instrument or other document with the single signature of any such attorney-in-fact acting as attorney-in-fact for such Members; and
- (c) Shall survive the death, disability, legal incapacity, bankruptcy, insolvency, dissolution, or cessation of existence of a Member and shall survive the delivery of an assignment by a Member of the whole or a portion of its interest in the Company, except that where the assignment is of such Member's entire interest in the Company and the assignee, with the consent of the Management Committee, is admitted as a substituted Member, the power of attorney shall survive the delivery of such assignment for the sole purpose of enabling any such attorney-in-fact to effect such substitution.

ARTICLE XI REMOVAL OR RESIGNATION OF A MANAGER

Section 11.1 Removal At any time, upon the affirmative vote of at least two-thirds (2/3) of the voting interests of the Members, a Manager may be removed as a Manager of the Management Committee of the Company.

Section 11.2 Resignation. Any Manager of the Company may resign at any time by giving written notice to the Members of the company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 11.3 Effect of Resignation or Removal. The resignation or removal of the Manager shall result in the lapse of all management rights and obligations of such manager, but shall not otherwise effect such Manager's economic interest in the Company. From and after the effective date of such removal or resignation, the Manager shall have no voting or other management rights or responsibilities, but shall share in the profits and Losses of and distributions from the Company on the same basis as if such Manager had not been removed or had not resigned.

Section 11.4 Vacancies. In the event all of the Managers have resigned or been removed or have otherwise ceased to be Managers, the vacancy may be filled by the affirmative vote of at least two-thirds (2/3) of the Members. A Manager elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office and shall hold office until the expiration of such term and until his successor shall be elected and shall qualify or until his earlier death, resignation or removal.

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ARTICLE XII
MEETING OF MEMBERS

- Section 12.1 Annual Meeting. An annual meeting of the Members shall be held on the second Tuesday in March, or at such other time as shall be determined by a majority of the Members, commencing with the year 2005, for the purpose of electing the Manager or Managers of the company and the transaction of such business as may come before the meeting.
- Section 12.2 Special Meetings. Special Meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Management Committee of by a majority of the Members.
- Section 12.3 Place of Meeting. The Members may designate any place, either within or outside the State of Nevada, as the place of meeting for any meeting of the Members. If no designation is made, or if a special meeting is otherwise called, the place of meeting shall be held at 3611 South Lindell, Road, Ste. 201, Las Vegas, NV 89103
- Section 12.4 Notice of Meetings. Except as provided in section 12.5 hereof, written notice stating the place, day and hour of the meeting and purpose or purposes for which the meeting is called shall be delivered no fewer than three (3) days nor more than fifty (50) days before the date of the meeting.
- Section 12.5 Meeting of All Members. If all of the members shall meet at any time and place, either within or outside of the State of Nevada, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and such meeting lawful action may be taken.
- Section 12.6 Record Date. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any distribution, or in order to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring such distribution is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof.
- Section 12.7 Quorum. A majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, a majority of the interests so represented may adjourn the meeting from time to time for a period not to exceed 60 days without further notice. However, if the adjournment is for more than 60 days, or if after the adjournment a new record date is fixed for the adjourned meeting a notice of the adjourned meeting shall be given to each Member of record entitled to vote at a meeting.
- Section 12.8 Manner of Acting. If a quorum is present, the affirmative vote of a majority

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of the Members shall be the act of the Members, unless the vote of a greater or lesser proportion or number is otherwise required by the Act, by the Articles of Organization, or by this Agreement.

Section 12.9 Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Management Committee of the Company before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Section 12.10 Action by Members Without a Meeting. Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote and delivered to the Management Committee of the Company for inclusion in the minutes or filing with the Company records. Action taken under this Section is effective when all Members entitled to vote have signed the consent, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the first Member signs a written consent.

Section 12.11 Waiver of Notice. When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

ARTICLE XIII

TRANSACTIONS WITH INTERESTED MEMBER OR MANAGER

Section 13.1 Business Transactions. The Company may enter into any business transaction in which a Member or Manager or employee has a personal interest, whether directly or indirectly, if;

- (a) The transaction is an arms-length transaction entered into in good faith by all parties.
- (b) The Company is benefited by the transaction and cannot enter into an equivalent transaction under more favorable arrangements;
- (c) The personal interest in the transaction is fully disclosed to the Company by the interested Member, Manager, or employee; and
- (d) The transaction is approved by the Members, excluding the interested Member, Manager, or employee.

ARTICLE XIV

MISCELLANEOUS

Section 14.1 Indemnification. Each Member shall indemnify and hold harmless the Company and the other Members from any all expenses and liability resulting from or arising out of any negligence, misconduct, or breach of any provision of this Agreement by such Member or its agents or employees to the extent that the amount of such expense or liability exceeds the applicable insurance received by the company. The Company shall promptly indemnify each Member for payments reasonably made and personal liabilities reasonably incurred by him or her in the ordinary conduct of Company business, or for the preservation of its business or property.

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Section 14.2 Amendments. This Agreement may be altered, amended, restated, or replaced and a new Operating Agreement may be adopted at any time, and from time to time, only by written agreement of all the Members.

Section 14.3 Notices. Any written notice to any of the Members required or permitted under this Agreement shall be deemed to have been duly given on the date of service, if served personally on the a party to whom notice is to be given, or on the second day after mailing, if mailed to the party to whom notice is to be given, by registered or certified mail, postage prepaid and addressed to the party at its last known address. Notices to the Company shall be similarly given, and addressed to it at its principal place of business.

Section 14.4. Governing Law. This Agreement is intended to be performed in the state of Nevada and the laws of that State shall govern its interpretation and effect.

Section 14.5 Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Section 14.6 Entire Agreement. This Agreement contains the entire agreement of the Members relating to the rights granted and obligations assumed under this Agreement. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless contained in a subsequent written modification signed by the Member to be charged.

Section 14.7 Binding Effect. Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of the Members and their respective heirs, legatees, legal representatives, successors, transferees and assigns.

Section 14.8 Construction. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Member.

Section 14.9 Time. Time is of the essence with respect to this Agreement.

Section 14.10 Headings. Section and other headings, contained in this Agreement are for reference purposed only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

Section 14.11 Incorporation by reference. Every exhibit, schedule and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

Section 14.12 Variation of pronouns. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine or neuter, singular or plural, as the identity of the Person or Persons may require.

Section 14.13 Waiver of Action for Partition. Each of the Members irrevocably waives any right that they may have to maintain any action for partition with respect to any of the Company

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Property.

Section 14.14 Counterpart Execution. This Agreement may be executed in any number of the counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one agreement.

Section 14.15 Further Documents. Each Member agrees to perform any further acts and to execute and deliver any further documents reasonably necessary or proper to carry out the intent of this Agreement.

Section 14.16 Attorney's Fees. If an action is instituted to enforce the provisions of this Agreement, the prevailing party or parties in such action shall be entitled to recover from the losing party or parties its or their reasonable attorney's fees and costs as set by the Court.

Section 14.17 Elections Made by Company. All elections required or permitted to be made by the company under the Internal Revenue Code shall be made by the Members in such manner as will in their judgment be most advantageous to a majority in interests of the Members.

This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and may only be amended by a written amendment hereto executed and delivered by the Manager to the Initial Members. This Agreement is made in the State of Nevada pursuant to the provisions of the Act and shall be governed, construed, and interpreted in accordance with the laws of the State of Nevada, without regard to its principles of conflict of laws; the exclusive forum for adjudication of any disputes hereunder is the federal and state courts located in Clark County, Nevada.

IN WITNESS WHEREOF, the undersigned have executed this agreement, as of the date first above written.

Paul E. Nelson

Lynita Sue Nelson Trust, Lynita Sue Nelson, Trustee

Aleda C. Nelson Trust, Aleda C. Nelson, Trustee

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SCHEDULE 'A'

MEMBER

PERCENTAGE INTERESTS

PAUL E. NELSON

50.00

LYNITA SUE NELSON TRUST NELSON

40.00

ALEDA C. NELSON TRUST

10.00

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IN THE SUPREME COURT OF THE STATE OF NEVADA

MATT KLABACKA, Distribution Trustee
of the Eric L. Nelson Nevada Trust dated
May30, 2001,

Appellant/Cross Respondent.

vs.

LYNITA SUE NELSON, Individually and in
her capacity as Investment Trustee of the
LSN NEVADA TRUST dated May 30,
2001; and ERIC L. NELSON, Individually
and in his capacity as Investment Trustee of
the ELN NEVADA TRUST dated May 30,
2001;

Respondents/Cross-Appellants.

MATT KLABACKA, as Distribution
Trustee of the Eric L. Nelson Nevada Trust
dated May30, 2001,

Appellants,

vs.

ERIC L. NELSON; LYNITA SUE
NELSON, INDIVIDUALLY; AND LSN
NEVADA TRUST DATED MAY 30, 2001,

Respondents.

Supreme Court Case No. 66772

District Court Case No. D-09-

411537

Electronically Filed
Dec 01 2015 10:47 a.m.
Tracie K. Lindeman
Clerk of Supreme Court

Consolidated With:

Supreme Court Case No. 68292

**RECORD ON APPEAL
VOLUME 28**

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Supreme Court Case 66772 Consolidated with 68292 In the Matter of: Klabacka v. Nelson et al.

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20	07/11/2013	Certificate of Mailing relating to Reply to Opposition to Defendant's Motion to Amend or Alter Judgement, for Declaratory and Related Relief and Joinder to Opposition	4870 – 4872
26	02/24/2009	Certificate of Trust for the LSN Nevada Trust (Admitted as Intervenor Trial Exhibit 82))	6469 – 6474
26	01/27/2009	Change of Distribution Trusteeship for the LSN Nevada Trust (Admitted as Intervenor Trial Exhibit 77)	6451 - 6452
1	05/06/2009	Complaint for Divorce in Eighth Judicial District Court Case No. D-09-411537-D	1 - 8
19	07/25/2012	Court Minutes	4515 – 4516
20	07/22/2013	Court Minutes	4873 – 4875
21	08/01/2013	Court Minutes	5040 – 5042
11	04/10/2012	Court Minutes – Motion for Payment of Attorneys' Fees and Costs	2643 – 2644
12	07/10/2012	Defendant's Motion in Limine to Exclude from Trial the Testimony and Report of Layne T. Rushforth, Esq. and Any Purported Experts Testimony Regarding the Interpretation of Law, and Application of Facts to Law; to Strike the Eric L. Nelson Nevada Trusts' Pre-Trial Memorandum and for Attorneys' Fees and Costs	2864 – 2913
12	07/10/2012	Defendant's Motion in Limine to Exclude Testimony and Report of Daniel T. Gerety, CPA	2850 - 2863
20	06/17/2013	Defendant's Motion to Amend or Alter Judgement for Declaratory and Related Relief	4755 – 4798
23, 24	11/13/2014	Defendant's Motion to Enforce the June 3, 2013 Decree of Divorce, Address Issues Relating to Property Awarded to Defendant in the Divorce, and for Related Relief	5579 – 5805
24	12/22/2014	ELN Trust's Opposition to Defendant's Motion to Enforce the June 3, 2013 Decree of Divorce, Address Issues Relating to Property Awarded to Defendant in the Divorce, and for Related Relief	5806 – 5940
26	01/26/2009	E-mail from Mrs. Nelson to Barbara Morelli (Admitted as Intervenor Trial Exhibit 12)	6350
26	04/28/1993	Executed Separate Property Agreement (Admitted as Intervenor Trial Exhibit 4)	6273 – 6282
26	02/27/2009	Exercise of Power of Appointment for the LSN Nevada Trust (Admitted as Intervenor Trial Exhibit 81)	6462 - 6468
26	03/24/1994	Fax from Jeffrey L. Burr & Associates to Shelley Newell (Admitted as Intervenor Trial Exhibit 10)	6345 - 6346
26	03/19/1994	Fax from Shelley Newell to Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 9)	6343 – 6344
26	07/08/1993	Fax to Melina Barr from Roslyn Hinton (Admitted as	6253 - 6261

		Intervenor Trial Exhibit 2)	
25	06/08/2015	Findings of Fact and Order	6226 – 6248
30	03/22/2007	Grant, Bargain, Sale Deed (Admitted as Nelson Exhibit 57A)	7394 – 7396
26	01/09/2001	Handwritten Note from Jeff Burr File (Admitted as Intervenor Trial Exhibit 20)	6389 - 6391
26	01/15/2001	Handwritten Note from Jeff Burr File (Admitted as Intervenor Trial Exhibit 21)	6392
26	07/15/1993	Handwritten Note to Melina (Admitted as Intervenor Trial Exhibit 1)	6252
8	08/19/2011	Initial Appearance Fee Disclosure (NRS Chapter 19)	1775- 1776
1	05/18/2009	Joint Preliminary Injunction	9-10
30	09/08/2011	Judgement and Order Granting Plaintiffs' Motion for Summary Judgment in United States District Court, Central District of California, Case No. 2:11-cv-02583-JEM (Admitted as GGGGG at Tab 23)	7409 - 7410
26	02/17/2009	Last Will and Testament of Mrs. Nelson (Admitted as Intervenor Trial Exhibit 19)	6384 - 6388
26	00/00/0000	Letter of Instruction signed by Mrs. Nelson (Admitted as Intervenor Trial Exhibit 18)	6383
26	06/19/1998	Letter to Mr. and Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 11)	6347 - 6349
6	01/30/2001	Letter to Mr. and Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 22)	6393
26	02/15/2001	Letter to Mr. and Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 23)	6394
26	05/30/2001	Letter to Mr. and Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 28)	6442 – 6444
26	05/30/2001	Letter to Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 26)	6434 - 6437
26	05/30/2001	Letter to Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 27)	6438 - 6441
26	05/03/2002	Letter to Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 40)	6447
26	03/26/2003	Letter to Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 44)	6448
26	05/03/2004	Letter to Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 51)	6449
26	05/04/2005	Letter to Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 57)	6450
26	02/09/2009	Letter to Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 79)	6453 - 6457
26	02/09/2009	Letter to Mrs. Nelson from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 80)	6458 – 6461
26	00/00/0000	Letter to Nevada Legal News from Jeffrey L. Burr & Associates (Admitted as Intervenor Trial Exhibit 29)	6445 – 6446

26,	07/13/1993	Letter to Richard Koch with Separate Property Agreement (Admitted as Intervenor Trial Exhibit 3)	6262 - 6272
11	05/15/2012	Limited Objection to Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses for the period from April 4, 2011 through March 31, 2012	2710 – 2712
8	09/30/2011	Lynita Sue Nelson's: (1) Answer to Claims of The Eric L. Nelson Nevada Trust; and (2) Claims for Relief Against Eric L. Nelson Nevada Trust dated May 30, 2001, Lana Martin, Nola Harber, Rochelle McGowan, Joan B. Ramos, and Does 1 through X (Whether Designed as a Counterclaim, Cross-Claim and/or Third Party Complaint)	1818 - 1853
9	12/20/2011	Lynita Sue Nelson's: (1) First Amended Answer to Claims of the Eric L. Nelson Nevada Trust and (2) First Amended Claims for Relief Against Eric L. Nelson Nevada Trust dated May 30, 2001, Lana Martin, Nola Harber, Rochelle McGowan, Joan B. Ramos, and Does 1 through X (Whether Designed as a Counterclaim, Cross-Claim and/or Third Party Complaint)	2140 - 2182
30	05/07/2013	Memorandum from Robert P. Dickerson in Support of AB378 (Exhibit 8)	7480 - 7487
27	00/00/0000	Miscellaneous Documents produced by Defendants (Admitted as Intervenor Trial Exhibit 167)	6513 – 6549
29, 30	03/01/2002	Mississippi Deeds (Admitted as Nelson Exhibit 8A)	7069 - 7393
10	03/06/2012	Motion for Payment of Attorneys' Fees and Costs	2461 – 2494
19	06/05/2013	Motion for Payment of Funds Belonging to Defendant Pursuant to Court's Decree to Ensure Receipt of the Same, and for Immediate Payment of Court Appointed Expert	4743 – 4752
8	11/07/2011	Motion to Dismiss	1885 - 1908
9	01/17/2012	Motion to Dismiss Amended Third-Party Complaint and Motion to Strike	2190 - 2224
8	11/29/2011	Motion to Dissolve Injunction	1916 - 1999
7	06/24/2011	Motion to Join Necessary Party; or in the Alternative; to Dismiss Claims Against The Eric L. Nelson Nevada Trust dated May 30, 2011	1606 - 1661
23	10/20/2014	Notice of Appeal	5576 – 5578
25, 26	06/23/2015	Notice of Appeal	6249 – 6251
21	09/10/2013	Notice of Entry of Injunctions from September 4, 2013 Hearing	5230 – 5241
10	01/31/2012	Notice of Entry of Order	2264 – 2272
11	05/29/2012	Notice of Entry of Order	2739 – 2745
12	06/05/2012	Notice of Entry of Order	2759 – 2770

