TRANS

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EIGHTH JUDICIAL DISTRICT COURT

FAMILY DIVISION

CLARK COUNTY, NEVADA

ERIC L. NELSON, Plaintiff, vs. LYNITA NELSON, Defendant.	CASE NO. D-09-411537-D DEPT. L **(SEALED)**

BEFORE THE HONORABLE FRANK P. SULLIVAN
DISTRICT COURT JUDGE

TRANSCRIPT RE: NON-JURY TRIAL

WEDNESDAY, AUGUST 22, 2012

APPEARANCES:

The Plaintiff:	ERIC NELSON
For the Plaintiff:	RHONDA FORSBERG, ESQ. 64 N. Pecos Rd., #700 Henderson, Nevada 89074 (702) 990-6448
The Defendant:	LYNITA NELSON
For the Defendant:	ROBERT DICKERSON, ESQ. KATHERINE PROVOST, ESQ. 1745 Village Center Cir. Las Vegas, Nevada 89134 (702) 388-8600

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LAS VEGAS, NEVADA WEDNESDAY, AUGUST 22, 2012

PROCEEDINGS

(THE PROCEEDINGS BEGAN AT 10:17:12)

THE COURT: This is the time set in the matter of Eric and Lynita Nelson, case number D-411537. We'll get everybody's appearance for the record. We'll start with Ms. Forsberg.

MS. FORSBERG: Good morning, Your Honor, Rhonda Forsberg, 9557, on behalf of Mr. Nelson, who is present to my right. And with Court's permission my assistant, Cassidy Forsberg.

THE COURT: Good to see you, Eric.

MS. PROVOST: No, I'll do it today. Okay. Good morning, Your Honor, Katherine Provost, bar number 8414, and Robert Dickerson, bar number 945, who is present with the Defendant, Lynita Nelson, who is to my left.

THE COURT: Good to see you as well, Ms. Lynita.

I think the Plaintiff had rested their case on Monday and I think we're ready to proceed with Mr. Dickerson's case?

MR. DICKERSON: Yes, Your Honor. We have a -- a couple of preliminary matters.

THE COURT: Okay.

MR. DICKERSON: The bankruptcy court ruled yesterday that the --

MS. FORSBERG: The bankruptcy can go through.

MR. DICKERSON: Yeah, the bankruptcy --

MS. FORSBERG: Just keep going. It was not discussed.

MR. DICKERSON: In fact, I'll have Ms. Provost address it. She was in the court. And we've got the public order that has been sent over. But essentially I'll -- I'll have her explain it.

MS. PROVOST: Good morning, Your Honor. The bankruptcy court has not dismissed the bankruptcy filed by the Dynasty Development Group. It will go forward. However, it did issue a ruling yesterday and I do have the proposed order for Your Honor as well as a copy for Ms. Forsberg that granted our motion for -- or granted the motion for relief from stay that was filed by Mrs. Nelson through Marjorie Guymon.

That motion with stay to allow you as the Judge of the Eighth Judicial District Court Family Division to have exclusive jurisdiction over the 1.568 million dollars in funds that are -- have been held in interest bearing trust account with Mr. Stevens and allows you to do as you need to with those funds. It is not going to be funds that are property of the bankruptcy and not property of Dynasty Development Group's

debtors estates. So you have no restrictions with respect to those.

MS. FORSBERG: Your Honor, I -- I don't believe -- Mr. Nelson is telling me that's not quite true and that this hasn't been approved, this proposed order of course, that it is still Dynasty's property is what has been told.

MS. PROVOST: Actually, there was a specific ruling by the judge -- by Judge Markell yesterday that it is not Dynasty's property and that Dynasty could not later come back and try to reverse Your Honor's order with respect to those funds.

MS. FORSBERG: We don't believe that's true.

MR. NELSON: Your Honor, if I may. The -- we requested that they did -- would not dismiss the case, but give you authorization to allow Dynasty to use their funds to help us try to settle the scenarios with Lynita so we wouldn't have to go back to utilize those funds in bankruptcy court. That's what the judge allowed us to do -- or you to do if we wanted to take 300,000 of those funds, give them to Lynita and we get Mississippi, those negotiations can do to give us the flexibility to move forward.

MS. PROVOST: Your Honor, none of those arguments were made by Mr. Ovlad (ph) during the bankruptcy hearing yesterday. And if Your Honor has any questions --

MR. NELSON: Well, regardless --

MS. PROVOST: And this isn't an order.

MS. PROVOST: -- Ms. Guymon would be available to answer those as well as Judge Markell I'm sure.

MR. DICKERSON: So likely --

THE COURT: We'll see what the --

MR. DICKERSON: I think that I --

THE COURT: We'll see if the Judge signs this order. It's very specific. If the Judge doesn't sign it, then we'll see what the order says.

MS. FORSBERG: And that's -- Your Honor, until we have a signed order, we don't have anything, right?

THE COURT: Yeah. And so now I wouldn't be making any --

MR. NELSON: But he did -- but he did not dismiss it.

THE COURT: I wouldn't be making any disposition to property today anyway. So the issue is let the order sign. If -- if this is a proposed order, if it's signed that way, it's very clear that the Judge ruled on those on that. If those order's changed on that --

MS. FORSBERG: But of course the key other issue is that they did not dismiss the right bankruptcy. So it's moving forward. So we find it's an invalid basis to move

forward evidently.

MS. PROVOST: Well, actually, Your Honor --

MS. FORSBERG: The fact that it wasn't dismissed.

MS. PROVOST: -- the Court asked Ms. Guymon which she would prefer to have the stay lifted so Your Honor could address the 1.568 million dollars of if she wanted it dismissed. He basically left it to her. If she had chosen to have it dismissed, then it would be dismissed, but the --

MR. NELSON: Absolutely false.

MS. PROVOST: I don't believe that.

MR. NELSON: Absolutely false.

MS. PROVOST: -- reason that she went with the lift of stay is because the 1.568 million is what really is important to Ms. Nelson. She really could care less whether Dynasty ever gets a bankruptcy. She's just concerned with the property to which that she believes she's entitled to through this court.

MR. DICKERSON: So we will wait and see what the --

MS. FORSBERG: Your Honor, and we disagree with that, because --

MR. NELSON: Totally.

MS. FORSBERG: -- the Court's going to get -- if they can get rid of it by dismissal, they're going to.

They're going to try to get it off their docket.

MR. DICKERSON: Were you there yesterday?

MS. FORSBERG: It doesn't even make sense.

MS. PROVOST: No, she was not, Your Honor.

MS. FORSBERG: It's not even logic.

MR. DICKERSON: So you're relying on Mr. Credibility.

THE COURT: Okay. The -- the --

MS. FORSBERG: I'm not relying on credibility.

MR. NELSON: What about your credibility, Mr. Dickerson?

THE COURT: Okay. Let's go ahead and let's not get there. The issue is the order is going to speak for itself. After a Judge signs that order, it's submitted --

MS. FORSBERG: Well, that's what I'm saying is it speaks for itself, because it --

MR. NELSON: Exactly.