12	07/11/2012	Notice of Entry of Order	2914 – 2920
12	07/11/2012	Notice of Entry of Order	2921 – 2929
19	08/07/2012	Notice of Entry of Order	4517 – 4520
	06/03/2012	Notice of Entry of Order	4691 – 4742
8	11/14/2011	Notice of Entry of Order and Order – August 24, 2011 Hearing	1909 - 1915
21	09/03/2013	Notice of Entry of Order Denying Countermotion to Stay Payments and Transfer Property Pending Appeal and/or Resolution to the Nevada Supreme Court for an Extraordinary Writ	5148 – 5153
23	09/22/2014	Notice of Entry of Order Determining Disposition of Dynasty Development Management, Inc. AKA Wyoming Downs	5553 – 5561
19	10/10/2012	Notice of Entry of Order from July 16, 2012 Hearing	4683 – 4690
19	08/31/2012	Notice of Entry of Order from April 10, 2012 Hearing and Injunction	4531 – 4539
19, 20	08/31/2012	Notice of Entry of Order from February 23, 2012 Hearing Partially Granting ELN Trust's Motion to Dismiss Third-Party Complaint Without Prejudice.	4540 – 4550
23	09/22/2014	Notice of Entry of Order from July 22, 2013 Hearing on Lynita Nelson's Motion to Amend or Alter Judgment for Declaration and Related Relief	5562 – 5575
21, 22	09/30/2013	Notice of Entry of Order from September 4, 2013 Hearing Regarding Payment of Lindell Professional Plaza Income	5247 – 5254
19	08/29/2012	Notice of Entry Of Order Granting Motion for Relief from Automatic Stay and Denying Motion to Dismiss Without Prejudice	4521 – 4527
12	06/05/2011	Notice of Entry of Order regarding Findings of Fact and Order dated June 5, 2012	2771 – 2782
7	08/09/2011	Notice of Entry of Stipulation and Order	1742 - 1746
8	09/14/2011	Notice of Filing a Summary Appraisal Report of a Two-Story Office Building (3611 Lindell Road, Las Vegas, NV)	1789 - 1801
10	02/27/2012	Notice of Filing Amendment to Source and Application of Duns for Lynita Nelson	2249 – 2460
10	01/27/2012	Notice of Filing Amendment to Source and Application of Funds for Emerald Bay Mississippi, LLC Filed December 8, 2011	2257 – 2263
10	02/27/2012	Notice of Filing Amendment to Source and Application of Funds for Eric L. Nelson Nevada Trust	2425 – 2248
7	07/05/2011	Notice of Filing Asset Schedule and Notes to Asset Schedule	1662 - 1683
9	12/23/2011	Notice of Filing Corrected Asset Schedule by Ownership	2186 - 2189
7	07/15/2011	Notice of Filing Income and Expense Reports for Banone-AZ LLC	1713 -1724

8	08/15/2011	Notice of Filing Income and Expense Reports for Emerald Bay Resorts, LLC	1762 – 1769
7	07/19/2011	Notice of Filing Income and Expense Reports for Eric L. Nelson Nevada Trust	1725 - 1741
7, 8	08/15/2011	Notice of Filing Income and Expense Reports for Eric Nelson Auctioneering	1747 - 1761
9, 10	01/26/2012	Notice of Filing Income and Expense Reports for Eric Nelson Auctioneering	2225 -2256
8	09/28/2011	Notice of Filing Income and Expense Reports for Lynita Nelson	1806 - 1817
7	07/11/2011	Notice of Filing Income and Expense Reports for: (1) Banone, LLC and (2) Dynasty Development Group	1684 - 1712
10	02/16/2012	Notice of Filing Source and Application of Funds for Banone-AZ, LLC	2362 – 2389
11	04/11/2012	Notice of Filing Source and Application of Funds for Dynasty Development Group, LLC	2645 – 2677
9	12/08/2011	Notice of Filing Source and Application of Funds for Eric L. Nelson Nevada Trust	2060 - 2095
11	04/23/2012	Notice of Filing Source and Application of Funds Pursuant to April 10, 2012 Hearing	2678 – 2709
8	10/03/2011	Notice of Filing Summary Appraisal Report of +202.50 Acres of Agricultural/Residential Land (Uinta County, Wyoming)	1854 - 1859
8	10/06/2011	Notice of Submission of First Billing for Fees and Expenses of Forensic Accountants	1860 -1884
11	04/09/2012	Opposition to Countermotion for Receiver, Additional Injunction and Fees and Costs	2630 – 2642
21	08/23/2013	Opposition to Imposition of Charging Order and Appointment of Receiver	5043 – 5066
10, 11	03/26/2012	Opposition to Motion for Payment of Attorneys' Fees and Costs, and Countermotion for Receiver, Additional Injunction, and Fees and Costs	2495 – 2594
20	06/18/2013	Opposition to Motion for Payment of Funds Belonging to Defendant Pursuant to Court's Decree to Ensure Receipt of the Same, and for Immediate Payment of Court Appointed Expert; and Countermotion to Stay Payments and Transfer Property Pending Appeal and/or Resolution to the Nevada Supreme Court for an Extraordinary Writ	4799 – 4812
16	07/20/2012	Opposition to Motion in Limine to Exclude to Exclude from Trial the Testimony and Report of Daniel T. Gerety, CPA, Layne T. Rushforth, Esq. and Any Purported Experts Testimony Regarding the Interpretation of Law, and Application of Facts to Law; to Strike the Eric L. Nelson Nevada Trusts' Pre-Trial Memorandum; and Counter-Motion to Continue Trial and for Attorneys' Fees and Costs	3803 – 3838

8, 9	12/01/2011	Opposition to Motion to Dismiss and Countermotion for an Award of Attorneys' Fees and Costs	2000 - 2040
9	12/07/2011	Opposition to Motion to Dissolve Injunction and Countermotion for an Aware of Attorneys' Fees and Costs	2041 - 2059
30	07/11/2012	Order entered in Case D-09-411537-D	7471 - 7479
20	06/19/2013	Order for Payment of Funds Pursuant to June 3, 2013 Decree of Divorce	4847 - 4850
30	08/09/2011	Order in Case No. D-09-411537-D	7400 - 7402
6	11/17/2010	Partial Transcript, Non-Jury Trial, November 17, 2010	1256 - 1435
6	11/22/2010	Partial Transcript, Non-Jury Trial, November 22, 2010	1436 - 1499
6, 7	11/22/2010	Partial Transcript, Non-Jury Trial, November 22, 2010	1500 - 1605
21	09/27/2013	Plaintiff Eric Nelson's Response to Lynita's Response to Court Ordered Accountings Provided by Eric Nelson	5242 - 5246
19	08/31/2012	Post-Trial Brief of Eric L. Nelson Nevada Trust Dated May 30, 2001	4551 - 4610
30	01/28/2005	Promissory Note in favor of Lana Martin	7488
30	01/28/2005	Promissory Note in favor of Robert A. Martin	7489
29	09/25/1999	Real Estate Records for 5220 E. Russell Road, Las Vegas, Nevada (UUUU)	7017 - 7049
	06/06/2013	Receipt of Copy regarding Motion for Payment of Funds Belonging to Defendant Pursuant to Court's Decree to Ensure Receipt of the Same, and for Immediate Payment of Court Appointed Expert	4753 - 4754
8	09/19/2011	Reply to Counterclaim and Answer to Cross - Claim	1802 - 1805
24, 25	01/14/2015	Reply to ELN Trust's Opposition to Defendant's Motion to Enforce the June 3, 2013 Decree of Divorce, Address Issues Relating to Property Awarded to Defendant in the Divorce, and for Related Relief and Eric Nelson's Opposition to Defendants Motion to Enforce June 3, 2013 Decree of Divorce, Address Issues Relating to Property Awarded to Defendant in the Divorce, and for Related Relief and Opposition to Eric Nelson's Countermotion	5941 - 6076
11	05/22/2012	Reply to Limited Objection to Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses for the period from April 4, 2011 through March 31, 2012 filed by the Eric L. Nelson Nevada Trust and Reply to Limited Objection to Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses for the period from April 4, 2011 through March 31, 2012 filed by Eric Nelson	2713 - 2738
22	10/14/2013	Reply to Opposition to Countermotion/Petition for Appointment of Authorized Trustee and for Fees and Costs	5255 - 5265

20	07/11/2013	Reply to Opposition to Defendant's Motion to Amend or Alter Judgement, for Declaratory and Related Relief and Joinder to Opposition	4851 – 4869
21	08/30/2013	Reply to Opposition to Imposition of Charging Order and Appointment of Receiver and Requests for Injunction and Fees and Costs	5067 – 5087
11	04/04/2012	Reply to Opposition to Motion for Payment of Attorneys' Fees and Costs	2595 – 2623
9	12/09/2011	Reply to Opposition to Motion to Dismiss and Countermotion for An Aware of Attorneys' Fees and Costs	2096 - 2123
9	12/09/2011	Reply to Opposition to Motion to Dissolve Injunction and Opposition to Countermotion for an Aware of Attorneys Fees and Costs	2124 -2139
22	10/15/2013	Reply to Plaintiff Eric Nelson's Response to Court Order Accountings	5266 - 5287
27, 28, 29	07/05/2012	Report of Gerety & Associates (Admitted as Intervenor Trial Exhibit 168)	6550 – 7014
21	08/30/2013	Response to Court Order Accountings Provided by Eric Nelson	5088 – 5147
19	09/28/2012	Response to Defendant Lynita S. Nelson's Post-Trial Memorandum on Trust Issues	4628 – 4657
29	01/21/2002	Soris Original Mortgage – (Wyoming Property) – (Admitted as Nelson Exhibit 41C)	7050 – 7068
8	08/24/2011	Summons directed to Eric Nelson	1779 -1782
8	08/24/2011	Summons directed to Lynita Sue Nelson	1783 -1786
11	04/05/2012	Supplement to Opposition to Motion for Payment of Attorneys' Fees and Costs, and Countermotion for Receiver, Additional Injunction, and Fees and Costs	2624 – 2629
	10/08/2012	Supplement to Verified Memorandum of Attorneys' Fees and Costs	4658 – 4682
26, 27	05/30/2001	The Eric L. Nelson Nevada Trust (Admitted as Intervenor Trial Exhibit 86)	6475 – 6508
12	07/06/2012	The Eric L. Nelson Nevada Trust's Pretrial Memorandum	2783 – 2849
26	07/13/1993	The Eric L. Nelson Separate Property Trust (Admitted as Intervenor Trial Exhibit 7)	6313 – 6341
26	05/30/2001	The LSN Nevada Trust (Admitted as Intervenor Trial Exhibit 25)	6395 - 6433
26	07/13/1993	The Nelson Trust (Admitted as Intervenor Trial Exhibit 5)	6283 - 6311
20, 21	08/01/2013	Transcript Re: All Pending Motions	4991 – 5039
21	09/05/2013	Transcript Re: All Pending Motions	5154 – 5229
22	10/21/2013	Transcript Re: All Pending Motions	5288 – 5347
25	01/26/2015	Transcript RE: All Pending Motions	6077 – 6225
22, 23	06/04/2014	Transcript RE: Decisions	5495 – 5552

20	06/19/2013	Transcript Re: Motion	4813 – 4846
20	07/22/2013	Transcript Re: Motion	4876 – 4990
10	02/23/2012	Transcript regarding Decision	2390 – 2424
10	01/31/2012	Transcript relating to Motion	2273 – 2361
4	10/19/2010	Transcript, Non-Jury Trial, October 19, 2010	849 – 990
4, 5, 6	10/20/2010	Transcript, Non-Jury Trial, October 20, 2010	991 – 1255
1, 2	08/30/2010	Transcript, Non-Jury Trial, Volume 1 from August 30, 2010	40 – 258
2	08/31/2010	Transcript, Non-Jury Trial, Volume 2 from August 31, 2010	259 - 441
2, 3	08/31/2010	Transcript, Non-Jury Trial, Volume 3 from August 31, 2010	442 – 659
3,4	09/01/2010	Transcript, Non-Jury Trial, Volume 4 from September 1, 2010	660 –848
13, 14	07/17/2012	Trial Transcript Re: Non-Jury Trial	3181 – 3406
14, 15	07/18/2012	Trial Transcript Re: Non-Jury Trial	3407 – 3584
22	05/30/2014	Trial Transcript RE: Non-Jury Trial	5348 – 5494
15	07/19/2012	Trial Transcript Re: Non-Jury Trial – Vol. I	3585 – 3714
16	07/23/2012	Trial Transcript Re: Non-Jury Trial – Vol. I	3839 – 3943
17	07/24/2012	Trial Transcript Re: Non-Jury Trial – Vol. I	4050 – 4187
18	07/25/2012	Trial Transcript Re: Non-Jury Trial – Vol. I	4279 – 4447
15, 16	07/19/2012	Trial Transcript Re: Non-Jury Trial – Vol. II	3715 – 3802
16, 17	07/23/2012	Trial Transcript Re: Non-Jury Trial – Vol. II	3494 -4049
17, 18	07/24/2013	Trial Transcript Re: Non-Jury Trial – Vol. II	4188 – 4278
18, 19	07/25/2012	Trial Transcript Re: Non-Jury Trial – Vol. II	4448 -4514
12, 13	07/16/2012	Trial Transcript Volume I	2930 – 3120
13	07/16/2012	Trial Transcript Volume II	3121 – 3180
26	02/17/2009	Trust Agreement of the Total Amendment and Restatement of the Nelson Trust (Admitted as Intervenor Trial Exhibit 14)	6351 – 6381
30	03/31/2011	Trust Ownership-Distribution Report of Larry Bertsch (Admitted as Exhibit GGGGG at Tab 9)	7397 – 7399
19	09/28/2012	Verified Memorandum of Attorneys' Fees and Costs	4611 – 4627