THE COURT: -- real specific.

MS. FORSBERG: -- wasn't dismissed. They must have thought something --

MS. PROVOST: Your Honor, can --

THE COURT: Okay. They left the money to me, then I'll take care of that. I got no problem on that and I understand bankruptcy law. I understand the issues it has on

that. The bankruptcy court's many times has left it to the family court to determine the nature of property separate or community, whether it's stayed or not on that. And most of the time they would rely on the family court determination as to the status of the property. But I'll take that when it comes and see what the bankruptcy judge says. If they signed this order, then it pretty well takes care of that issue based on the proposed order. If they don't sign it, then we'll do with the order says and --

MS. PROVOST: And we'll go ahead and file the bankruptcy court order with Your Honor as soon as it is filed, Your Honor.

THE COURT: Absolutely. We'll do that and just share it the other side on that and we'll just have it marked as -- as an exhibit or just in the file if we need it on that. So we can get that done on that. But the good thing is that the money's still staying put at this point until we get final resolution. And if the Judge signs the order, signs the order. If he doesn't, we'll see what the order has to say.

At this time, any other issues? I did put on -- I think we got a phone conference this afternoon with Mr. Solomon. I'm not sure if it's something to do --

MS. PROVOST: I don't know that either.

MS. FORSBERG: We didn't know that.

THE COURT: I don't know if they did or not, but somebody -- my law clerk said something. I don't know if you're trying to set something up with Mr. Solomon to make sure they were okay with the continuing -- to extend it to 50 pages.

MR. DICKERSON: Right.

THE COURT: But I thought he maybe said he's trying to setup. I'm not sure. Maybe -- we'll I'll double check before --

MR. DICKERSON: Okay.

THE COURT: -- we're done today to find out what's going on. I know we wanted to make sure Mr. Solomon didn't think he was backdoored --

MR. DICKERSON: Right. Absolutely.

THE COURT: -- didn't have a chance to be heard. I told my minute order was basically I have no objection to doing the 50 pages if Mr. Solomon was fine with stipulating to that, I had no problem with that. But I didn't make an order that it had to have been at 50 pages.

MS. FORSBERG: Your Honor, that's good to clear up, because the minute order didn't read like that.

THE COURT: That's what they say, so --

MS. FORSBERG: It was kind of confusing. It actually said no, it is 50 pages. And so I was going to ask

this morning actually what the status was, because that wasn't my understanding either.

THE COURT: Yeah, exactly. And my intent was -- I don't know what I said. Maybe I screwed up. My intent was --

MS. PROVOST: We weren't even served with a minute order to my knowledge.

THE COURT: -- that I have no problem extending to 50 pages if they said that Mr. --

MS. PROVOST: I never saw them come out.

THE COURT: -- Solomon was willing to stipulate to there. I think Mr. Dickerson said he had talked to them and --

MR. DICKERSON: You -- you entered a minute order and I haven't seen it. Was it --

THE COURT: I -- was it just the for the minutes? I don't know which one you're talking --

MS. FORSBERG: I saw it by Mr. Solomon's office email it to me. All it is is minutes -- the minutes. It's just the minutes.

THE COURT: I -- because we did a minute order --

MS. PROVOST: I was going to say --

THE COURT: -- from last week.

MS. PROVOST: -- we didn't -- we weren't --

MS. FORSBERG: It's the minutes.

MS. PROVOST: -- served with a minute order.

MS. FORSBERG: It's not a minute order. It's the minutes from yesterday.

THE COURT: From yesterday? You got them that fast?

MS. FORSBERG: Yesterday. So I don't --

THE COURT: Oh, well, did -- did you finish minutes that fast?

MS. FORSBERG: So I don't -- but they were wrong.

THE COURT: Did you do minutes from yesterday?

THE CLERK: Yeah.

THE COURT: From Monday?

MS. FORSBERG: She's just --

THE COURT: She said something about the --

MS. PROVOST: The best.

THE COURT: -- minute order stating to that extent --

MS. FORSBERG: It just said minute, yeah.

THE COURT: -- to the 50 pages and said I had -- that was not my intent. If I said my intent --

MS. FORSBERG: Right.

THE COURT: -- was if there --

MS. FORSBERG: That was --

THE COURT: -- was no objection by Mr. Solomon, I was more than five to do 50 pages. I didn't care if the

Q Let's go -- let's go back and let's take a look. Let's start with this first where it has -- sets everything else. That's on 6918. This is for the year 2011. Take a look under income, the third item down says sale of investments.

A Yes, sir.

Q Okay. So you notice that you took $50,000 in January, $50,000 in March, April, May, June and July. And then you took $25,000 in August and September, took just short of 30,000 in October, another 50 in both November and December. Where -- where is that money coming from?

A Schwab, my -- my investment account.

Q And what were you using that money for?

A To live on and to pay my expenses for the -- this divorce.

Q Now with respect to the children expenses, who is paying -- which -- which one of your child goes to private school?

A Carli.

Q Carli. Who's paying Carli's tuition?

A Now or before?

Q Well, let's start -- tell me what is the history of Carli's tuition. Before this divorce action started, how was Carli's tuition being paid?

A She was -- I believe Garret was there as well and that was paid from the office, from Eric's office.

Q Okay. And that -- that was for the Las Vegas Day School?

A It was.

Q And then Carli's still attending Las Vegas Day School?

A She's not. She's graduated and yeah.

Q And Garret, is he attending private school now?

A He's not, but Carli's -- Carli's going to private school in just a week.

Q Oh, you mean to college.

A No. And she's going to high school.

Q Oh, yeah, I --

A Carli's going to high school.

Q Sorry. So she is -- Carli's going to where, Faith Lutheran?

A Yes.

Q And there is a tuition then?

A There is, sir. Uh-huh. (Affirmative).

Q Where did she go last year?

A Las Vegas Day School.

Q Who paid tuition for Las Vegas Day School last year?

A The Judge ordered Eric to pay last year.

Q How about the previous year?

A I paid it.

Q And how about this year? What has been -- has the tuition for Faith Lutheran been paid for Carli?

A August was paid. And I paid for that.

Q And so at this point in time as we sit here today, only one month of tuition has been paid for Carli?

A Yes, there was actually a cost prior to that. And Eric and I split that cost and then I -- I don't remember, but it was like just enrollment fees or something?

Q Do you know how much that was?

A I think we paid about $259 each or 257, I think

Q And what was the tuition that you just paid for the one month?

A 970. It's $970 a month for 10 months, I believe.

Q And have you asked Eric to pay that?

A I have not.

Q Is it your desire that Eric pay that tuition?

A It is.

Q Now if we can go then to Mr. -- back to Mr. Bertsch's report, we see the -- if you go over to 6920. That's for the -- we -- 2012. So this is the first three and a half months of 2012 we see once again sale of investments you're withdrawing $50,000 a month from -- from which account?

A My Schwab account.

Q And again, that's the same purpose for living expenses?