Exhibit 08

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE01	Adjusting	12/31/08				
		1003	Checking - B of A ELN #2798	12,870.00		
		1005	B of A MMA #4215	10,427.00		
		1006	B of A CD #3733, 6328	2,600,000.00		
		1010	Ameriprise MMA	3,762.00		
		1110	Ameriprise Stocks	6,401.00		
		1210	N/R - Eric Nelson Auctioneering	69,611.00		
		1260	Due From Cliff McCarlie	41,000.00		
		1300	Due From Element Iron	50,000.00		
		1305	Due From Ron Biard	5,025.00		
		1340	N/R - Banone LLC		3,436,083.00	
		1360	N/R - Cal Nelson	644,423.00		
		1375	N/R - David Muir	10,000.00		
		1390	N/R - Bay Resorts LLC	25,000.00		
		1400	N/R - Eric T. Nelson		190,000.00	
		1410	N/R - Wild Grizzly		130,000.00	
		1570	Gateway Lots (29)	1,941.00		
		1588	Furniture Fixtures & Equipment	7,187.00		
		1735	Accum Dep - FF&E		5,307.00	
		1825	Investment - Dynasty Develop	175,840.00		
		1840	Investment - WY Rodeo Events	26,739.00		
		1850	Investment - Dimick Book	10,000.00		
		1855	Investment - Banone LLC	10,000.00		
		1860	Investment - Wild Grizzly Casino	155,362.00		
		1865	Investment - Paradise Bay MS	16,000.00		
		1875	Investment - Hideaway Casino	10,000.00		
		1880	Investment - 50% Bay Resorts LLC (80	47,000.00		
		1905	Kids Trusts	643.00		
		2015	Tenant Security Deposits		6,124.00	
		2105	LOC - Mellon Bank	3,318,545.00		
		2210	Due (to)/from LSN NV Trust		83,033.00	
		3005	Contributions - Eric Nelson		4,396,343.00	
		4020	Gain/Loss on Stock sales		48.00	
		4060	R/I 830 Arnold MS		6,000.00	
		4100	Misc. Income		331.00	
		4205	Bank Interest Inc		2,445.00	
		4245	Interest Income - Soris		74,963.00	
		4250	Interest Income - B of A Investment		117,162.00	
		4260	Interest Income - Nicky		2,000.00	
		4285	Interest Income - Amex		10.00	
		4305	Dividends - Amex		145.00	
		4095	R/I Lindell		30,286.00	
		6000	830 Arnold Expenses	4,534.00		
		6040	Lindell - Insurance Expense	4,831.00		
		6041	Lindell - Property Taxes	10,642.00		
		6042	Lindell - R&M Expenses	1,870.00		
		6110	Utilities Expense - Provo	543.00		
		6130	Personal Auto Exp	1,120.00		
		6240	Interest Expense - ALEDA	7,000.00		
		6280	Interest Expense - Nelson Auction	19,250.00		
		6300	Accounting Expense	13,107.00		
		6310	Legal/Professional Fees	12,098.00		
		6330	Lease Expense	17,530.00		
		6340	Postage Expense	586.00		
		6360	Insurance Expense	733.00		
		6370	Phone Expense	415.00		
		6380	Office Supplies Expense	1,992.00		
		6400	Meals & Entertainment	894.00		
		6410	Travel Expense	11,677.00		
		6420	Gifts Expense	8,228.00		
		6430	Charitable Contributions	100.00		
		6450	Outside Services	9,025.00		
		6480	Dues & Subscriptions	2,571.00		
		6540	Other Taxes	1,089.00		
		6550	Other License Fees	326.00		
		6560	Taxes and Licenses	135.00		
		6610	Advertising Expense	5,458.00		
		6630	Bank Charges/Invest Fees	921.00		
		6650	Rent Expense	1,550.00		
		6660	Soris rent	195,600.00		
		6670	Education Expense	21,550.00		

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
		6720	Personal Federal Tax Expense	119,203.00		
		6730	Personal State Taxes	34,305.00		
		6740	Depreciation Expense	5,307.00		
		3010	Distributions - Eric Nelson	708,314.00		
			Record 2008 activity			
AJE02	Adjusting	12/31/08				
		2210	Due (to)/from LSN NV Trust		562,401.75	
		2210	Due (to)/from LSN NV Trust		100,000.00	
		1340	N/R - Banone LLC	662,401.75		
			LSNNV Tr deeded the Harbor Hills home to Banone LLC-recl the amts pd for HH by ELNNVT in 07 from LSN Loan to Banone loan			Lana
AJE03	Adjusting	12/31/08				
		4060	R/I 830 Arnold MS	6,000.00		
		6000	830 Arnold Expenses		4,534.00	
		2210	Due (to)/from LSN NV Trust		1,466.00	
			Reclassify 100% of the 830 Arnold rental income and expenses to the LSN NV Tr loan			Exh 4.02
AJE04	Adjusting	12/31/08				
		4095	R/I Lindell	15,143.00		
		6040	Lindell - Insurance Expense		2,415.00	
		6041	Lindell - Property Taxes		5,321.00	
		6042	Lindell - R&M Expenses		935.00	
		2210	Due (to)/from LSN NV Trust		6,472.00	
			Reclassify 50% of the Lindell rental income and expenses to the LSN NV Tr loan			Exh 4-01
AJE05	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		27.14	
		3010	Distributions - Eric Nelson	16.29		
		1012	Cash - Wells Fargo #6521	10.85		
			January WF #6521 actiivty			Jan Stmt
AJE06	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		18.55	
		3010	Distributions - Eric Nelson	363.94		
		1012	Cash - Wells Fargo #6521		345.39	
			February WF #6521 activity			Feb Stmt
AJE07	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		11.27	
		3010	Distributions - Eric Nelson	1,000.00		
		1012	Cash - Wells Fargo #6521		988.73	
			March WF #6521 activity			March Stmt

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE08	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		5.02	
		6630	Bank Charges/Invest Fees	25.00		
		3010	Distributions - Eric Nelson	363.94		
		1012	Cash - Wells Fargo #6521		383.92	
			April WF #6521 activity			April Stmt
AJE09	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		4.51	
		6630	Bank Charges/Invest Fees	25.00		
		3010	Distributions - Eric Nelson	5,066.99		
		1012	Cash - Wells Fargo #6521		5,087.48	
			May WF #6521 activity			May Stmt
AJE10	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		15.95	
		6630	Bank Charges/Invest Fees	25.00		
		3010	Distributions - Eric Nelson	2,057.29		
		1014	Cash - Wells Fargo #6005		32,000.00	
		3010	Distributions - Eric Nelson	2,000.00		
		1012	Cash - Wells Fargo #6521	27,933.66		
			June WF #6521 activity			June Stmt
AJE11	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		18.45	
		3010	Distributions - Eric Nelson	1,678.08		
		1012	Cash - Wells Fargo #6521		1,659.63	
			July WF #6521 activity			July Stmt
AJE12	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		18.28	
		3010	Distributions - Eric Nelson	5,854.69		
		1012	Cash - Wells Fargo #6521		5,836.41	
			Aug WF #6521 activity			Aug Stmt
AJE13	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		14.41	
		3010	Distributions - Eric Nelson	6,628.68		
		1012	Cash - Wells Fargo #6521		6,614.27	
			Sept WF #6521 activity			Sept Stmt
AJE14	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		12.05	
		3010	Distributions - Eric Nelson	469.25		
		1012	Cash - Wells Fargo #6521		457.20	
			Oct WF #6521 activity			Oct Stmt

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE15	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		9.36	
		3010	Distributions - Eric Nelson	851.73		
		1012	Cash - Wells Fargo #6521		842.37	
			Nov WF #6521 activity			Nov Stmt
AJE16	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		7.84	
		3010	Distributions - Eric Nelson	3,042.58		
		1012	Cash - Wells Fargo #6521		3,034.74	
			Dec WF #6521 activity			Dec Stmt
AJE17	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		347.87	
		3010	Distributions - Eric Nelson		50,000.00	
		1014	Cash - Wells Fargo #6005	50,347.87		
			Jan WF #6005 activity, incl deposit from Cal Nelson (debt partial repayment)			Jan Stmt
AJE18	Adjusting	12/31/08				
		3010	Distributions - Eric Nelson		40,000.00	
		4297	Investment Income-Bank/Broker Accts		323.89	
		1014	Cash - Wells Fargo #6005	40,323.89		
			Feb WF #6005 activity, incl deposit from Eric for EMD cashier checks not used 4x\$10k each=\$40k (see 1/31 ck #2184 to EN)			Feb Stmt
AJE19	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		383.71	
		1014	Cash - Wells Fargo #6005	383.71		
			March WF #6005 activity			March Stmt
AJE20	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		327.36	
		1014	Cash - Wells Fargo #6005	327.36		
			April WF #6005 activity			April Stmt
AJE21	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		280.60	
		1014	Cash - Wells Fargo #6005	280.60		
			May WF #6005 activity			May Stmt

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Eric L. Nelson Nevada Trust
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Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE22	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		250.41	
		1014	Cash - Wells Fargo #6005	250.41		
			June WF #6005 activity			June Stmt
AJE23	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		236.87	
		1014	Cash - Wells Fargo #6005	236.87		
			July WF #6005 activity			July Stmt
AJE24	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		237.19	
		1014	Cash - Wells Fargo #6005	237.19		
			Aug WF #6005 activity			Aug Stmt
AJE25	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		195.59	
		3005	Contributions - Eric Nelson		30,000.00	
		3005	Contributions - Eric Nelson		69,040.00	
		3005	Contributions - Eric Nelson	95,000.00		
		3010	Distributions - Eric Nelson	40,000.00		
		1014	Cash - Wells Fargo #6005		35,764.41	
			Sept WF #6005 activity, include w/d and deposits for earnest money withdrawals and deposits			Sept Stmt
AJE26	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		187.81	
		1014	Cash - Wells Fargo #6005	187.81		
			Oct WF #6005 activity			Oct Stmt
AJE27	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		154.24	
		1014	Cash - Wells Fargo #6005	154.24		
			Nov WF #6005 activity			Nov Stmt
AJE28	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		142.33	
		1014	Cash - Wells Fargo #6005	142.33		
			Dec WF #6005 activity			Dec Stmt

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Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE29	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		17,727.91	
		2210	Due (to)/from LSN NV Trust	200,000.00		
		4250	Interest Income - B of A Investment	11,609.84		
		1015	B of A #4354		193,881.93	
			Jan B of A #4354 activity, incl payment to LSNNVT Wells Fargo line of credit to repay Dec 2007 advance			Jan Stmt
AJE30	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		11,520.96	
		4250	Interest Income - B of A Investment	16,504.99		
		1015	B of A #4354		4,984.03	
			Feb B of A #4354 activity			Feb Stmt
AJE31	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		9,562.05	
		4250	Interest Income - B of A Investment	10,570.51		
		1015	B of A #4354		1,008.46	
			March B of A #4354 activity			March Stmt
AJE32	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		13,695.60	
		4250	Interest Income - B of A Investment	8,672.67		
		1015	B of A #4354	5,022.93		
			April B of A #4354 activity			April Stmt
AJE33	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		8,152.97	
		4250	Interest Income - B of A Investment	12,975.47		
		1015	B of A #4354		4,822.50	
			May B of A #4354 activity			May Stmt
AJE34	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		7,309.88	
		6630	Bank Charges/Invest Fees	25.00		
		3005	Contributions - Eric Nelson	397,053.53		
		4250	Interest Income - B of A Investment	7,510.67		
		1015	B of A #4354		397,279.32	
			June B of A #4354 activity			June Stmt
AJE35	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		7,249.61	
		4250	Interest Income - B of A Investment	7,074.57		
		1015	B of A #4354	175.04		
			July B of A #4354 activity			July Stmt

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE36	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		6,645.16	
		4250	Interest Income - B of A Investment	7,238.49		
		1015	B of A #4354		593.33	
			Aug B of A #4354 activity			Aug Stmt
AJE37	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		7,134.44	
		3005	Contributions - Eric Nelson	6,634.69		
		1006	B of A CD #3733, 6328		2,600,000.00	
		1015	B of A #4354	2,600,499.75		
			Sept B of A #4354 activity			Sept Stmt
AJE38	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		13,980.42	
		4250	Interest Income - B of A Investment	7,123.12		
		4297	Investment Income-Bank/Broker Accts	5.21		
		4250	Interest Income - B of A Investment	5,492.06		
		1015	B of A #4354	1,360.03		
			Oct B of A #4354 activity			Oct Stmt
AJE39	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		10,764.26	
		4250	Interest Income - B of A Investment	1,311.12		
		4250	Interest Income - B of A Investment	5,675.12		
		4250	Interest Income - B of A Investment	5,034.72		
		4205	Bank Interest Inc	34.82		
		1015	B of A #4354		1,291.52	
			Nov B of A #4354 activity			Nov Stmt
AJE40	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		10,442.66	
		4250	Interest Income - B of A Investment	10,364.37		
		4205	Bank Interest Inc	62.76		
		1015	B of A #4354	15.53		
			Dec B of A #4354 activity			Dec Stmt
AJE41	Adjusting	12/31/08				
		1015	B of A #4354	4.99		
		6630	Bank Charges/Invest Fees		4.99	
			Adj B of A acct balance			

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE42	Adjusting	12/31/08				
		6730	Personal State Taxes		34,325.00	
		6730	Personal State Taxes	37.00		
		6720	Personal Federal Tax Expense		119,203.00	
		3011	Distributions -Eric (for Income Taxes)	153,491.00		
			Recl Dept of the Treasury and AZ tax payments paid for Eric along with AZ refund received			GL p50, 51
AJE43	Adjusting	12/31/08				
		6730	Personal State Taxes		17.00	
		2210	Due (to)/from LSN NV Trust	17.00		
			Reclassify AZ interest paid for LSN			GL p51
AJE44	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		116.61	
		6630	Bank Charges/Invest Fees	422.91		
		4297	Investment Income-Bank/Broker Accts	3,482.83		
		4297	Investment Income-Bank/Broker Accts		12,409.23	
		4297	Investment Income-Bank/Broker Accts		16,466.28	
		6630	Bank Charges/Invest Fees	4,265.97		
		6630	Bank Charges/Invest Fees		718.41	
		3005	Contributions - Eric Nelson	40,000.00		
		3005	Contributions - Eric Nelson	50,000.00		
		1013	Mellon Broker Accounts #1700/1780		68,461.18	
			Jan Mellon activity			Jan Stmt
AJE45	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		7,422.87	
		4297	Investment Income-Bank/Broker Accts	224.40		
		6630	Bank Charges/Invest Fees	429.51		
		4297	Investment Income-Bank/Broker Accts		17,576.91	
		6630	Bank Charges/Invest Fees	4,125.26		
		6630	Bank Charges/Invest Fees		612.43	
		4297	Investment Income-Bank/Broker Accts	4,176.80		
		4297	Investment Income-Bank/Broker Accts		6,229.12	
		3005	Contributions - Eric Nelson	40,000.00		
		1013	Mellon Broker Accounts #1700/1780		17,114.64	
			Feb Mellon activity			Feb Stmt
AJE46	Adjusting	12/31/08				
		3010	Distributions - Eric Nelson		8,000.00	
		3005	Contributions - Eric Nelson	8,000.00		
			Reclassify 2/20/08 cap contrib adj for Dawn Valley emd paid by Eric with his 1/14/08 draw (for Banone)			GL p36, 37