A It is, sir. Yes. I --

Q And if we take a look at Bates Number 6593. This is for the year 2009, is that correct? Do you see under sale of investments?

A Well, I -- you said on --

Q 6593.

A 6593. What tab is that under?

Q The same -- just move back from --

MS. PROVOST: We're in 10.

Q -- Tab 10. Move back from where we were, 593. Do you see it?

A Hold on. Oh, I'm just a little confused. 69?

Q 6593.

A Under Tab 10?

Q It's just a couple pages back from the last one we were looking at.

A Oh, just -- hold on. Oh, okay. Hold on. 659. I think it's ahead, but hold on. Okay. I'm there. I'm sorry.

Q Now this is now for 2009 showing the sale of investments. The total that year $317,604.65.

A Yes, sir.

Q Correct?

A Yes, sir.

Q Again, where is this money coming from?

A From my Schwab account.

Q Now do you recall -- this divorce action was filed in 2009, correct?

A It was.

Q Do you recall when it was filed?

A I think it was filed in March or May. I'm not for sure.

Q Take a look at -- moving to 2010. If you'll look at Bates Number 6595.

A Okay. I'm there.

Q Okay. So this then shows during the entire year 2010 the amount of money that you were withdrawing, is that correct?

A Yes, sir.

Q And so you took a total of 876,000?

A Yes.

MS. FORSBERG: Bob, can you tell me what tab -- what page you're on? I'm sorry.

MR. DICKERSON: Yeah, 6595.

MS. FORSBERG: Thank you.

Q These are monies then coming from your -- your

Schwab account?

A Yes.

Q Okay. Now there's some significant amounts out of there. Is this how you're also paying your legal fees?

A It is.

Q Now Lynita, if we -- now if I can direct you to Mr. Bertsch's report to the similar summary sheet that Mr. Bertsch prepared for Eric's expenditures. And that is at 6818. Do you see that?

THE COURT: It's Tab 11.

A It's behind 11?

Q Tab 11, yes.

THE COURT: Tab 11.

A Okay. Thank you. Remind me again, 6818?

Q 6818.

A Okay.

Q Now if you'll look down --

A Oh, wait. Wait. I'm not --

Q Okay.

A Okay. Okay. Okay. I'm there.

Q And I believe you saw this earlier. If you look down the reference to you, we see that over this period from 2009 through -- through the first three and a half months of 2012 Eric gave you just short of $90,000, $89,517. Do you see

that?

A I do.

Q And we see the vast majority of that was in the year 2009.

A I do, yes.

Q So if we -- do you -- let's go to the reports that are in the back. We see then for 2009 looking at that same category for you.

A Yes.

Q We see the 65,000. Do you know -- do you see these payments that are made -- again, this divorce action you believe was filed in -- in May or -- the May time frame or whatever, is that correct?

A I wish I knew. I just don't know. June or something.

Q My recollection it was May 6th, but I could be mistaken. It may be June 6th, but --

A Okay.

Q All right. So do you know what these payments are that you're receiving each month?

A Like we're on 6818?

Q Yeah, let's take for month -- for example, the month of January that you received $8,225.79. Do you know what that was for?

A I think I'm on -- I'm looking at the wrong thing.

Q Take a look at Bates Number 6820. Are you there? Okay. And you see about -- down towards the bottom of the page where it says Lynita Nelson?

A I do.

Q And do you see the number where it says the total for 2009, 65,505.94?

A Yes. I was on the wrong one.

Q Okay.

A Okay.

Q That's all right. Now do you know what these payment -- these monthly payments that you're receiving what they're for?

A Oh, it's -- it's really interesting. I -- I don't.

Q Okay. How about --

A I don't know.

Q How about if we move over to Bates Number 6822 which is for the year 2010?

A Okay.

Q Now we see during that year 2010 during when this case was proceeding before this Court you received a grand total of $13,003.58 from Eric.

A Yes.

Q Do you know what these payments are for? Do you

know what for example that $2300 in January, what's that for?

A I have no clue. I -- I do need to tell you that at -- at some point and I think it was in '08 but it could have been in '09, I -- I would -- like Carli got braces and there were some things like that. And sometimes I would put the bills together and give them to him. And sometimes he would give me money for it and sometimes he wouldn't. But that wasn't happening in 2010 because it just -- it was just -- he just wasn't going to pay it, so --

Q Well, do --

A -- I had no clue what 2010 what -- what that $2300 would have been for.

Q Do you know if these are payments being made directly to you or to somebody else or some entity on your behalf, do you know that?

A I know that I have -- yeah, I never got a check directly. The only check -- yeah, I'm not -- I don't know.

Q Well, have you received any checks from Eric -- now you mentioned some possible reimbursements, but did you receive monthly checks from Eric --

A No.

Q -- or check --

A I didn't.

Q Do you recall ever receiving a $2300 check from Eric

in January of 2010?

A No.

Q Do you know what these amounts down towards the end for September, November and December of $1,002.72 for each of those month? Do you know what that is for?

A I have no clue.

Q Do you see that the month of July is double that amount?

A I do.

Q Do you know if Eric was paying your medical insurance?

A He was supposed to have been, yes.

Q On a point in time that he cut you off from your medical insurance.

A He did. Not just me.

Q The whole family?

A Uh-huh. (Affirmative).

Q Okay. And when did that occur?

A I believe the paperwork said that it was done -- payments weren't being made I believe either from December or January of this year. And so on May the 4th it was -- I -- none of us had insurance.

Q And what did you do?

A Oh, I didn't know on the 4th. I didn't know until

the 6th that we didn't have insurance.

Q And what did you at that point?

A What did I do?

Q Did you get substitute insurance?

A I did not.

Q Are you insured today?

A I am.

Q And how are you insured today?

A Eric is paying -- or he's -- they -- I was told by the insurance company that the insurance was being -- was reinstated.

Q All right. If you take a look at Bates Stamp Number 6824.

A Yes.

Q Those appear to be for the year 2011. And again, if you go to that category for Lynita Nelson, you see that during 2011 you received a total of $10,763.60 from Eric.

A Yeah. Uh-huh. (Affirmative).

Q Do you know what these amounts are for? Again, we see the first two months of $1,002.72. Did you receive checks from him for that amount?

A I did not.

Q How about the month -- the -- the next month? $3,008.16? Do you know what that is for?

A I don't know.

Q Okay. Did you receive a check?

A No, I did not.

Q Now we see -- we see that you go all the way until July 11th.

A Yes, sir.

Q I mean, June of 2000 -- there's a $5,000. You did receive that check, did you not?

A I did.

Q And that was for what?

A It was for payment of attorney's fees on a particular legal matter that we had to bring to Court. And he was instructed to pay your office. And instead he paid it to me.

Q Okay. And then we see that in October of 2011 he -- $750. Do you know what that is?

A I think that is probably a reimbursement for the children's counseling.

Q And then if we can go to Bates Stamp Number 6826 which is for the first three and a half months apparently of 2012.

A Yes, sir.

Q If you go down to your category, Lynita Nelson, we see that the only payment that you have received earning --

the thing relating to Eric giving to you or for your benefit is $244 in February of this year, is that correct?

A Yes.

Q Did you receive a check from Eric for $244?

A I have not.

Q Do you know what that is for?

A I do not.

MR. DICKERSON: If I may have Exhibit quadruple S.

Q Lynita, I'm showing you what's been admitted into evidence as Exhibit four Ses.

A Okay.

Q Now this is a copy of your 2006 tax return, is that correct?

A Yes.

Q And this --

A Okay.

Q -- tax return was prepared by Steven G. Holderman.

A Did -- did you say 2006?

Q 2006, yes.

A Because of this -- okay. Oh, these are vouchers. Okay. All right.

Q Take a look at the first page. You probably need to move back a few pages. Preliminary pages. But do you see the first pages of your return?

A Yes. Oh, well --

Q Let me help you. It's the one that has 1040 written on the top.

A Might as well be in Japanese.

Q All right. The first page of your return. Now this --

A Okay.

Q -- this is the return you referenced towards what's prepared by Steven Holderman, is that correct?

A Yes.

Q And who is Mr. Holderman?

A He is our tax accountant that Eric used.

Q Now had you ever met Mr. Holderman before he prepared this return?

A This one? No.

Q Yes. Did you retain or hire Mr. Holderman to prepare this return for you?

A No.

Q Now Mr. Holderman on this return on Line Item 13 shows a capital gain of $3,23 -- 234,441, correct?

A Yes.

Q Do you know what that relates to?

A I don't.

Q Take a look, ma'am, back. There is a form 6252

related to the same Tierra Del Sol property.

MS. FORSBERG: Your Honor, leading. I mean, I let her go further, but now he keeps going onto that. He said she didn't know what it was for.

THE COURT: Well, we'll go through the document and she was going to be a backup for it. They have to put the documentation on the tax form.

MS. FORSBERG: Your Honor, Mr. -- Mr. Nelson's going to just --

MR. NELSON: Go to the bathroom.

THE COURT: Sure.

MS. FORSBERG: I'll be okay with that. Can't keep him dancing in the seat.

MR. DICKERSON: All right. Your Honor, do you see the -- the form --

MS. FORSBERG: What page are we on?

MR. DICKERSON: -- 6252 for Tierra Del Sol?

BY MR. DICKERSON:

Q Do you see that, Ms. Nelson?

A I do.

Q That reflects a capital gain from the sale of Tierra Del Sol, your interest in Tierra Del Sol for a total installment sale. That shows the total installment sale. It's just short of 3.5 million dollars, is that correct?

A It does.

Q Now this is the transaction we have heard quite a bit about and I think even Mr. Gerety confirmed. You did not receive that entire amount, did you?

A I didn't.

Q That's the $2,000,000 that was used to start your own account?

A That's what I was told.

Q So it's true then from your understanding you only received $2,000,000 of that.

A Yes.

Q Yet, the entire amount is reflected on your return.

A Yes.

MR. DICKERSON: I have nothing further, Your Honor.

REDIRECT EXAMINATION

BY MS. FORSBERG:

Q Ms. Nelson, you testified that you received -- that the children received no support from Eric Nelson, is that correct? During the pendency of this action?

A I haven't received money from Eric --

Q Is that a yes or a no?

MR. DICKERSON: That -- well, she mischaracterizes her testimony. Then I object to the form of the question. Mischaracterizes her testimony.

THE COURT: I think her answer -- question what she said haven't received a dime in child support from Mr. Nelson I think what her testimony was.

THE WITNESS: I have not received any child support.

THE COURT: Okay.

BY MS. FORSBERG:

Q Do you think the only way -- do you believe that the only way that Mr. Nelson can provide child support is by giving you a check, ma'am?

A That's how I understand how it happens.

Q During a divorce action, do you -- do you believe he could actually pay their expenses and some of their -- their needs and take care of it that way?

A Not child -- not substantially, no.

Q Isn't it correct ma'am that he's paid over --

A He doesn't know what the expenses are.

Q Ma'am, isn't it correct that he's paid over $70,000 when you add in the -- the health insurance for the children?

A I don't know. I would have -- I wasn't totaling net up here.

Q Ma'am, Mr. Dickerson asked you regarding Mr. Leauanae's bills and the $56,000 that you have outstanding. Do you recall those questions?

A Yeah, did I say 56? Because I think it's 58.

Q 58,000. So you're saying that's what you have outstanding for your professionals, correct?

A No, that's just what I have on my credit cards right now. I have other outstanding bills that I haven't even --

Q You specifically referenced Mr. Leauanae. Do you recall that?

A Specifically?

Q That he specifically reference Mr. Leauanae.

A I said Leauanae and Ms. Antanassio.

Q Okay. But they haven't testified at this case, have they, ma'am?

A They haven't been here, no. I think we took depositions, but I don't think they testified.

Q But didn't you hire Mr. Leauanae because you believed there was hidden assets somewhere?

MR. DICKERSON: Object to the form of the question, Your Honor. She didn't hire Mr. Leauanae. He was working and consulting with me. And there's a vast number of things of what we had --

THE COURT: Okay. Want to restate the question on that? I'm not sure if she had a contract with him or if he was hired through the law firm or --

BY MS. FORSBERG:

Q Ms. Nelson, did you or -- or Mr. Dickerson's office

hired Mr. Leauanae?

A Mr. Dickerson brought him in.

Q And do you know why he brought him in?

A Somewhat.

Q Isn't it true ma'am that your deposition that you testified that you brought him in to find fraud?

A I didn't say that. I didn't say fraud. I -- I don't use that word really.

Q Oh, hidden assets. I'm sorry. You're correct. You said hidden assets.

A I don't know. Maybe you can show me my -- my -- show it to me and I'll see.

Q Roughly how much did you pay Mr. Leauanae?

A I have no idea.

Q Let's go through Mr. Bertsch's report if we could.

A What number?

Q Tab 10, please.

A Okay. I should know that, huh?

Q That's okay. There's so many tabs it gets a little confusing.

A I -- I keep thinking maybe another one will come up.

Q Mr. Leauanae is an Anthem Forensics, is that correct?

A That's the name of his company, yes.

Q Do you know how much of this outstanding $58,000 you owe to Mr. Leauanae?

A Well, that includes on my credit card. So I believe the last bill that I -- oh, I don't know if I put him on a credit card or I paid a check. I believe the last payment to him was approximately $7,000.

Q So 71,699 plus you're thinking another $7,000, is that correct?

A Yes.

Q Okay. And from that, have we been presented any documents that show any hidden assets from Mr. Nelson --

MR. DICKERSON: Object to the question.

Q -- or Mr. Leauanae?

MR. DICKERSON: Object to the form of the question, Your Honor.

THE COURT: Can -- can you answer that? I don't know if they -- they know what it means.

MR. DICKERSON: Hidden assets? I mean, does she --

THE WITNESS: I don't --

MR. DICKERSON: -- really want to go there? I mean, if she really wants to go there, we will go there.