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE47	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts	1,231.87		
		6630	Bank Charges/Invest Fees	457.43		
		4297	Investment Income-Bank/Broker Accts		12,523.73	
		6630	Bank Charges/Invest Fees	4,223.71		
		6630	Bank Charges/Invest Fees		560.37	
		3005	Contributions - Eric Nelson	40,000.00		
		4297	Investment Income-Bank/Broker Accts	23,286.62		
		4297	Investment Income-Bank/Broker Accts		1,833.26	
		1013	Mellon Broker Accounts #1700/1780		54,282.27	
		March Mellon activity				March Stmt
AJE48	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		16,403.56	
		6630	Bank Charges/Invest Fees	4,211.48		
		6630	Bank Charges/Invest Fees		548.95	
		3005	Contributions - Eric Nelson	40,000.00		
		4297	Investment Income-Bank/Broker Accts		4,737.05	
		6630	Bank Charges/Invest Fees	458.70		
		4297	Investment Income-Bank/Broker Accts	11,975.33		
		4297	Investment Income-Bank/Broker Accts		5,820.26	
		1013	Mellon Broker Accounts #1700/1780		29,135.69	
		April Mellon activity				April Stmt
AJE49	Adjusting	12/31/08				
		3005	Contributions - Eric Nelson	12,880.23		
		4111	Wyoming Downs Draws		12,880.23	
		Reclassify the 4/23/08 funds deposited from WY Downs closing of its bank account				GL p36
AJE50	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		13,157.16	
		4297	Investment Income-Bank/Broker Accts	519.52		
		4297	Investment Income-Bank/Broker Accts		7,683.11	
		6630	Bank Charges/Invest Fees	4,266.73		
		6630	Bank Charges/Invest Fees		582.44	
		6360	Insurance Expense	1,485.00		
		6360	Insurance Expense	31.64		
		6360	Insurance Expense	457.46		
		4297	Investment Income-Bank/Broker Accts		7,757.39	
		3005	Contributions - Eric Nelson	40,000.00		
		1013	Mellon Broker Accounts #1700/1780		17,580.25	
		May Mellon activity, includes insurance bond				May Stmt
AJE51	Adjusting	12/31/08				
		3005	Contributions - Eric Nelson	23,900.00		
		4116	Cheyenne OTB Income/Loss		23,900.00	
		Reclassify Cheyenne OTB income				GL p36

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE52	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		659.15	
		6630	Bank Charges/Invest Fees	460.64		
		3005	Contributions - Eric Nelson	40,000.00		
		4297	Investment Income-Bank/Broker Accts		11,833.40	
		6630	Bank Charges/Invest Fees	4,287.09		
		6630	Bank Charges/Invest Fees		634.17	
		4297	Investment Income-Bank/Broker Accts	1,598.89		
		4297	Investment Income-Bank/Broker Accts	552.53		
		1013	Mellon Broker Accounts #1700/1780		33,772.43	
		June Mellon activity				June Stmt
AJE53	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		487.56	
		6630	Bank Charges/Invest Fees	401.75		
		4297	Investment Income-Bank/Broker Accts		16,795.66	
		3005	Contributions - Eric Nelson	40,000.00		
		6630	Bank Charges/Invest Fees	4,388.58		
		6630	Bank Charges/Invest Fees		592.95	
		4297	Investment Income-Bank/Broker Accts	17,048.46		
		4297	Investment Income-Bank/Broker Accts	17,182.58		
		1013	Mellon Broker Accounts #1700/1780		61,145.20	
		July Mellon activity				July Stmt
AJE54	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		14,879.05	
		4297	Investment Income-Bank/Broker Accts	42,144.64		
		3005	Contributions - Eric Nelson	40,000.00		
		6630	Bank Charges/Invest Fees	4,288.39		
		6630	Bank Charges/Invest Fees		663.52	
		4297	Investment Income-Bank/Broker Accts		471.35	
		6630	Bank Charges/Invest Fees	417.78		
		1013	Mellon Broker Accounts #1700/1780		70,836.89	
		Aug Mellon activity				Aug Stmt
AJE55	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		12,900.05	
		4297	Investment Income-Bank/Broker Accts	92,678.16		
		4297	Investment Income-Bank/Broker Accts	392,990.25		
		6630	Bank Charges/Invest Fees	4,278.83		
		6630	Bank Charges/Invest Fees		651.06	
		3005	Contributions - Eric Nelson	1,600,000.00		
		3005	Contributions - Eric Nelson	1,000,000.00		
		6260	Interest Expense - Mellon	5,791.23		
		3005	Contributions - Eric Nelson	200,000.00		
		4297	Investment Income-Bank/Broker Accts		4,878.85	
		4297	Investment Income-Bank/Broker Accts		2,072.50	
		6630	Bank Charges/Invest Fees	420.41		
		3005	Contributions - Eric Nelson	40,000.00		
		3005	Contributions - Eric Nelson	360,993.19		
		1013	Mellon Broker Accounts #1700/1780		3,676,649.61	
		Sept Mellon activity				Sept Stmt

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE56	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		14,204.05	
		6630	Bank Charges/Invest Fees	2,820.93		
		6630	Bank Charges/Invest Fees		8.69	
		3005	Contributions - Eric Nelson	40,000.00		
		3005	Contributions - Eric Nelson	100,000.00		
		4297	Investment Income-Bank/Broker Accts		100.62	
		1013	Mellon Broker Accounts #1700/1780		128,507.57	
			Oct Mellon activity			Oct Stmt
AJE57	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		12,231.75	
		4297	Investment Income-Bank/Broker Accts	2,342.06		
		3005	Contributions - Eric Nelson	40,000.00		
		6630	Bank Charges/Invest Fees	2,759.02		
		1013	Mellon Broker Accounts #1700/1780		32,869.33	
			Nov Mellon activity			Nov Stmt
AJE58	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts		6,684.86	
		6630	Bank Charges/Invest Fees	2,740.54		
		3005	Contributions - Eric Nelson	20,000.00		
		1013	Mellon Broker Accounts #1700/1780		16,055.68	
			Dec Mellon activity			Dec Stmt
AJE59	Adjusting	12/31/08				
		4297	Investment Income-Bank/Broker Accts	20,651.02		
		1013	Mellon Broker Accounts #1700/1780		20,651.02	
			2008 Mellon bond amort			
AJE60	Adjusting	12/31/08				
		3005	Contributions - Eric Nelson	100,000.00		
		3010	Distributions - Eric Nelson		100,000.00	
			Recl the return wire from FDIC for prop bids not accepted, returnn wire was posted to capital contrib instead of draws			GL p37, 38

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Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE61	Adjusting	12/31/08				
		3010	Distributions - Eric Nelson		20,000.00	
		2210	Due (to)/from LSN NV Trust	20,000.00		
		3010	Distributions - Eric Nelson		2,683.58	
		2210	Due (to)/from LSN NV Trust	2,683.58		
		3010	Distributions - Eric Nelson		8,500.00	
		2210	Due (to)/from LSN NV Trust	8,500.00		
		3010	Distributions - Eric Nelson		6,000.00	
		2210	Due (to)/from LSN NV Trust	6,000.00		
		3010	Distributions - Eric Nelson		18,358.54	
		2210	Due (to)/from LSN NV Trust	18,358.54		
		3010	Distributions - Eric Nelson		25,000.00	
		2210	Due (to)/from LSN NV Trust	25,000.00		
		3010	Distributions - Eric Nelson		16,000.00	
		2210	Due (to)/from LSN NV Trust	16,000.00		
		3010	Distributions - Eric Nelson		10,000.00	
		2210	Due (to)/from LSN NV Trust	10,000.00		
		3010	Distributions - Eric Nelson		580.00	
		2210	Due (to)/from LSN NV Trust	580.00		
		3010	Distributions - Eric Nelson		25,000.00	
		2210	Due (to)/from LSN NV Trust	25,000.00		
		3010	Distributions - Eric Nelson		5,000.00	
		2210	Due (to)/from LSN NV Trust	5,000.00		
		3010	Distributions - Eric Nelson		6,000.00	
		2210	Due (to)/from LSN NV Trust	6,000.00		
		3010	Distributions - Eric Nelson		10,337.00	
		2210	Due (to)/from LSN NV Trust	10,337.00		
			Reclassify payments made to Lynita and LSNNTV against the loan account instead of draws			GL p37,38
AJE62	Adjusting	12/31/08				
		3010	Distributions - Eric Nelson		1,642.38	
		4116	Cheyenne OTB Income/Loss	1,642.38		
			Reclassify the 8/8/08 Cheyenne OTB repair			GL p37
AJE63	Adjusting	12/31/08				
		3010	Distributions - Eric Nelson	765.36		
		4220	Interest Income - Cal		765.36	
			Reclassify 4/15/08 Clarence Nelson interest income			GL p37
AJE64	Adjusting	12/31/08				
		3005	Contributions - Eric Nelson	5,000.00		
		1210	N/R - Eric Nelson Auctioneering		5,000.00	
			Reclassify the Apple Vista emd from ENA			GL p36
AJE65	Adjusting	12/31/08				
		3005	Contributions - Eric Nelson	19,000.00		
		3000	Capital/Trust Equity		19,000.00	
			Reclassify client's adjustment to capital instead which was originally made to true up the Banone LLC interco loan			GL p37

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE66	Adjusting	12/31/08				
		3010	Distributions - Eric Nelson	20,370.00		
		1290	Due To/From Dynasty Development LL		20,370.00	
			Record the Dynasty Dev distributions to Eric paid on behalf of the trust			D-01
AJE67	Adjusting	12/31/08				
		2210	Due (to)/from LSN NV Trust	27,852.00		
		4095	R/I Lindell		40,488.00	
		6039	Lindell Expenses	12,636.00		
			Record the 1/1 to 9/30/08 Lindell estimated net cash flow due from the LSNNVT			Exh 4-01
AJE68	Adjusting	12/31/08				
		3010	Distributions - Eric Nelson		83,033.26	
		2210	Due (to)/from LSN NV Trust	83,033.26		
			Reverse erroneous entry between distributions and LSNNVT loan			GL p27, 37
AJE69	Adjusting	12/31/08				
		2210	Due (to)/from LSN NV Trust		48,000.00	
		3005	Contributions - Eric Nelson	48,000.00		
			Reclassify the Lindell expense reimb received to the LSNNVT loan			GL p36
AJE70	Adjusting	12/31/08				
		1305	Due From Ron Biard		5,025.00	
		6620	Admin/Consulting Exp	5,025.00		
			Reclassify Ron Biard consulting fee paid			per ELN
AJE71	Adjusting	12/31/08				
		1370	N/R - Dennis Strobehn		10,000.00	
		1420	N/R - Moore Cody		1,000.00	
		6690	Bad Debt Notes	11,000.00		
			Record 2008 bad debts			per ELN
AJE72	Adjusting	12/31/08				
		1905	Kids Trusts		643.00	
		3010	Distributions - Eric Nelson	643.00		
			Reclassify kids trust expenses			

Prepared by_____
Reviewed by_____

Eric L. Nelson Nevada Trust
Adjusting Journal Entries

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE73	Adjusting	12/31/08				
		1880	Investment - 50% Bay Resorts LLC (80		23,500.00	
		2210	Due (to)/from LSN NV Trust	23,500.00		
			Move 50% of the 2008 cap contrib to the Bay Resorts LLC to the LSNNVT loan-ELNNVT contrib 100% of the funds to the LLC			GL p19
		TOTAL		17,948,383.49	17,948,383.49	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
1003	A	Checking - B of A ELN #2798	29,513.00	29,513.00		32,733.00
	AJE01	Record 2009 activity			3,220.00	
1005	A	B of A MMA #4215	110,427.00	110,427.00		6,458.00
	AJE01	Record 2009 activity			(103,969.00)	
1006	A	B of A CD #3733, 6328	0.00	0.00		54,877.49
	AJE01	Record 2009 activity			(2,600,000.00)	
	AJE30	Feb B of A #4354 activity, includes partial CD redemption			1,496,210.57	
	AJE31	March B of A #4354 activity, includes partial CD redemption			748,911.94	
	AJE34	June B of A #4354 activity, CD no longer showed up on statement			354,877.49	
	AJE37	Reverse clients 6/19/09 je which offset the CD balance to draws			350,000.00	
	AJE42	Zero out CD balance to int income			4,877.49	
	AJE43	Record the 9/1/09 transfer out for Banone EMD cashiers checks per cashiers checks spreadsheet			(300,000.00)	
1010	A	Ameriprise MMA	8,059.00	8,059.00		8,175.00
	AJE01	Record 2009 activity			116.00	
1012	A	Cash - Wells Fargo #6521	27,188.89	27,188.89		3,464.11
	AJE03	WF #6521 2009 activity, incl 11/3 \$10k deposit from Banone, Banone recorded as a draw to Eric			(23,724.78)	
1013	A	Mellon Broker Accounts #1700/1780	3,475,361.91	3,475,361.91		2,668,292.43
	AJE16	Jan Mellon activity			56,180.78	
	AJE17	Feb Mellon activity			430,757.08	
	AJE18	March Mellon activity			(615,906.42)	
	AJE19	April Mellon activity			(210,226.02)	
	AJE20	May Mellon activity			(10,967.32)	
	AJE21	June Mellon activity			(17,888.60)	
	AJE22	July Mellon activity			(358,694.84)	
	AJE23	Aug Mellon activity			(6,753.11)	
	AJE24	Sept Mellon activity			(15,373.12)	
	AJE25	Oct Mellon activity			(8,618.42)	
	AJE26	Nov Mellon activity			(10,769.26)	
	AJE27	Dec Mellon activity			(15,902.11)	
	AJE28	2009 Mellon bond amortization			(22,908.12)	
1014	A	Cash - Wells Fargo #6005	135,598.18	135,598.18		54,751.25
	AJE04	January WF #6005 activity, incl rmd cashiers checks returns in Feb			(99,940.27)	
	AJE05	Feb WF #6005 activity, incl the deposit of the Jan rmd cashiers checks & Feb cashiers check and return in Feb			100,037.16	
	AJE06	March WF #6005 activity			57.64	
	AJE07	April WF #6005 activity, includes \$50k rmd cashiers check which was redeposited in May			(49,962.86)	
	AJE08	May WF #6005 activity, incl the deposit of the April cashiers checks & new May rmd cashiers checks and re-deposit			50,024.22	
	AJE09	June WF #6005 activity, including Interlinks deposit (ENA) \$410k & Banone cashiers checks			310,035.16	
	AJE10	July WF #6005 activity, incl Interlinks deposit (ENA) and Banone emd cashiers checks			(267,890.94)	
	AJE11	Aug WF #6005 activity, incl Banone AZ LLC rmd cashiers checks			(54,956.46)	
	AJE12	Sept WF #6005 activity, incl				

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
		Interlinks deposit (ENA) & Banone rmd cashiers checks			(109,974.92)	
	AJE13	Oct WF #6005 activity			0.55	
	AJE14	Nov WF #6005 activity			41,709.84	
	AJE15	Dec WF #6005 activity			13.95	
1015	A	B of A #4354	5,014,223.93	5,014,223.93		14,237.13
	AJE29	Jan B of A #4354 activity, includes \$2.4 million CD redemption			(2,399,991.06)	
	AJE30	Feb B of A #4354 activity, includes partial CD redemption			(1,496,207.04)	
	AJE31	March B of A #4354 activity, includes partial CD redemption			(748,911.21)	
	AJE34	June B of A #4354 activity, CD no longer showed up on statement			(354,877.49)	
1110	A	Ameriprise Stocks	19,381.00	19,381.00		19,381.00
1210	A	N/R - Eric Nelson Auctioneering	151,937.00	151,937.00		398,639.00
	AJE01	Record 2009 activity			656,702.00	
	AJE09	June WF #6005 activity, including Interlinks deposit (ENA) \$410k & Banone cashiers checks			(410,000.00)	
	AJE10	July WF #6005 activity, incl Interlinks deposit (ENA) and Banone emd cashiers checks			(400,000.00)	
	AJE41	Reverse clients erroneous entry on 6/15/09-the funds did not go to Eric from ENA			400,000.00	
1255	A	Due From Carlene Gutierrez	0.00	0.00		10,000.00
	AJE01	Record 2009 activity			10,000.00	
1260	A	Due From Cliff McCarlie	95,406.00	95,406.00		95,431.00
	AJE01	Record 2009 activity			25.00	
1290	A	Due To/From Dynasty Development LLC	(59,713.00)	(59,713.00)		(54,451.00)
	AJE01	Record 2009 activity			20,000.00	
	AJE47	Record 2009 Dynasty Dev distributions to Eric paid on behalf of the trust			(14,738.00)	
1295	A	Due From Nelson P & S	0.00	0.00		10,000.00
	AJE01	Record 2009 activity			10,000.00	
1300	A	Due From Element Iron	50,000.00	50,000.00		53,000.00
	AJE01	Record 2009 activity			3,000.00	
1305	A	Due From Ron Biard	0.00	0.00		0.00
1310	A	Due From Jesse Harber	0.00	0.00		25,025.00
	AJE01	Record 2009 activity			25,025.00	
1330	A	N/R - Deborde Bobby	5,000.00	5,000.00		0.00
	AJE48	Write off 2009 bad debts			(5,000.00)	
1335	A	N/R - Bledsoe	0.00	0.00		2,000.00
	AJE01	Record 2009 activity			2,000.00	
1340	A	N/R - Banone LLC	1,994,863.75	1,994,863.75		3,763,145.75
	AJE01	Record 2009 activity			1,809,282.00	
	AJE46	Record 2009 Banone distributions to Eric paid on behalf of the trust			(41,000.00)	
1341	A	N/R - Banone (RMD Checks)	0.00	0.00		1,258,000.00
	AJE09	June WF #6005 activity, including Interlinks deposit (ENA) \$410k & Banone cashiers checks			100,000.00	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
	AJE10	July WF #6005 activity, incl Interlinks deposit (ENA) and Banone emd cashiers checks			118,000.00	
	AJE10	July WF #6005 activity, incl Interlinks deposit (ENA) and Banone emd cashiers checks			150,000.00	
	AJE10	July WF #6005 activity, incl Interlinks deposit (ENA) and Banone emd cashiers checks			400,000.00	
	AJE12	Sept WF #6005 activity, incl Interlinks deposit (ENA) & Banone rmd cashiers checks			100,000.00	
	AJE12	Sept WF #6005 activity, incl Interlinks deposit (ENA) & Banone rmd cashiers checks			100,000.00	
	AJE43	Record the 9/1/09 transfer out for Banone EMD cashiers checks per cashiers checks spreadsheet			290,000.00	
1345	A N/R - Banone AZ LLC		0.00	0.00		100,000.00
	AJE01	Record 2009 activity			100,000.00	
1346	A N/R - Banone AZ LLC (RMD Checks)		0.00	0.00		30,800.00
	AJE11	Aug WF #6005 activity, incl Banone AZ LLC rmd cashiers checks			55,000.00	
	AJE14	Nov WF #6005 activity			(24,200.00)	
1355	A N/R - WY Lots Development		4,796.00	4,796.00		4,796.00
1360	A N/R - Cal Nelson		1,119,423.00	1,119,423.00		1,129,423.00
	AJE01	Record 2009 activity			10,000.00	
1370	A N/R - Dennis Strobehn		0.00	0.00		0.00
1375	A N/R - David Muir		10,000.00	10,000.00		22,000.00
	AJE01	Record 2009 activity			12,000.00	
1380	A N/R - Grotta Note		80,350.00	80,350.00		80,350.00
1385	A N/R - Nicky Cvitanovich		200,000.00	200,000.00		200,000.00
1390	A N/R - Bay Resorts LLC		25,000.00	25,000.00		20,000.00
	AJE01	Record 2009 activity			(5,000.00)	
1400	A N/R - Eric T. Nelson		0.00	0.00		0.00
1410	A N/R - Wild Grizzly		0.00	0.00		0.00
1420	A N/R - Moore Cody		0.00	0.00		0.00
1560	A Provo Condo		180,814.00	180,814.00		0.00
	AJE01	Record 2009 activity			(180,814.00)	
1570	A Gateway Lots (29)		109,063.00	109,063.00		134,498.00
	AJE01	Record 2009 activity			25,435.00	
1588	A Furniture Fixtures & Equipment		38,487.00	38,487.00		38,487.00
1590	A Cabin Vehicles		11,722.00	11,722.00		11,722.00
1591	A Lindell Office Building-50%		749,627.00	749,627.00		749,627.00
1592	A Brianhead Cabin-50%		1,555,796.00	1,555,796.00		1,555,796.00
1595	A Automobiles		0.00	0.00		0.00
	AJE01	Record 2009 activity			47,352.00	
	AJE49	Move 2009 Cadillace purchase to distributions - Eric			(47,352.00)	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
1735	A	Accum Dep - FF&E	(19,927.00)	(19,927.00)		(22,071.00)
	AJE01	Record 2009 activity			(2,144.00)	
1825	A	Investment - Dynasty Develop	2,016,702.00	2,016,702.00		2,059,702.00
	AJE01	Record 2009 activity			43,000.00	
1840	A	Investment - WY Rodeo Events	131,739.00	131,739.00		131,739.00
1850	A	Investment - Dimick Book	10,000.00	10,000.00		10,000.00
1855	A	Investment - Banone LLC	110,000.00	110,000.00		110,000.00
1860	A	Investment - Wild Grizzly Casino	1,052,226.00	1,052,226.00		1,052,226.00
1865	A	Investment - Paradise Bay MS	26,000.00	26,000.00		26,000.00
1870	A	Investment - Riverwalk Ent	35,000.00	35,000.00		35,000.00
1875	A	Investment - Hideaway Casino	29,355.00	29,355.00		29,355.00
	AJE44	Reclassify 4/7/09 payment to Steve Bieri on behalf of Hideaway			100,000.00	
	AJE45	Reclassify 4/7/09 receipt from Hideaway			(100,000.00)	
1880	A	Investment - 50% Bay Resorts LLC (80 Acre	204,562.00	204,562.00		217,312.00
	AJE01	Record 2009 activity			25,500.00	
	AJE50	Move 50% of the 2009 cap cont to Bay Resorts LLC to the LSNNVT loan-ELNNVT cont 100% of the capital contrib to the LLC			(12,750.00)	
1895	A	Investment - 50% Emerald Bay	25,523.00	25,523.00		25,523.00
1900	A	Investment - Eric Nelson Auctioneering	59,100.00	59,100.00		59,100.00
1905	A	Kids Trusts	0.00	0.00		0.00
2015	L	Tenant Security Deposits	(6,124.00)	(6,124.00)		(5,844.00)
	AJE01	Record 2009 activity			280.00	
2105	L	LOC - Mellon Bank	(1,450,000.00)	(1,450,000.00)		0.00
	AJE01	Record 2009 activity			1,450,000.00	
	AJE19	April Mellon activity			200,000.00	
	AJE22	July Mellon activity			(500,000.00)	
	AJE22	July Mellon activity			300,000.00	
2210	L	Due (to)/from LSN NV Trust	132,080.61	132,080.61		96,869.61
	AJE39	Move 50% of Lindell net cash flow to LSNNVT			(43,366.00)	
	AJE40	Move 100% of the 830 Arnold net cash flow to LSNNVT			(4,595.00)	
	AJE50	Move 50% of the 2009 cap cont to Bay Resorts LLC to the LSNNVT loan-ELNNVT cont 100% of the capital contrib to the LLC			12,750.00	
2230	L	N/P - L. Martin	(374,996.00)	(374,996.00)		(372,996.00)
	AJE01	Record 2009 activity			2,000.00	
2235	L	N/P - Aleda Nelson	(620,000.00)	(620,000.00)		0.00
	AJE01	Record 2009 activity			620,000.00	
2240	L	N/P - P. Nelson	(81,749.00)	(81,749.00)		(81,749.00)
2241	L	N/P - Soris	(1,580,000.00)	(1,580,000.00)		(1,580,000.00)
3000	L	Capital/Trust Equity	(2,738,018.21)	(2,738,018.21)		(2,738,018.21)