MS. FORSBERG: I asked her --

MR. DICKERSON: We have --

MS. FORSBERG: -- if there's been anything --

MR. DICKERSON: We --

MS. FORSBERG: -- presented, Your Honor.

MR. DICKERSON: We had determined we --

THE WITNESS: Can she ask it again?

THE COURT: If you feel you can -- yeah.

THE WITNESS: Yeah. I don't --

THE COURT: If you can answer it if you feel you can.

THE WITNESS: I kind of forgot what it was.

BY MS. FORSBERG:

Q Have you presented this court with anything that would justify spending $80,000 for that kind of a bill?

MS. FORSBERG: Change of question, so I'll make it simpler, Your Honor.

A You're asking me if the money that's been paid to Mr. Leauanae is worth $80,000?

Q Yes. Did you present anything --

A Necessary or --

Q Yes.

A I have become aware --

Q Is that a yes or a no question? It's a yes or no answer, ma'am.

A Whether it's presented, I don't know. But I have obtained --

MS. FORSBERG: Then you have answered the question.

A -- a lot of information --

MS. FORSBERG: Your Honor, I ask to strike --

A -- for Mr. Leauanae.

MS. FORSBERG: -- the rest of them thereafter she said she doesn't know.

THE COURT: Do you feel you got services rendered for the 71,699.50?

THE WITNESS: Absolutely.

BY MS. FORSBERG:

Q And you also said the other question you have outstanding besides Mr. Dickerson who I believe said his bill wasn't there or something to that effect yet or --

MR. DICKERSON: But she -- but she also --

Q -- hasn't --

MR. DICKERSON: -- hadn't received my July bill.

MS. FORSBERG: Right. So if you'll --

MR. DICKERSON: Probably because this is fair to send it to her.

Q You also said you have a big part of the payment to Ms. Antanassio, correct? I'm sure I butchered her name, so I apologize for the record.

A Do I have an outstanding bill?

Q Yeah.

A I have -- I have a credit card that needs to be paid off from some of her billing.

Q Okay. And she charged you on this statement from the -- Mr. Bertsch 91,730, correct?

A Well, I -- well, will you tell me -- I -- I got to 10 --

Q Tab 10.

A -- but I didn't know what --

Q 6916.

A Okay. This is helpful. Thank you.

Q Do you know how much of this additional 58,000 is for Ms. Antanassio?

A Ask me -- how much more additional --

Q You said --

A -- there is?

Q -- $58,000 and you said part of it was made up for Mr. Leauanae's and Ms. Antanassio's.

A Oh, I don't -- I don't recall.

Q Ms. Antanassio is not testifying here today either, is she?

A Not to my knowledge.

Q Or in this trial so far yet, correct?

A No.

MR. DICKERSON: No, but she had -- her deposition

was taken.

Q Ma'am, in -- Mr. Dickerson went over 2009 under Tab 10, Page -- Bates Number -- looking for the 2009 one. I believe that's Page 6593. Do you remember us going through that one? Mr. Dickerson went over this $317,604 that you --

A Oh, can you hold on just til I get there? Okay. 6593.

Q Correct.

A And what are you referring to? I'm sorry.

Q Still an investment. Do you see that line? Mr. Dickerson went over that --

A Oh, yes, ma'am.

Q -- quite at length.

A Yes. Uh-huh. (Affirmative).

Q The total for 2009 was 317,604, is that correct?

A That's what it says on the report. Uh-huh. (Affirmative).

Q Can you turn to Exhibit Number -- so if we can remember that number, that 314,000.

A I'll keep my finger there.

MR. DICKERSON: 17.

MS. FORSBERG: 317.

A Okay.

MS. FORSBERG: Great. Thanks, Bob.

MR. DICKERSON: Those are 318.

THE WITNESS: Because I won't remember it, I'm sure.

Q If you get to -- in our exhibit book, the 2 -- 239 I believe it was. Let me look. 239. The starting of your Schwab account for 239 was $1,834,477, do you agree?

A Yeah, when it came to Schwab?

Q Right.

A Okay.

Q Okay. You said all those amounts were taken from Schwab, right?

A The -- yeah, your paper that you prepared came from the change in value of investments.

Q But that -- that one on Mr. Bertsch's report on Tab 10, the roughly 3 -- the 318,000 if we round about what Mr. Dickerson suggested came from the Schwab account, correct?

A That's --

Q That's what you just testified to, is that right?

A Yes, ma'am.

Q Okay. If you look at the last -- the very last statement in Section 239, Exhibit 239 where it's got December to December 31st.

A Oh, wait. You lost me. The last Exhibit 239?

Q In 239, the last month. Do you remember you went through each month? We're to December. So can you go to

December? You started with 800 -- 1,834,000 --

A I -- I don't know what you want me to be looking at, my Schwab account or --

Q Your Schwab account.

A Okay. So you want me to be in January?

Q You saw January 1,834,477 was your starting balance. Do you see that?

A Yes, ma'am.

Q Okay. So that's what you had there to begin with, correct?

A That's what it says.

Q Okay. Can you turn to December 31st, 2009 statement?

A Sure.

Q It's the last little section in 239. The last few --

A Oh, okay.

Q -- five or six pages.

A Okay. Yeah. And you want the --

Q Ending balance. What was your ending balance?

A 1,844,969.20.

Q So even though you took out that $318,000, your balance actually went up about $10,000, wouldn't you agree?

MR. DICKERSON: I'll stipulate to that.

A Uh-huh. (Affirmative).

Q Correct?

A Yeah, what he said. Yeah.

Q So tell me when you start pulling out the big amounts for your attorney's fees and professional fees did your account ever go down, is that correct, ma'am?

A It appears so.

Q Okay. During this time since it was going down, did you ever try to get a job?

A I'm a mom and that's my job.

Q Are both your children in school full-time?

A They are. Uh-huh. (Affirmative).

Q And how old is your youngest?

A She is 14 right now, but she's almost 15.

Q So you're telling this Court that you saw the numbers go down but you never thought you should get a job to -- to try to -- to keep your own income stable.

A I -- I didn't see a need to do that. I've -- I've always been at home. That's where Eric always told me that --

Q Is that a no, ma'am? It's a yes or no question.

A Did I go get -- attempt to get a job?

Q Yes.

A I did not.

Q Okay.

A I already had one.

Q you mentioned about the health insurance, do you recall that?

A That we discussed it?

Q Uh-huh. (Affirmative). Yes. Do you recall talking about that a few minutes ago? Isn't it true that basically the payment crossed in the mail so it was reinstated?

A Actually, how -- I have no idea. That's not what I understood. We actually subpoenaed paperwork and it wasn't paid. The bill wasn't paid.

Q But it was reinstated, wasn't it, ma'am?

A Joan had been called, letters have been sent --

Q The question -- ma'am, there's no other question before you. It was reinstated, isn't that correct?

A I was told over the phone it was reinstated. I have no knowledge, wasn't given the opportunity or the respect to say that it was. Actually, Aubrey was told --

Q Ma'am, there's no question.