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
3005	L	Contributions - Eric Nelson	(8,921.36)	0.00		(20,304.74)
	AJE01	Record 2009 activity			(3,864,365.00)	
	AJE16	Jan Mellon activity			20,000.00	
	AJE17	Feb Mellon activity			20,000.00	
	AJE18	March Mellon activity			20,000.00	
	AJE18	March Mellon activity			600,000.00	
	AJE19	April Mellon activity			20,000.00	
	AJE20	May Mellon activity			20,000.00	
	AJE21	June Mellon activity			20,000.00	
	AJE22	July Mellon activity			20,000.00	
	AJE22	July Mellon activity			500,000.00	
	AJE23	Aug Mellon activity			20,000.00	
	AJE24	Sept Mellon activity			20,000.00	
	AJE25	Oct Mellon activity			20,000.00	
	AJE26	Nov Mellon activity			20,000.00	
	AJE27	Dec Mellon activity			20,000.00	
	AJE29	Jan B of A #4354 activity, includes \$2.4 million CD redemption			1,000,000.00	
	AJE29	Jan B of A #4354 activity, includes \$2.4 million CD redemption			1,404,060.26	
	AJE45	Reclassify 4/7/09 receipt from Hideaway			100,000.00	
3010	L	Distributions - Eric Nelson	363,351.06	0.00		327,457.95
	AJE01	Record 2009 activity			971,462.00	
	AJE01	Record 2009 activity			708,307.00	
	AJE03	WF #6521 2009 activity, incl 11/3 \$10k deposit from Banone, Banone recorded as a draw to Eric			33,547.95	
	AJE03	WF #6521 2009 activity, incl 11/3 \$10k deposit from Banone, Banone recorded as a draw to Eric			(10,000.00)	
	AJE04	January WF #6005 activity, incl rmd cashiers checks returns in Feb			100,000.00	
	AJE05	Feb WF #6005 activity, incl the deposit of the Jan rmd cashiers checks & Feb cashiers check and return in Feb			(100,000.00)	
	AJE05	Feb WF #6005 activity, incl the deposit of the Jan rmd cashiers checks & Feb cashiers check and return in Feb			(100,000.00)	
	AJE05	Feb WF #6005 activity, incl the deposit of the Jan rmd cashiers checks & Feb cashiers check and return in Feb			100,000.00	
	AJE07	April WF #6005 activity, includes \$50k rmd cashiers check which was redeposited in May			50,000.00	
	AJE08	May WF #6005 activity, incl the deposit of the April cashiers checks & new May rmd cashiers checks and re-deposit			(50,000.00)	
	AJE08	May WF #6005 activity, incl the deposit of the April cashiers checks & new May rmd cashiers checks and re-deposit			(75,000.00)	
	AJE08	May WF #6005 activity, incl the deposit of the April cashiers checks & new May rmd cashiers checks and re-deposit			75,000.00	
	AJE12	Sept WF #6005 activity, incl Interlinks deposit (ENA) & Banone rmd cashiers checks			(90,000.00)	
	AJE14	Nov WF #6005 activity			(25,000.00)	
	AJE14	Nov WF #6005 activity			7,500.00	
	AJE16	Jan Mellon activity			(100,000.00)	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
	AJE17	Feb Mellon activity			(500,000.00)	
	AJE37	Reverse clients 6/19/09 je which offset the CD balance to draws			(350,000.00)	
	AJE38	Combine draw accounts			68,551.00	
	AJE41	Reverse clients erroneous entry on 6/15/09-the funds did not go to Eric from ENA			(400,000.00)	
	AJE43	Record the 9/1/09 transfer out for Banone EMD cashiers checks per cashiers checks spreadsheet			10,000.00	
	AJE44	Reclassify 4/7/09 payment to Steve Bieri on behalf of Hideaway			(100,000.00)	
	AJE46	Record 2009 Banone distributions to Eric paid on behalf of the trust			41,000.00	
	AJE47	Record 2009 Dynasty Dev distributions to Eric paid on behalf of the trust			5,000.00	
	AJE47	Record 2009 Dynasty Dev distributions to Eric paid on behalf of the trust			9,738.00	
	AJE49	Move 2009 Cadillac purchase to distributions - Eric			47,352.00	
3011	L	Distributions -Eric (for Income Taxes)	153,491.00	0.00		30,826.00
	AJE38	Reclass Eric's Arizona taxes paid			30,826.00	
3012	L	Distributions - Erica	28,581.00	28,581.00		28,581.00
3013	L	Distributions - Aubrey	25,490.00	25,490.00		25,490.00
3015	L	Draws - Medical Expenses	0.00	0.00		0.00
	AJE01	Record 2009 activity			495.00	
	AJE38	Combine draw accounts			(495.00)	
3025	L	Draws - Kids Expenses	0.00	0.00		0.00
	AJE01	Record 2009 activity			68,056.00	
	AJE38	Combine draw accounts			(68,056.00)	
3050	L	Retained Earnings	(13,199,297.02)	(12,157,869.06)		(12,157,869.06)
4020	R	Gain/Loss on Stock sales	(48.00)	0.00		0.00
4050	R	Gain/Loss on Provo Condo Sale	0.00	0.00		37,011.00
	AJE01	Record 2009 activity			37,011.00	
4060	R	R/I 830 Arnold MS	0.00	0.00		0.00
	AJE01	Record 2009 activity			(5,500.00)	
	AJE40	Move 100& of the 830 Arnold net cash flow to LSNNVT			5,500.00	
4095	R	R/I Lindell	(55,631.00)	0.00		(61,288.00)
	AJE01	Record 2009 activity			(122,576.00)	
	AJE39	Move 50% of Lindell net cash flow to LSNNVT			61,288.00	
4100	R	Misc. Income	(331.00)	0.00		(15.00)
	AJE01	Record 2009 activity			(15.00)	
4111	R	Wyoming Downs Draws	(12,880.23)	0.00		0.00
4116	R	Cheyenne OTB Income/Loss	(22,257.62)	0.00		0.00
4205	R	Bank Interest Inc	(2,347.42)	0.00		0.05
	AJE01	Record 2009 activity			(442.00)	
	AJE29	Jan B of A #4354 activity, includes \$2.4 million CD redemption			29.36	
	AJE30	Feb B of A #4354 activity, includes partial CD redemption			81.41	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
	AJE31	March B of A #4354 activity, includes partial CD redemption			13.71	
	AJE31	March B of A #4354 activity, includes partial CD redemption			199.90	
	AJE32	April B of A #4354 activity			14.29	
	AJE33	May B of A #4354 activity			10.58	
	AJE34	June B of A #4354 activity, CD no longer showed up on statement			22.90	
	AJE35	July B of A #4354 activity			61.92	
	AJE36	August-Dec B of A #4354 activity			7.98	
4220	R	Interest Income - Cal	(765.36)	0.00		0.00
4245	R	Interest Income - Soris	(74,963.00)	0.00		(56,205.00)
	AJE01	Record 2009 activity			(56,205.00)	
4250	R	Interest Income - B of A Investment	(4.28)	0.00		(474.77)
	AJE01	Record 2009 activity			(10,029.00)	
	AJE29	Jan B of A #4354 activity, includes \$2.4 million CD redemption			5,675.13	
	AJE30	Feb B of A #4354 activity, includes partial CD redemption			1,580.27	
	AJE32	April B of A #4354 activity			774.61	
	AJE33	May B of A #4354 activity			749.62	
	AJE34	June B of A #4354 activity, CD no longer showed up on statement			774.60	
4260	R	Interest Income - Nicky	(2,000.00)	0.00		(12,500.00)
	AJE01	Record 2009 activity			(12,500.00)	
4285	R	Interest Income - Amex	(10.00)	0.00		(4.00)
	AJE01	Record 2009 activity			(4.00)	
4297	R	Investment Income-Bank/Broker Accts	276,339.16	0.00		15,231.73
	AJE03	WF #6521 2009 activity, incl 11/3 \$10k deposit from Banone, Banone recorded as a draw to Eric			(23.17)	
	AJE04	January WF #6005 activity, incl rmd cashiers checks returns in Feb			(59.73)	
	AJE05	Feb WF #6005 activity, incl the deposit of the Jan rmd cashiers checks & Feb cashiers check and return in Feb			(39.16)	
	AJE06	March WF #6005 activity			(57.64)	
	AJE07	April WF #6005 activity, includes \$50k rmd cashiers check which was redeposited in May			(37.14)	
	AJE08	May WF #6005 activity, incl the deposit of the April cashiers checks & new May rmd cashiers checks and re-deposit			(24.22)	
	AJE09	June WF #6005 activity, including Interlinks deposit (ENA) \$410k & Banone cashiers checks			(45.16)	
	AJE10	July WF #6005 activity, incl Interlinks deposit (ENA) and Banone emd cashiers checks			(119.06)	
	AJE11	Aug WF #6005 activity, incl Banone AZ LLC rmd cashiers checks			(43.54)	
	AJE12	Sept WF #6005 activity, incl Interlinks deposit (ENA) & Banone rmd cashiers checks			(35.08)	
	AJE13	Oct WF #6005 activity			(0.55)	
	AJE14	Nov WF #6005 activity			(9.84)	
	AJE15	Dec WF #6005 activity			(13.95)	
	AJE16	Jan Mellon activity			(13,701.37)	
	AJE16	Jan Mellon activity			34,745.47	
	AJE17	Feb Mellon activity			(10,663.09)	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
		AJE17 Feb Mellon activity			57,046.02	
		AJE18 March Mellon activity			(7,231.24)	
		AJE19 April Mellon activity			(12,540.16)	
		AJE20 May Mellon activity			(11,697.72)	
		AJE21 June Mellon activity			(6,673.22)	
		AJE21 June Mellon activity			(71.40)	
		AJE21 June Mellon activity			1,968.01	
		AJE22 July Mellon activity			(14,191.74)	
		AJE22 July Mellon activity			49,766.00	
		AJE23 Aug Mellon activity			(10,824.53)	
		AJE23 Aug Mellon activity			(4,899.50)	
		AJE24 Sept Mellon activity			(7,104.31)	
		AJE25 Oct Mellon activity			(13,888.46)	
		AJE26 Nov Mellon activity			(11,691.47)	
		AJE27 Dec Mellon activity			(6,568.21)	
		AJE28 2009 Mellon bond amortization			22,908.12	
		AJE29 Jan B of A #4354 activity, includes \$2.4 million CD redemption			(5,713.43)	
		AJE29 Jan B of A #4354 activity, includes \$2.4 million CD redemption			(4,060.26)	
		AJE30 Feb B of A #4354 activity, includes partial CD redemption			(1,665.21)	
		AJE31 March B of A #4354 activity, includes partial CD redemption			(214.34)	
		AJE32 April B of A #4354 activity			(788.90)	
		AJE33 May B of A #4354 activity			(760.20)	
		AJE34 June B of A #4354 activity, CD no longer showed up on statement			(22.90)	
		AJE34 June B of A #4354 activity, CD no longer showed up on statement			(774.60)	
		AJE35 July B of A #4354 activity			(61.92)	
		AJE36 August-Dec B of A #4354 activity			(7.98)	
		AJE42 Zero out CD balance to int income			(4,877.49)	
4305	R	Dividends - Amex	(145.00)	0.00		(142.00)
		AJE01 Record 2009 activity			(142.00)	
6000	E	830 Arnold Expenses	0.00	0.00		0.00
		AJE01 Record 2009 activity			905.00	
		AJE40 Move 100% of the 830 Arnold net cash flow to LSNNVT			(905.00)	
6039	E	Lindell Expenses	12,636.00	0.00		0.00
6040	E	Lindell - Insurance Expense	2,416.00	0.00		1,179.00
		AJE01 Record 2009 activity			2,359.00	
		AJE39 Move 50% of Lindell net cash flow to LSNNVT			(1,180.00)	
6041	E	Lindell - Property Taxes	5,321.00	0.00		10,325.00
		AJE01 Record 2009 activity			20,649.00	
		AJE39 Move 50% of Lindell net cash flow to LSNNVT			(10,324.00)	
6042	E	Lindell - R&M Expenses	935.00	0.00		5,247.00
		AJE01 Record 2009 activity			10,493.00	
		AJE39 Move 50% of Lindell net cash flow to LSNNVT			(5,246.00)	
6043	E	Lindell - Utilities Expense	0.00	0.00		976.00
		AJE01 Record 2009 activity			1,952.00	
		AJE39 Move 50% of Lindell net cash flow to LSNNVT			(976.00)	
6044	E	Lindell - Advertising Expense	0.00	0.00		195.00
		AJE01 Record 2009 activity			391.00	
		AJE39 Move 50% of Lindell net cash flow to LSNNVT			(196.00)	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
6110	E	Utilities Expense - Provo	543.00	0.00		0.00
6130	E	Personal Auto Exp	1,120.00	0.00		0.00
6240	E	Interest Expense - ALEDA	7,000.00	0.00		0.00
6260	E	Interest Expense - Mellon	5,791.23	0.00		483.33
	AJE22	July Mellon activity			483.33	
6280	E	Interest Expense - Nelson Auction	19,250.00	0.00		0.00
6300	E	Accounting Expense	13,107.00	0.00		10,768.00
	AJE01	Record 2009 activity			10,768.00	
6310	E	Legal/Professional Fees	12,098.00	0.00		6,407.00
	AJE01	Record 2009 activity			6,407.00	
6330	E	Lease Expense	17,530.00	0.00		32,000.00
	AJE01	Record 2009 activity			32,000.00	
6340	E	Postage Expense	586.00	0.00		374.00
	AJE01	Record 2009 activity			374.00	
6360	E	Insurance Expense	2,707.10	0.00		0.00
6370	E	Phone Expense	415.00	0.00		112.00
	AJE01	Record 2009 activity			112.00	
6380	E	Office Supplies Expense	1,992.00	0.00		910.00
	AJE01	Record 2009 activity			910.00	
6400	E	Meals & Entertainment	894.00	0.00		5,896.00
	AJE01	Record 2009 activity			5,896.00	
6410	E	Travel Expense	11,677.00	0.00		6,926.00
	AJE01	Record 2009 activity			6,926.00	
6420	E	Gifts Expense	8,228.00	0.00		5,700.00
	AJE01	Record 2009 activity			5,700.00	
6430	E	Charitable Contributions	100.00	0.00		2,500.00
	AJE01	Record 2009 activity			2,500.00	
6450	E	Outside Services	9,025.00	0.00		9,703.00
	AJE01	Record 2009 activity			9,703.00	
6480	E	Dues & Subscriptions	2,571.00	0.00		1,848.00
	AJE01	Record 2009 activity			1,848.00	
6540	E	Other Taxes	1,089.00	0.00		200.00
	AJE01	Record 2009 activity			200.00	
6550	E	Other License Fees	326.00	0.00		0.00
6560	E	Taxes and Licenses	135.00	0.00		0.00
6610	E	Advertising Expense	5,458.00	0.00		0.00
6620	E	Admin/Consulting Exp	5,025.00	0.00		100.00
	AJE01	Record 2009 activity			100.00	
6630	E	Bank Charges/Invest Fees	45,568.68	0.00		32,946.95
	AJE01	Record 2009 activity			816.00	
	AJE03	WF #6521 2009 activity, incl 11/3 \$10k deposit from Banone, Banone recorded as a draw to Eric			200.00	
	AJE05	Feb WF #6005 activity, incl the				

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

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Basis: Adjusted

Account	T	Description	Dec 31, 2008	Dec 31, 2009 Unadjusted	Adjustments	Dec 31, 2009 Adjusted
		deposit of the Jan rmd cashiers checks & Feb cashiers check and return in Feb			2.00	
	AJE09	June WF #6005 activity, including Interlinks deposit (ENA) \$410k & Banone cashiers checks			10.00	
	AJE10	July WF #6005 activity, incl Interlinks deposit (ENA) and Banone emd cashiers checks			10.00	
	AJE12	Sept WF #6005 activity, incl Interlinks deposit (ENA) & Banone rmd cashiers checks			10.00	
	AJE16	Jan Mellon activity			2,775.12	
	AJE17	Feb Mellon activity			2,859.99	
	AJE18	March Mellon activity			(1,248.72)	
	AJE18	March Mellon activity			4,386.38	
	AJE19	April Mellon activity			1,383.09	
	AJE19	April Mellon activity			1,383.09	
	AJE20	May Mellon activity			1,332.52	
	AJE20	May Mellon activity			1,332.52	
	AJE21	June Mellon activity			1,332.61	
	AJE21	June Mellon activity			1,332.60	
	AJE22	July Mellon activity			1,318.63	
	AJE22	July Mellon activity			1,318.62	
	AJE23	Aug Mellon activity			1,238.57	
	AJE23	Aug Mellon activity			1,238.57	
	AJE24	Sept Mellon activity			1,238.72	
	AJE24	Sept Mellon activity			1,238.71	
	AJE25	Oct Mellon activity			1,253.44	
	AJE25	Oct Mellon activity			1,253.44	
	AJE26	Nov Mellon activity			1,230.37	
	AJE26	Nov Mellon activity			1,230.36	
	AJE27	Dec Mellon activity			1,235.16	
	AJE27	Dec Mellon activity			1,235.16	
6650	E	Rent Expense	1,550.00	0.00		0.00
6660	E	Soris rent	195,600.00	0.00		146,700.00
	AJE01	Record 2009 activity			146,700.00	
6670	E	Education Expense	21,550.00	0.00		347.00
	AJE01	Record 2009 activity			347.00	
6690	E	Bad Debt Notes	11,000.00	0.00		5,000.00
	AJE48	Write off 2009 bad debts			5,000.00	
6710	E	Land Proprrty Taxes - LV & MS	0.00	0.00		2,411.00
	AJE01	Record 2009 activity			2,411.00	
6720	E	Personal Federal Tax Expense	0.00	0.00		0.00
6730	E	Personal State Taxes	0.00	0.00		0.00
	AJE01	Record 2009 activity			30,826.00	
	AJE38	Reclass Eric's Arizona taxes paid			(30,826.00)	
6740	E	Depreciation Expense	5,307.00	0.00		2,144.00
	AJE01	Record 2009 activity			2,144.00	
Total			0.00	0.00	0.00	0.00
Profit/(Loss)			(533,507.26)	0.00	(213,012.29)	(213,012.29)

Exhibit 08

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE01	Adjusting	12/31/09				
		1003	Checking - B of A ELN #2798	3,220.00		
		1005	B of A MMA #4215		103,969.00	
		1006	B of A CD #3733, 6328		2,600,000.00	
		1210	N/R - Eric Nelson Auctioneering	656,702.00		
		1255	Due From Carlene Gutierrez	10,000.00		
		1260	Due From Cliff McCarlie	25.00		
		1290	Due To/From Dynasty Development LL	20,000.00		
		1295	Due From Nelson P & S	10,000.00		
		1300	Due From Element Iron	3,000.00		
		1310	Due From Jesse Harber	25,025.00		
		1335	N/R - Bledsoe	2,000.00		
		1340	N/R - Banone LLC	1,809,282.00		
		1345	N/R - Banone AZ LLC	100,000.00		
		1360	N/R - Cal Nelson	10,000.00		
		1375	N/R - David Muir	12,000.00		
		1390	N/R - Bay Resorts LLC		5,000.00	
		1560	Provo Condo		180,814.00	
		1570	Gateway Lots (29)	25,435.00		
		1595	Automobiles	47,352.00		
		1735	Accum Dep - FF&E		2,144.00	
		1825	Investment - Dynasty Develop	43,000.00		
		1880	Investment - 50% Bay Resorts LLC (80	25,500.00		
		2015	Tenant Security Deposits	280.00		
		2105	LOC - Mellon Bank	1,450,000.00		
		2230	N/P - L. Martin	2,000.00		
		2235	N/P - Aleda Nelson	620,000.00		
		3005	Contributions - Eric Nelson		3,864,365.00	
		3010	Distributions - Eric Nelson	971,462.00		
		3015	Draws - Medical Expenses	495.00		
		1010	Ameriprise MMA	116.00		
		3025	Draws - Kids Expenses	68,056.00		
		4050	Gain/Loss on Provo Condo Sale	37,011.00		
		4060	R/I 830 Arnold MS		5,500.00	
		4100	Misc. Income		15.00	
		4205	Bank Interest Inc		442.00	
		4245	Interest Income - Soris		56,205.00	
		4250	Interest Income - B of A Investment		10,029.00	
		4260	Interest Income - Nicky		12,500.00	
		4285	Interest Income - Amex		4.00	
		4305	Dividends - Amex		142.00	
		4095	R/I Lindell		122,576.00	
		6000	830 Arnold Expenses	905.00		
		6040	Lindell - Insurance Expense	2,359.00		
		6041	Lindell - Property Taxes	20,649.00		
		6042	Lindell - R&M Expenses	10,493.00		
		6043	Lindell - Utilities Expense	1,952.00		
		6044	Lindell - Advertising Expense	391.00		
		6300	Accounting Expense	10,768.00		
		6310	Legal/Professional Fees	6,407.00		
		6330	Lease Expense	32,000.00		
		6340	Postage Expense	374.00		
		6370	Phone Expense	112.00		
		6380	Office Supplies Expense	910.00		
		6400	Meals & Entertainment	5,896.00		
		6410	Travel Expense	6,926.00		
		6420	Gifts Expense	5,700.00		
		6430	Charitable Contributions	2,500.00		
		6450	Outside Services	9,703.00		
		6480	Dues & Subscriptions	1,848.00		
		6540	Other Taxes	200.00		
		6620	Admin/Consulting Exp	100.00		
		6630	Bank Charges/Invest Fees	816.00		
		6660	Soris rent	146,700.00		
		6670	Education Expense	347.00		
		6710	Land Proprty Taxes - LV & MS	2,411.00		
		6730	Personal State Taxes	30,826.00		
		6740	Depreciation Expense	2,144.00		
		3010	Distributions - Eric Nelson	708,307.00		

Record 2009 activity

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE03	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson	33,547.95		
		4297	Investment Income-Bank/Broker Accts		23.17	
		6630	Bank Charges/Invest Fees	200.00		
		3010	Distributions - Eric Nelson		10,000.00	
		1012	Cash - Wells Fargo #6521		23,724.78	
			WF #6521 2009 activity, incl 11/3 \$10k deposit from Banone, Banone recorded as a draw to Eric			2009 Stmt
AJE04	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		59.73	
		3010	Distributions - Eric Nelson	100,000.00		
		1014	Cash - Wells Fargo #6005		99,940.27	
			January WF #6005 activity, incl rmd cashiers checks returns in Feb			Jan Stmt
AJE05	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson		100,000.00	
		3010	Distributions - Eric Nelson		100,000.00	
		3010	Distributions - Eric Nelson	100,000.00		
		4297	Investment Income-Bank/Broker Accts		39.16	
		6630	Bank Charges/Invest Fees	2.00		
		1014	Cash - Wells Fargo #6005	100,037.16		
			Feb WF #6005 activity, incl the deposit of the Jan rmd cashiers checks & Feb cashiers check and return in Feb			Feb Stmt
AJE06	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		57.64	
		1014	Cash - Wells Fargo #6005	57.64		
			March WF #6005 activity			March Stmt
AJE07	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson	50,000.00		
		4297	Investment Income-Bank/Broker Accts		37.14	
		1014	Cash - Wells Fargo #6005		49,962.86	
			April WF #6005 activity, includes \$50k rmd cashiers check which was redeposited in May			April Stmt
AJE08	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson		50,000.00	
		3010	Distributions - Eric Nelson		75,000.00	
		3010	Distributions - Eric Nelson	75,000.00		
		4297	Investment Income-Bank/Broker Accts		24.22	
		1014	Cash - Wells Fargo #6005	50,024.22		
			May WF #6005 activity, incl the deposit of the April cashiers checks & new May rmd cashiers checks and re-deposit			May Stmt