MS. FORSBERG: Your Honor, can I ask -- can you ask the witness to answer the question and strike the last of her response?

THE COURT: She -- she's always testified it was reinstated and your question was --

MR. DICKERSON: That's why that --

THE COURT: -- crossing the mail and she said she has no idea if you're crossing the mail. All she knows that --

MS. FORSBERG: It's --

THE COURT: -- it was reinstated --

MS. FORSBERG: It's the diatribe after.

THE COURT: -- or stopped and it was reinstated, yeah.

MS. FORSBERG: No problem, Your Honor. I'm almost done, Your Honor. The Court's indulgence.

BY MS. FORSBERG:

Q Ma'am, in the beginning of this action, isn't it true you had approximately $600,000 in your Silver State account?

A It could have been four or six. I'm not sure.

Q And that's in addition to the 2,000, correct?

A Uh-huh. (Affirmative).

MS. FORSBERG: No further questions, Your Honor.

RECROSS EXAMINATION

BY MR. DICKERSON:

Q Lynita, are you pleased with the professional services that you have received from Joe Leauanae and his -- his business through the course of these proceedings?

A Absolutely.

Q And are you pleased with the professional services you have received from Melissa Antanassio and -- and her business during the course of these proceedings?

A No doubt. Yes, absolutely.

Q Can you explain to the Court where you believe you would be today with respect to knowledge of various transactions that -- that we've discussed here in this case had you not retained Joe Leauanae and Ms. Antanassio?

MS. FORSBERG: Your Honor, objection. Calls for speculation.

THE COURT: Overruled. You can ask her. She paid a lot of money and they didn't testify and she said she got -- she thought she got value for it. So I think you can ask --

MR. DICKERSON: So the --

THE COURT: -- why she thinks she's got value for it or what she -- what they attributed to it.

THE WITNESS: It became clear and every day that I -- since I have hired Joe and Melissa and Mr. Dickerson and his law firm, it was very clear that Eric was not going to come forth nor anybody in his office or anybody that's associated with to allow me to know what has happened in my world while I am -- have been married to Eric. And the only way that I have ever had the opportunity to is to hire these experts and to be in this courtroom to find out what exactly

happened in my world. And there's -- I -- I would be -- I would be under his -- I would be under his rule as I had been for some many years.

BY MR. DICKERSON:

Q By his, meaning who?

THE COURT: You know --

Q By his, meaning who?

A Mr. Nelson.

Q Now Lynita, you were questioned about getting a job. We went over this in 2010, but let's just briefly do it one more time.

A Okay.

Q When was the last time you worked outside the home?

A When I was pregnant with Amanda in 1986.

Q And your job at that time?

A I was at -- I was at Stanwell Mortgage, a mortgage company.

Q Doing what?

A I was a receptionist.

Q Do you recall what you were being paid?

A Oh, I don't know.

Q Now your educational background, you did not finish college, is that correct?

A I have not.

Q Tell us about that. How far did you go in college?
A Maybe about a year and a half.
Q Why did you quit?
A To come home and work and make money.
Q And is that when you started the job with Stanwell Mortgage or did you work somewhere else?
A No, I believe I was -- oh, it's hard for me to remember all that. I don't know. I -- I think I worked at Mervin's and then I worked at another mortgage company, Norwest Mortgage. And then I believe I went to Stanwell.
Q Okay. So what did you do at Mervin's after -- now this is then after you dropped -- you went to BYU if I recall, is that correct?
A Oh, yeah. I don't know if I did that before or after. I --
Q You went to BYU. Is -- do you recall that?
A Oh, I remember that, yeah. I was just --
Q Now after you quite --
A After high school I went to BYU.
Q And so after you left BYU, you believed you may have worked for Mervin's?
A Yes, I think so.
Q And what did you do at Mervin's?
A During the summer. I just worked in one of the

departments and --

Q As a sales clerk?

A Yes.

Q And at Norwest, what -- what was your position?

A I was a receptionist kind of secretary type thing.

Q And then why didn't you continue working after you became pregnant?

A Well, Eric and I had agreed that when I start having children I would stay home and -- and be at home with them like his mom had been with them.

MR. DICKERSON: I have nothing further, Your Honor.

MS. FORSBERG: Just a couple questions.

REDIRECT EXAMINATION

BY MS. FORSBERG:

Q Isn't it true Lynita that when you hired Mr. Duckworth which is now Judge Duckworth that Eric gave him open access to all the accounts and everything at that time?

MR. DICKERSON: Oh, now I'll tell you, now I got to object. I have often thought how I would love to bring Judge Duckworth in as a witness. This is opening such a door right now, because I -- I would love to bring him in as a witness. But I mean, do we really want to go here?

THE COURT: You know --

MS. FORSBERG: Well, her -- my question is does she

knows if Eric gave the information. It isn't --

THE COURT: Well, she became --

MS. FORSBERG: -- whether Mr. Duckworth saw this --

MR. DICKERSON: Wow.

THE COURT: We've had a lot of discovery in this case, a lot of things going back and forth. That's why we had Mr. Bertsch come as a forensic expert to try to trace everything. So there was a lot of issues on that. So whether people open or for access, I don't know. We're getting a lot of information.

MS. FORSBERG: I'll move on to the next question, Your Honor.

MR. DICKERSON: I'll withdraw the objection. I'll let her answer that question.

MS. FORSBERG: I'll strike the question.

BY MS. FORSBERG:

Q Isn't it true Ms. Nelson that -- you -- you heard Larry Bertsch's testimony here, correct?

A I was here when he testified. Yes, ma'am.

Q Did you hear me ask him if he had found any fraud or any inappropriate actions in -- by Mr. Nelson at the end of his testimony?

A I recall that you did ask that.

Q But isn't it true he said that he would have told

this court if he found any?

A I don't recall that's how he answered. Did you want to know what I -- how I thought he answered?

Q No, that's okay. You've answered it. That's fine. I don't --

A Oh.

Q -- need a narrative.

A So that's a no. that's not -- that's not what he said.

Q How about your -- how about -- and it's been since 2009 you said, correct, since this divorce action began.

A I'm sorry?

Q This divorce action began I believe we were questioning whether it was May or June or 2009.

A Yeah, your client filed, so --

Q That was your testimony, correct, May or June 2009?

A Yeah, around there.

Q Okay.

A Uh-huh. (Affirmative).

Q So that's over three years, correct?

A Yeah.

Q Did you bother looking to go into school and finishing your degree that you started at BYU in that amount of time?

A Actually, I consider my schooling that I've had as law 101.

Q That was the question, ma'am. Did you look into any formal education?

A I did.

Q Have you registered for classes?

A I did.

Q How many have you taken?

A I -- I was in a class for about two weeks.

Q It ended in two weeks or was it a class that went for two weeks or you dropped out?

A I wasn't able to complete it.

Q And why?

A Because I was too busy working on the divorce.

Q And when was that that you attempted this class, ma'am?

A Probably in 2010.

MS. FORSBERG: No further questions, Your Honor.

THE COURT: This is probably a good time --

MR. DICKERSON: No questions.

THE COURT: -- to quit, it's about 10 to 5:00. Do you have any other witnesses, Ms. Forsberg?

MS. FORSBERG: I do not, Your Honor.

THE COURT: And then you only have --

MR. DICKERSON: You rest?

MS. FORSBERG: Yes.

MR. DICKERSON: Okay.

THE COURT: And you only have Ms. Nelson?

MR. DICKERSON: I have Ms. Nelson and I -- Your Honor, I think I can do it in less than an hour.

THE COURT: Okay.

MR. DICKERSON: And I -- in fact, I think the way things have gone today, it might even be around a half hour.

MS. FORSBERG: I wouldn't trust them for --

MR. DICKERSON: I -- my preference would be could we wait til Wednesday?

THE COURT: Wait til Wednesday.

MR. DICKERSON: Because that way I'll be able to go through my notes and see what --

THE COURT: All right. And that way we'll get Ms. Forsberg a chance to go through since she kind of came in late to the case. So we'll make sure she has a chance to review everything. We'll do it -- as far as Wednesday, we'll have to start at 10:00 o'clock though on Wednesday morning because I have a CAC meeting from 8:30 to 10:00. But I'll leave that at 9:30, so I'm back here by 10:00. All right. So we'll be in recess til Wednesday morning at 10:00 o'clock and then I kept the day open, so if you need more time or whatever, I'll keep

that open for you.

MR. DICKERSON: Thank you, Judge. Thank you. We will definitely be done on Wednesday.

MS. FORSBERG: I don't think this Judge is going to believe it until we all walk out of here.

(Off record)

THE COURT: Post-trial brief, because there will be some redundancy of course.

MS. FORSBERG: My concern of course is Mr. -- Mr. Solomon's position on that, Your Honor, but certainly it seems like we should try to live within the court rules which nobody seems to when I get 2,000 pages of documents and didn't --

THE COURT: I agree with you on that. And normally I would. That's why I do the rule. But I think the rule says unless court ordered in a case like this it would probably would justify --

MS. FORSBERG: Your Honor, as far as though, are we -- he's keeping them separate. He's going to address these issues in a separate one. Is that -- I want to make sure where we're at.

THE COURT: I -- yeah, I thought he did with the trust. I thought he wanted the trust just with 50 pages and then he said it was going to get incorporated, is that right, Mr. --

MR. DICKERSON: Yes. Yes, Your Honor.

THE COURT: Yeah. And then we keep the regular rule as far as the -- I -- am I right, Mr. Dickerson? It would be --

MR. DICKERSON: Yes, Your Honor.

THE COURT: -- 50 pages just --

MR. DICKERSON: What -- what I'm asking --

THE COURT: -- for the trust issues.

MR. DICKERSON: Yeah.

THE COURT: I know there's going to be some overlap because you can --

MR. DICKERSON: Yes.

THE COURT: I do understand that, but I just didn't want --

MR. DICKERSON: Yeah, there's just so many issues with respect to the trust and we tried to line them out and we're trying to be able to present to you the exhibits that we think are relevant to each of those issues.

THE COURT: What I'm going to do is have my law clerk contact Mr. Solomon If he was okay with it, then I'll do it just for the trust. If he felt that he had some concerns with it, then I'll do a telephone conference with everybody.

MS. FORSBERG: Thank you, Your Honor.

THE COURT: But it would just be as to the trust and

I -- I'd be inclined to to let you do your separate briefing as to the domestic areas as to properties, spousal support, things like that as a separate brief under the local rules.

MR. DICKERSON: Thank you, Your Honor.

MS. FORSBERG: Thank you, Your Honor.

(PROCEEDINGS CONCLUDED AT 16:48:37)

* * * * * *

ATTEST: I do hereby certify that I have truly and correctly transcribed the digital proceedings in the above-entitled case to the best of my ability.

Adrian Medrano

Adrian N. Medrano

$8,580.82. Do you agree with that number?

A Yes.

Q And December, 30,767.02. Do you agree with that number?

A Yes, I do.

Q For a total of 97,362.75 that your account increased as far as change of value.

A Okay.

Q Do you agree with that?

A That's what you have.

Q So you basically have an income off of that that were raised but you could have withdrawn an initial 97,362, is that right?

A Well, yeah. In my terminology, my investments made that that year.

Q Okay.

A So --

Q So they made that that year.

MS. FORSBERG: I'd offer Exhibit 240, Your Honor.

MR. DICKERSON: Again, for the same purpose of showing what the increase in the value of her investments was?

MS. FORSBERG: Yes.

MR. DICKERSON: I have no objection.

THE COURT: hereby so admitted as number 240.

(Plaintiff's Exhibit 240 admitted)

BY MS. FORSBERG:

Q Ms. Nelson, can you stay in that -- well, I'll have to get it back together.

A Oh, yeah.

Q You can stay in that book.

A Oh, okay.

Q But in that book, I would like you to turn to Exhibit 237. Can you tell the Court what Exhibit 237 shows? What are these?

A It is tax return -- this is a 2010. And then 2009 and 2008 and '07 --

Q So when did you --

A -- tax returns.

Q So you would agree these are your -- are tax returns for Lynita Nelson for '7 -- in 2007-2010, that -- is that correct?

A That's what it appears to be.

MR. DICKERSON: First two pages.

MS. FORSBERG: Pardon me?

MR. DICKERSON: First -- first two pages.

MS. FORSBERG: Yeah, the first two pages to make it simple for he Court.

THE WITNESS: Yeah, I was thinking they were awfully

short.

Q We just -- actually -- okay. So let's go through those if we could, okay?

A Okay.

Q Can you tell the Court what your adjusted gross income was for 2010?

A I couldn't unless you -- well, no. Line 37?

Q Correct.

A 90,841.

Q But you also had some tax exempt interest, didn't you, up -- up above on Line 8(b) of 31,784?

A I would have to have you guide me, because --

Q 8(b).

A -- I am not familiar with these.

Q If you go up to 8(b) up above --

A Okay.

Q -- 7, 8(a) --

A I see that.

Q -- and then 8(b).

A Uh-huh. (Affirmative).

Q You had some tax exempt interest of 31,784, is that correct?

A That's what it says, ma'am.

Q Return to 2009.

A Sure. Okay. I'm there.

Q It shows you had some tax exempt interest under 8(b) of 39,661, is that correct?

A That's -- yes.

Q And you had additional income 21 -- adjusted gross on Line 37 of 21,732, is that right?

A Yes, ma'am.

Q Okay. You turn to 2008.

A I'm there.

Q You had some tax exempt interest of 24,125, is that right?

A Yes, ma'am.

Q And then you had additional income of 59,808 under adjusted gross income, would you agree?

A Yes.

Q Okay. In 2007, do you see that tax return?

A I do, ma'am.

Q And you have tax exempt interest of 20,640, is that right?

A Yes, ma'am.

Q And you had some adjusted gross income, an additional 398,512 on Line 37, would you agree?