Prepared by_____

Eric L. Nelson Nevada Trust
Adjusting Journal Entries

NELSONENV

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Reviewed by_____

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Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE09	Adjusting	12/31/09				
		1341	N/R - Banone (RMD Checks)	100,000.00		
		1210	N/R - Eric Nelson Auctioneering		410,000.00	
		4297	Investment Income-Bank/Broker Accts		45.16	
		6630	Bank Charges/Invest Fees	10.00		
		1014	Cash - Wells Fargo #6005	310,035.16		
			June WF #6005 activity, including Interlinks deposit (ENA) \$410k & Banone cashiers checks			June Stmt
AJE10	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		119.06	
		1210	N/R - Eric Nelson Auctioneering		400,000.00	
		6630	Bank Charges/Invest Fees	10.00		
		1341	N/R - Banone (RMD Checks)	118,000.00		
		1341	N/R - Banone (RMD Checks)	150,000.00		
		1341	N/R - Banone (RMD Checks)	400,000.00		
		1014	Cash - Wells Fargo #6005		267,890.94	
			July WF #6005 activity, incl Interlinks deposit (ENA) and Banone emd cashiers checks			July stmt
AJE11	Adjusting	12/31/09				
		1346	N/R - Banone AZ LLC (RMD Checks)	55,000.00		
		4297	Investment Income-Bank/Broker Accts		43.54	
		1014	Cash - Wells Fargo #6005		54,956.46	
			Aug WF #6005 activity, incl Banone AZ LLC rmd cashiers checks			Aug Stmt
AJE12	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson		90,000.00	
		6630	Bank Charges/Invest Fees	10.00		
		4297	Investment Income-Bank/Broker Accts		35.08	
		1341	N/R - Banone (RMD Checks)	100,000.00		
		1341	N/R - Banone (RMD Checks)	100,000.00		
		1014	Cash - Wells Fargo #6005		109,974.92	
			Sept WF #6005 activity, incl Interlinks deposit (ENA) & Banone rmd cashiers checks			Sept Stmt
AJE13	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		0.55	
		1014	Cash - Wells Fargo #6005	0.55		
			Oct WF #6005 activity			Oct Stmt
AJE14	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		9.84	
		1346	N/R - Banone AZ LLC (RMD Checks)		24,200.00	
		3010	Distributions - Eric Nelson		25,000.00	
		3010	Distributions - Eric Nelson	7,500.00		
		1014	Cash - Wells Fargo #6005	41,709.84		

Prepared by _____
Reviewed by _____

Eric L. Nelson Nevada Trust
Adjusting Journal Entries

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
			Nov WF #6005 activity			Nov Stmt
AJE15	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		13.95	
		1014	Cash - Wells Fargo #6005	13.95		
			Dec WF #6005 activity			Dec Stmt
AJE16	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		13,701.37	
		6630	Bank Charges/Invest Fees	2,775.12		
		3010	Distributions - Eric Nelson		100,000.00	
		3005	Contributions - Eric Nelson	20,000.00		
		4297	Investment Income-Bank/Broker Accts	34,745.47		
		1013	Mellon Broker Accounts #1700/1780	56,180.78		
			Jan Mellon activity			Jan Stmt
AJE17	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		10,663.09	
		4297	Investment Income-Bank/Broker Accts	57,046.02		
		6630	Bank Charges/Invest Fees	2,859.99		
		3005	Contributions - Eric Nelson	20,000.00		
		3010	Distributions - Eric Nelson		500,000.00	
		1013	Mellon Broker Accounts #1700/1780	430,757.08		
			Feb Mellon activity			Feb Stmt
AJE18	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		7,231.24	
		6630	Bank Charges/Invest Fees		1,248.72	
		6630	Bank Charges/Invest Fees	4,386.38		
		3005	Contributions - Eric Nelson	20,000.00		
		3005	Contributions - Eric Nelson	600,000.00		
		1013	Mellon Broker Accounts #1700/1780		615,906.42	
			March Mellon activity			March Stmt
AJE19	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		12,540.16	
		6630	Bank Charges/Invest Fees	1,383.09		
		6630	Bank Charges/Invest Fees	1,383.09		
		3005	Contributions - Eric Nelson	20,000.00		
		2105	LOC - Mellon Bank	200,000.00		
		1013	Mellon Broker Accounts #1700/1780		210,226.02	
			April Mellon activity			April Stmt
AJE20	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		11,697.72	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,332.52		
		6630	Bank Charges/Invest Fees	1,332.52		
		1013	Mellon Broker Accounts #1700/1780		10,967.32	

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
			May Mellon activity			May Stmt
AJE21	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		6,673.22	
		4297	Investment Income-Bank/Broker Accts		71.40	
		6630	Bank Charges/Invest Fees	1,332.61		
		6630	Bank Charges/Invest Fees	1,332.60		
		3005	Contributions - Eric Nelson	20,000.00		
		4297	Investment Income-Bank/Broker Accts	1,968.01		
		1013	Mellon Broker Accounts #1700/1780		17,888.60	
			June Mellon activity			June Stmt
AJE22	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		14,191.74	
		6630	Bank Charges/Invest Fees	1,318.63		
		6630	Bank Charges/Invest Fees	1,318.62		
		3005	Contributions - Eric Nelson	20,000.00		
		3005	Contributions - Eric Nelson	500,000.00		
		2105	LOC - Mellon Bank		500,000.00	
		2105	LOC - Mellon Bank	300,000.00		
		6260	Interest Expense - Mellon	483.33		
		4297	Investment Income-Bank/Broker Accts	49,766.00		
		1013	Mellon Broker Accounts #1700/1780		358,694.84	
			July Mellon activity			July Stmt
AJE23	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		10,824.53	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,238.57		
		6630	Bank Charges/Invest Fees	1,238.57		
		4297	Investment Income-Bank/Broker Accts		4,899.50	
		1013	Mellon Broker Accounts #1700/1780		6,753.11	
			Aug Mellon activity			Aug Stmt
AJE24	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		7,104.31	
		6630	Bank Charges/Invest Fees	1,238.72		
		6630	Bank Charges/Invest Fees	1,238.71		
		3005	Contributions - Eric Nelson	20,000.00		
		1013	Mellon Broker Accounts #1700/1780		15,373.12	
			Sept Mellon activity			Sept Stmt
AJE25	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		13,888.46	
		6630	Bank Charges/Invest Fees	1,253.44		
		6630	Bank Charges/Invest Fees	1,253.44		
		3005	Contributions - Eric Nelson	20,000.00		
		1013	Mellon Broker Accounts #1700/1780		8,618.42	
			Oct Mellon activity			Oct Stmt

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE26	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		11,691.47	
		3005	Contributions - Eric Nelson	20,000.00		
		6630	Bank Charges/Invest Fees	1,230.37		
		6630	Bank Charges/Invest Fees	1,230.36		
		1013	Mellon Broker Accounts #1700/1780		10,769.26	
		Nov Mellon activity				Nov Stmt
AJE27	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		6,568.21	
		6630	Bank Charges/Invest Fees	1,235.16		
		6630	Bank Charges/Invest Fees	1,235.16		
		3005	Contributions - Eric Nelson	20,000.00		
		1013	Mellon Broker Accounts #1700/1780		15,902.11	
		Dec Mellon activity				Dec Stmt
AJE28	Adjusting	12/31/09				
		1013	Mellon Broker Accounts #1700/1780		22,908.12	
		4297	Investment Income-Bank/Broker Accts	22,908.12		
		2009 Mellon bond amortization				
AJE29	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		5,713.43	
		4205	Bank Interest Inc	29.36		
		4250	Interest Income - B of A Investment	5,675.13		
		3005	Contributions - Eric Nelson	1,000,000.00		
		3005	Contributions - Eric Nelson	1,404,060.26		
		4297	Investment Income-Bank/Broker Accts		4,060.26	
		1015	B of A #4354		2,399,991.06	
		Jan B of A #4354 activity, includes \$2.4 million CD redemption				Jan Stmt
AJE30	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		1,665.21	
		1006	B of A CD #3733, 6328	1,496,210.57		
		4205	Bank Interest Inc	81.41		
		4250	Interest Income - B of A Investment	1,580.27		
		1015	B of A #4354		1,496,207.04	
		Feb B of A #4354 activity, includes partial CD redemption				Feb Stmt
AJE31	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		214.34	
		4205	Bank Interest Inc	13.71		
		4205	Bank Interest Inc	199.90		
		1006	B of A CD #3733, 6328	748,911.94		
		1015	B of A #4354		748,911.21	
		March B of A #4354 activity, includes partial CD redemption				March Stmt

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE32	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		788.90	
		4205	Bank Interest Inc	14.29		
		4250	Interest Income - B of A Investment	774.61		
			April B of A #4354 activity			April Stmt
AJE33	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		760.20	
		4205	Bank Interest Inc	10.58		
		4250	Interest Income - B of A Investment	749.62		
			May B of A #4354 activity			May Stmt
AJE34	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		22.90	
		1006	B of A CD #3733, 6328	354,877.49		
		4205	Bank Interest Inc	22.90		
		1015	B of A #4354		354,877.49	
		4297	Investment Income-Bank/Broker Accts		774.60	
		4250	Interest Income - B of A Investment	774.60		
			June B of A #4354 activity, CD no longer showed up on statement			July Stmt
AJE35	Adjusting	12/31/09				
		4205	Bank Interest Inc	61.92		
		4297	Investment Income-Bank/Broker Accts		61.92	
			July B of A #4354 activity			July Stmt
AJE36	Adjusting	12/31/09				
		4297	Investment Income-Bank/Broker Accts		7.98	
		4205	Bank Interest Inc	7.98		
			August-Dec B of A #4354 activity			Aug-Dec St
AJE37	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson		350,000.00	
		1006	B of A CD #3733, 6328	350,000.00		
			Reverse clients 6/19/09 je which offset the CD balance to draws			GL p32
AJE38	Adjusting	12/31/09				
		3015	Draws - Medical Expenses		495.00	
		3025	Draws - Kids Expenses		68,056.00	
		3010	Distributions - Eric Nelson	68,551.00		
			Combine draw accounts			

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
AJE38	Adjusting	12/31/09				
		6730	Personal State Taxes		30,826.00	
		3011	Distributions -Eric (for Income Taxes)	30,826.00		
			Reclass Eric's Arizona taxes paid			GL pp48
AJE39	Adjusting	12/31/09				
		4095	R/I Lindell	61,288.00		
		6040	Lindell - Insurance Expense		1,180.00	
		6041	Lindell - Property Taxes		10,324.00	
		6043	Lindell - Utilities Expense		976.00	
		6044	Lindell - Advertising Expense		196.00	
		6042	Lindell - R&M Expenses		5,246.00	
		2210	Due (to)/from LSN NV Trust		43,366.00	
			Move 50% of Lindell net cash flow to LSNNVT			Exh 4.01
AJE40	Adjusting	12/31/09				
		4060	R/I 830 Arnold MS	5,500.00		
		6000	830 Arnold Expenses		905.00	
		2210	Due (to)/from LSN NV Trust		4,595.00	
			Move 100% of the 830 Arnold net cash flow to LSNNVT			Exh 4.02
AJE41	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson		400,000.00	
		1210	N/R - Eric Nelson Auctioneering	400,000.00		
			Reverse clients erroneous entry on 6/15/09- the funds did not go to Eric from ENA			GL p32
AJE42	Adjusting	12/31/09				
		1006	B of A CD #3733, 6328	4,877.49		
		4297	Investment Income-Bank/Broker Accts		4,877.49	
			Zero out CD balance to int income			
AJE43	Adjusting	12/31/09				
		1341	N/R - Banone (RMD Checks)	290,000.00		
		1006	B of A CD #3733, 6328		300,000.00	
		3010	Distributions - Eric Nelson	10,000.00		
			Record the 9/1/09 transfer out for Banone EMD cashiers checks per cashiers checks spreadsheet			EMD spdsht
AJE44	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson		100,000.00	
		1875	Investment - Hideaway Casino	100,000.00		
			Reclassify 4/7/09 payment to Steve Bieri on			GL p32

Reference	Type	Date Account Number	Description	Debit	Credit	Workpaper
			behalf of Hideaway			
AJE45	Adjusting	12/31/09				
		3005	Contributions - Eric Nelson	100,000.00		
		1875	Investment - Hideaway Casino		100,000.00	
			Reclassify 4/7/09 receipt from Hideaway			GL p31
AJE46	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson	41,000.00		
		1340	N/R - Banone LLC		41,000.00	
			Record 2009 Banone distributions to Eric paid on behalf of the trust			D-01
AJE47	Adjusting	12/31/09				
		3010	Distributions - Eric Nelson	5,000.00		
		3010	Distributions - Eric Nelson	9,738.00		
		1290	Due To/From Dynasty Development LL		14,738.00	
			Record 2009 Dynasty Dev distributions to Eric paid on behalf of the trust			D-01
AJE48	Adjusting	12/31/09				
		1330	N/R - Deborde Bobby		5,000.00	
		6690	Bad Debt Notes	5,000.00		
			Write off 2009 bad debts			per ELN
AJE49	Adjusting	12/31/09				
		1595	Automobiles		47,352.00	
		3010	Distributions - Eric Nelson	47,352.00		
			Move 2009 Cadillace purchase to distributions - Eric			GL p18
AJE50	Adjusting	12/31/09				
		1880	Investment - 50% Bay Resorts LLC (80		12,750.00	
		2210	Due (to)/from LSN NV Trust	12,750.00		
			Move 50% of the 2009 cap cont to Bay Resorts LLC to the LSNNVT loan-ELNNVT cont 100% of the capital contrib to the LLC			GL p15
		TOTAL		17,937,804.98	17,937,804.98	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2009	Dec 31, 2010 Unadjusted	Adjustments	Dec 31, 2010 Adjusted
1003	A	Checking - B of A ELN #2798	32,733.00	32,733.00		55,028.00
	AJE01	Record 2010 activity			22,295.00	
1005	A	B of A MMA #4215	6,458.00	6,458.00		0.00
	AJE01	Record 2010 activity			(6,458.00)	
1006	A	B of A CD #3733, 6328	54,877.49	54,877.49		0.00
	AJE27	Reverse CD aje to record the remaining CD on the books			(35,953.29)	
	AJE28	W/o the remaining CD balance to draws, not sure what happened to the funds			(18,924.20)	
1010	A	Ameriprise MMA	8,175.00	8,175.00		0.00
	AJE01	Record 2010 activity			(8,175.00)	
1012	A	Cash - Wells Fargo #6521	3,464.11	3,464.11		0.00
	AJE04	Jan-Feb WF #6521 activity - account was closed in Feb, including Banone deposit for a distrib to Eric from Banone			(3,464.11)	
1013	A	Mellon Broker Accounts #1700/1780	2,668,292.43	2,668,292.43		2,785,519.96
	AJE06	Jan Mellon activity			241,949.09	
	AJE08	Feb Mellon activity			(17,592.06)	
	AJE09	March Mellon activity			(17,165.30)	
	AJE10	April Mellon activity			(4,079.23)	
	AJE11	May Mellon activity			(12,814.57)	
	AJE12	June Mellon activity			(13,430.15)	
	AJE13	July Mellon activity			(2,390.54)	
	AJE14	Aug Mellon activity			(6,022.27)	
	AJE15	Sept Mellon activity			(8,973.04)	
	AJE16	Oct Mellon activity			4,985.42	
	AJE17	Nov Mellon activity			(9,899.23)	
	AJE18	Dec Mellon activity			(11,253.07)	
	AJE19	Mellon 2010 bond amortization			(26,087.52)	
1014	A	Cash - Wells Fargo #6005	54,751.25	54,751.25		0.00
	AJE03	Jan-Feb WF #6005 activity - account closed in Feb with the funds transferred to Banone LLC			(54,751.25)	
1015	A	B of A #4354	14,237.13	14,237.13		0.00
	AJE02	Jan-April B of A #4354 activity - acct was closed in April			(14,237.13)	
1110	A	Ameriprise Stocks	19,381.00	19,381.00		0.00
	AJE01	Record 2010 activity			(19,381.00)	
1210	A	N/R - Eric Nelson Auctioneering	398,639.00	398,639.00		931,839.00
	AJE01	Record 2010 activity			933,200.00	
	AJE05	Reverse client's erroneous journal entry, we recorded this ENA loan activity as part of our 2009 ajes.			(400,000.00)	
1255	A	Due From Carlene Gutierrez	10,000.00	10,000.00		20,000.00
	AJE01	Record 2010 activity			10,000.00	
1260	A	Due From Cliff McCarlie	95,431.00	95,431.00		0.00
	AJE29	Record the 2010 bad debts			(95,431.00)	
1290	A	Due To/From Dynasty Development LLC	(54,451.00)	(54,451.00)		(74,451.00)
	AJE25	Record the 2010 distributions to Eric and the kids expenses paid by Dynasty Dev on behalf of the trust			(20,000.00)	
1295	A	Due From Nelson P & S	10,000.00	10,000.00		10,000.00

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2009	Dec 31, 2010 Unadjusted	Adjustments	Dec 31, 2010 Adjusted
1300	A	Due From Element Iron	53,000.00	53,000.00		0.00
	AJE29	Record the 2010 bad debts			(53,000.00)	
1310	A	Due From Jesse Harber	25,025.00	25,025.00		0.00
	AJE29	Record the 2010 bad debts			(25,025.00)	
1330	A	N/R - Deborde Bobby	0.00	0.00		0.00
1335	A	N/R - Bledsoe	2,000.00	2,000.00		2,000.00
1340	A	N/R - Banone LLC	3,763,145.75	3,763,145.75		3,983,884.85
	AJE01	Record 2010 activity			274,256.00	
	AJE03	Jan-Feb WF #6005 activity - account closed in Feb with the funds transferred to Banone LLC			54,766.10	
	AJE24	Record the 2010 distributions to Eric and kids expenses paid by Banone LLC on behalf of the trust			(108,283.00)	
1341	A	N/R - Banone (RMD Checks)	1,258,000.00	1,258,000.00		1,258,000.00
1345	A	N/R - Banone AZ LLC	100,000.00	100,000.00		412,490.00
	AJE01	Record 2010 activity			312,490.00	
1346	A	N/R - Banone AZ LLC (RMD Checks)	30,800.00	30,800.00		30,800.00
1355	A	N/R - WY Lots Development	4,796.00	4,796.00		4,796.00
1360	A	N/R - Cal Nelson	1,129,423.00	1,129,423.00		1,871,791.00
	AJE01	Record 2010 activity			742,368.00	
1375	A	N/R - David Muir	22,000.00	22,000.00		22,000.00
1380	A	N/R - Grotta Note	80,350.00	80,350.00		80,350.00
1385	A	N/R - Nicky Cvitanovich	200,000.00	200,000.00		200,000.00
1390	A	N/R - Bay Resorts LLC	20,000.00	20,000.00		20,000.00
1560	A	Provo Condo	0.00	0.00		0.00
1570	A	Gateway Lots (29)	134,498.00	134,498.00		133,872.00
	AJE01	Record 2010 activity			(626.00)	
1588	A	Furniture Fixtures & Equipment	38,487.00	38,487.00		38,487.00
1590	A	Cabin Vehicles	11,722.00	11,722.00		11,722.00
1591	A	Lindell Office Building-50%	749,627.00	749,627.00		749,627.00
1592	A	Brianhead Cabin-50%	1,555,796.00	1,555,796.00		1,555,796.00
1595	A	Automobiles	0.00	0.00		0.00
	AJE01	Record 2010 activity			29,186.00	
	AJE30	Reclassify the purchase of Garrett's auto to distributions - beneficiaries			(29,186.00)	
1735	A	Accum Dep - FF&E	(22,071.00)	(22,071.00)		(22,071.00)
1825	A	Investment - Dynasty Develop	2,059,702.00	2,059,702.00		2,059,702.00
1840	A	Investment - WY Rodeo Events	131,739.00	131,739.00		131,739.00
1850	A	Investment - Dimick Book	10,000.00	10,000.00		10,000.00
1855	A	Investment - Banone LLC	110,000.00	110,000.00		130,700.00
	AJE22	Reclassify 50% of the Lindell net cash flow, generated from Banone				

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2009	Dec 31, 2010 Unadjusted	Adjustments	Dec 31, 2010 Adjusted
		LLC, to the LSNNVT loan			20,700.00	
1860	A	Investment - Wild Grizzly Casino	1,052,226.00	1,052,226.00		1,052,226.00
1865	A	Investment - Paradise Bay MS	26,000.00	26,000.00		26,000.00
1870	A	Investment - Riverwalk Ent	35,000.00	35,000.00		35,000.00
1875	A	Investment - Hideaway Casino	29,355.00	29,355.00		29,355.00
1880	A	Investment - 50% Bay Resorts LLC (80 Acre	217,312.00	217,312.00		217,312.00
1895	A	Investment - 50% Emerald Bay	25,523.00	25,523.00		25,523.00
1900	A	Investment - Eric Nelson Auctioneering	59,100.00	59,100.00		59,100.00
2015	L	Tenant Security Deposits	(5,844.00)	(5,844.00)		(8,344.00)
	AJE01	Record 2010 activity			(2,500.00)	
2105	L	LOC - Mellon Bank	0.00	0.00		(1,957,368.00)
	AJE01	Record 2010 activity			(1,957,368.00)	
2210	L	Due (to)/from LSN NV Trust	96,869.61	96,869.61		63,403.61
	AJE21	Reclassify 50% of the Lindell net cash flow, generated from the ELNNVT to the LSNNVT loan			(10,103.00)	
	AJE22	Reclassify 50% of the Lindell net cash flow, generated from Banone LLC, to the LSNNVT loan			(20,700.00)	
	AJE23	Reclassify 100% of the Arnold home net cash flow to the LSNNVT			(2,663.00)	
2230	L	N/P - L. Martin	(372,996.00)	(372,996.00)		(363,996.00)
	AJE01	Record 2010 activity			9,000.00	
2235	L	N/P - Aleda Nelson	0.00	0.00		0.00
2240	L	N/P - P. Nelson	(81,749.00)	(81,749.00)		(81,749.00)
2241	L	N/P - Soris	(1,580,000.00)	(1,580,000.00)		(1,580,000.00)
3000	L	Capital/Trust Equity	(2,738,018.21)	(2,738,018.21)		(2,738,018.21)
3005	L	Contributions - Eric Nelson	(20,304.74)	0.00		(76,023.25)
	AJE01	Record 2010 activity			(378,426.00)	
	AJE02	Jan-April B of A #4354 activity - acct was closed in April			14,237.99	
	AJE06	Jan Mellon activity			20,000.00	
	AJE08	Feb Mellon activity			20,000.00	
	AJE09	March Mellon activity			20,000.00	
	AJE10	April Mellon activity			20,000.00	
	AJE11	May Mellon activity			20,000.00	
	AJE12	June Mellon activity			20,000.00	
	AJE13	July Mellon activity			20,000.00	
	AJE14	Aug Mellon activity			20,000.00	
	AJE15	Sept Mellon activity			20,000.00	
	AJE16	Oct Mellon activity			20,000.00	
	AJE17	Nov Mellon activity			20,000.00	
	AJE18	Dec Mellon activity			20,000.00	
	AJE20	Move Eric's 2007 federal tax refund which was posted against federal income tax expense			(17,887.00)	
	AJE26	Move the Ameriprise funds received against the amount coded to distributions in error			30,098.47	
	AJE27	Reverse CD aje to record the remaining CD on the books			35,953.29	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

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Basis: Adjusted

Account	T	Description	Dec 31, 2009	Dec 31, 2010 Unadjusted	Adjustments	Dec 31, 2010 Adjusted
3010	L	Distributions - Eric Nelson	327,457.95	0.00		347,467.26
	AJE01	Record 2010 activity			(5,371.00)	
	AJE04	Jan-Feb WF #6521 activity - account was closed in Feb, including Banone deposit for a distrib to Eric from Banone			(8,000.00)	
	AJE04	Jan-Feb WF #6521 activity - account was closed in Feb, including Banone deposit for a distrib to Eric from Banone			9,440.65	
	AJE04	Jan-Feb WF #6521 activity - account was closed in Feb, including Banone deposit for a distrib to Eric from Banone			1,998.88	
	AJE05	Reverse client's erroneous journal entry, we recorded this ENA loan activity as part of our 2009 ajes.			400,000.00	
	AJE06	Jan Mellon activity			(250,000.00)	
	AJE07	Combine the draws accounts			82,290.00	
	AJE24	Record the 2010 distributions to Eric and kids expenses paid by Banone LLC on behalf of the trust			70,330.00	
	AJE24	Record the 2010 distributions to Eric and kids expenses paid by Banone LLC on behalf of the trust			37,953.00	
	AJE25	Record the 2010 distributions to Eric and the kids expenses paid by Dynasty Dev on behalf of the trust			11,287.00	
	AJE25	Record the 2010 distributions to Eric and the kids expenses paid by Dynasty Dev on behalf of the trust			1,589.00	
	AJE25	Record the 2010 distributions to Eric and the kids expenses paid by Dynasty Dev on behalf of the trust			7,124.00	
	AJE26	Move the Ameriprise funds received against the amount coded to distributions in error			(30,098.47)	
	AJE28	W/o the remaining CD balance to draws, not sure what happened to the funds			18,924.20	
3011	L	Distributions -Eric (for Income Taxes)	30,826.00	0.00		0.00
3012	L	Distributions - Erica	28,581.00	28,581.00		28,581.00
3013	L	Distributions - Aubrey	25,490.00	25,490.00		25,490.00
3014	L	Distributions - Garrett	0.00	0.00		29,186.00
	AJE30	Reclassify the purchase of Garett's auto to distributions - beneficiaries			29,186.00	
3015	L	Draws - Medical Expenses	0.00	0.00		0.00
3025	L	Draws - Kids Expenses	0.00	0.00		0.00
	AJE01	Record 2010 activity			82,290.00	
	AJE07	Combine the draws accounts			(82,290.00)	
3050	L	Retained Earnings	(12,157,869.06)	(11,606,877.56)		(11,606,877.56)
4020	R	Gain/Loss on Stock sales	0.00	0.00		(2,650.00)
	AJE01	Record 2010 activity			(2,650.00)	
4050	R	Gain/Loss on Provo Condo Sale	37,011.00	0.00		0.00
4060	R	R/I 830 Arnold MS	0.00	0.00		0.00
	AJE01	Record 2010 activity			(6,000.00)	
	AJE23	Reclassify 100% of the Arnold home net cash flow to the LSNNVT			6,000.00	

**Eric L. Nelson Nevada Trust
Trial Balance Worksheet**

NELSONENV

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Basis: Adjusted

Account	T	Description	Dec 31, 2009	Dec 31, 2010 Unadjusted	Adjustments	Dec 31, 2010 Adjusted
4095	R	R/I Lindell	(61,288.00)	0.00		(17,460.00)
	AJE01	Record 2010 activity			(34,920.00)	
	AJE21	Reclassify 50% of the Lindell net cash flow, generated from the ELNNVT to the LSNNVT loan			17,460.00	
4100	R	Misc. Income	(15.00)	0.00		(147.00)
	AJE01	Record 2010 activity			(147.00)	
4205	R	Bank Interest Inc	0.05	0.00		(21.00)
	AJE01	Record 2010 activity			(21.00)	
4245	R	Interest Income - Soris	(56,205.00)	0.00		(18,735.00)
	AJE01	Record 2010 activity			(18,735.00)	
4250	R	Interest Income - B of A Investment	(474.77)	0.00		(22.00)
	AJE01	Record 2010 activity			(22.00)	
4260	R	Interest Income - Nicky	(12,500.00)	0.00		(20,000.00)
	AJE01	Record 2010 activity			(20,000.00)	
4285	R	Interest Income - Amex	(4.00)	0.00		0.00
4297	R	Investment Income-Bank/Broker Accts	15,231.73	0.00		(138,029.75)
	AJE02	Jan-April B of A #4354 activity - acct was closed in April			(0.86)	
	AJE03	Jan-Feb WF #6005 activity - account closed in Feb with the funds transferred to Banone LLC			(14.85)	
	AJE04	Jan-Feb WF #6521 activity - account was closed in Feb, including Banone deposit for a distrib to Eric from Banone			(0.42)	
	AJE06	Jan Mellon activity			(14,392.30)	
	AJE06	Jan Mellon activity			(2.53)	
	AJE08	Feb Mellon activity			(5,009.32)	
	AJE09	March Mellon activity			500.49	
	AJE09	March Mellon activity			(5,941.80)	
	AJE10	April Mellon activity			(14,968.19)	
	AJE10	April Mellon activity			(3,529.77)	
	AJE11	May Mellon activity			(9,767.55)	
	AJE12	June Mellon activity			(10,395.95)	
	AJE12	June Mellon activity			1,245.74	
	AJE13	July Mellon activity			(20,177.45)	
	AJE14	Aug Mellon activity			(4,687.89)	
	AJE14	Aug Mellon activity			(11,868.51)	
	AJE15	Sept Mellon activity			(3,363.30)	
	AJE15	Sept Mellon activity			(4,338.74)	
	AJE15	Sept Mellon activity			(5,921.03)	
	AJE16	Oct Mellon activity			(15,114.22)	
	AJE16	Oct Mellon activity			(12,444.82)	
	AJE17	Nov Mellon activity			(9,654.42)	
	AJE17	Nov Mellon activity			(3,001.92)	
	AJE18	Dec Mellon activity			(11,226.04)	
	AJE18	Dec Mellon activity			(41.62)	
	AJE19	Mellon 2010 bond amortization			26,087.52	
4305	R	Dividends - Amex	(142.00)	0.00		(25.00)
	AJE01	Record 2010 activity			(25.00)	
6000	E	830 Arnold Expenses	0.00	0.00		0.00
	AJE01	Record 2010 activity			3,337.00	
	AJE23	Reclassify 100% of the Arnold home net cash flow to the LSNNVT			(3,337.00)	
6040	E	Lindell - Insurance Expense	1,179.00	0.00		1,145.00
	AJE01	Record 2010 activity			2,290.00	