A Yes, ma'am.

MS. FORSBERG: I would ask that Exhibit 237 be

admitted, Your Honor.

MR. DICKERSON: Did you -- you didn't get to the '06 though.

MS. FORSBERG: Oh, I'm sorry. That little page turned to the side that you guys gave us.

MR. DICKERSON: Actually, if I may --

MS. FORSBERG: Thank you. I will.

MR. DICKERSON: If I may, I have the entire exhibit of 2006 which is our quadruple S which I have questioned. I questioned Dan Gerety on it. I -- I forgot to move for the admission of that. And -- and if you don't mind, the entire -- the entire tax return '06 is quadruple S.

MS. FORSBERG: Quadruple S?

MR. DICKERSON: And I have no objection to these exhibits.

MS. FORSBERG: Fine, we'll go through 2006 --

MR. DICKERSON: 237, I would ask that quadruple S also be admitted.

THE COURT: Is it --

MS. FORSBERG: No objection, Your Honor.

THE COURT: Four S or five S?

MR. DICKERSON: Four S.

THE COURT: Four S, just to make sure --

MS. FORSBERG: Four S.

THE COURT: -- we're on that which --

MS. FORSBERG: And --

THE COURT: -- is the entire return from 2006?

MR. DICKERSON: Yes, in 2006.

MS. FORSBERG: And --

THE COURT: It will be admitted to supplement 237 which has the first two pages of the 2006, I believe.

(Plaintiff's Exhibit 237 admitted)

(Defendant's Exhibit SSSS admitted)

MS. FORSBERG: Thank you. Thank you, Your Honor.

BY MS. FORSBERG:

Q Ma'am, can we go over 2006? It shows your -- it's the one that's little on its sideways. You see that, don't you?

A I see it. Yes --

Q Okay.

A -- I have it.

Q Under 8(b), it shows you had tax exempt interest income of 6,235, would you agree? Besides your ordinary dividends of 4,879 below that. Do you see those?

A I -- I do see that. Uh-huh. (Affirmative).

Q Okay.

A Yes.

Q And then your adjusted gross income for 2006 was

$3,379.87, is that correct?

A If that's what it says.

Q And this tax return is -- is Lynita Nelson's tax return, right?

A It has my name on it, but I never prepared these. Eric did.

MS. FORSBERG: Ma'am -- or Your Honor, I would ask to strike the last statement. There's no question for her and it doesn't show his name anywhere.

THE COURT: Sustained.

THE WITNESS: I never met Mr. Holderman (ph) --

MS. FORSBERG: Ma'am.

THE WITNESS: -- until --

MS. FORSBERG: There's no question before you. You don't get to answer.

THE COURT: So you didn't --

THE WITNESS: Oh.

THE COURT: -- prepare these personally.

THE WITNESS: No, I didn't.

THE COURT: Okay.

THE WITNESS: I hadn't even met Mr. Holderman until --

MS. FORSBERG: There's no question, ma'am.

THE WITNESS: I was talking to the Judge.

MS. FORSBERG: Your Honor --

THE COURT: You'll be okay then. Mr. --

THE WITNESS: Oh.

THE COURT: Mr. Dickerson will be able to explore that a little bit for you.

THE WITNESS: Oh.

BY MS. FORSBERG:

Q Ms. Nelson, can you turn to Exhibit 238, please?

A Sure.

Q Okay. Can you tell the Court what this is?

A Yes, it says income tax return for 2009.

Q And who is this tax return for?

A It says Eric Nelson.

Q Okay. Can you tell me what his adjusted gross income is on that 2009?

MR. DICKERSON: Well, why would we be going with her through this? I'm going to object.

MS. FORSBERG: Your Honor, because they're saying everything is community. I'm just going through all of it. So everything is --

THE COURT: I don't know if she would have even seen this. Does she have knowledge of what it would be? I don't know if she sees his tax returns or not. So I think you need some foundation to see if she would know. If not, Mr. Nelson

can testify, but -- so I don't know if she has any knowledge of these returns or not. I don't know if they see each other's returns or not. Do -- do you want to do some foundation and see? If not, we get it in through Mr. Nelson if you need to.

BY MS. FORSBERG:

Q Ms. Nelson, have you ever seen the tax returns that Mr. Nelson has done?

MR. DICKERSON: Other than through the course of this litigation.

Q Other than through the course of this litigation.

A I have not ever really ever seen mine. I've seen a signature line and signed it, so --

Q Ma'am, you just said that you've never seen yours. Who's Bradshaw Smith & Company? You said you don't know Steve Holderman, but you know Bradshaw Smith & Company --

A I --

Q -- right?

A I did meet -- Mr. Holderman actually did my -- one of my taxes and then I switched to Bradshaw. So I met him -- that was the first time I met Mr. Holderman. Eric told me that we were -- that I was still with Mr. Holderman and that's who I was supposed to go to. And then I found that --

Q Ma'am, there's no further question. Just you know

this Bradshaw, correct?

A Absolutely. I chose her, yeah. And I -- and I had -- I had --

Q There's no question for you.

A Do you want me to clarify anything --

Q No.

A -- for you?

THE COURT: You'll be able to --

THE WITNESS: Okay.

THE COURT: Mr. -- Mr. Dickerson will clarify as needed.

Q Ms. Nelson, you -- you were here when we were here on our last go around of this where we went through all other distributions of LSN Trust, correct?

A I was here for trial. I don't know specifically what you're -- what you're talking about. If you could just clarify.

Q I would be happy to do so.

A Is there something up here I need to go to or --

Q Do you recall going through the -- the minutes and stuff where Lana Martin signed what your distribution was per month, do you remember going through that --

A The notes --

Q -- for the LSN Trust?

A The -- the notes of the meetings?

Q Yes.

A Yes.

Q And do you agree that you did you did receive that money into your LSN account? The amounts of money that were shown to you on -- on the notes, the --

MR. DICKERSON: I have --

Q -- 15,000 per month.

MR. DICKERSON: I have to object to the form of that question.

MS. FORSBERG: I'm trying to --

MR. DICKERSON: Those notes -- no, but those notes don't indicate money being deposited. The Nelson and her account, there's going to be reflecting monies coming out of her account.

MS. FORSBERG: No, we're talking about the -- the minutes where she got her distribution from the LSN. I was just trying to short circuit, Bob.

MR. DICKERSON: Yeah.

MS. FORSBERG: As she remembered all those the withdraw happened. Take her through them again. I just didn't want to take her through those again.

MR. DICKERSON: And I think they're all in Larry Bertsch's reports.

MS. FORSBERG: No, they're not -- they're not all in Larry Bertsch's report. They're also be in the minutes of where she received that into her account.

THE COURT: The -- her --

MR. DICKERSON: The minutes don't show that though.

THE COURT: -- monthly disbursements with -- there was a lot of minutes on there that show disbursements which --

MS. FORSBERG: Correct.

THE COURT: -- were varied amounts going out there, but I know there is some that authorized monthly disbursements. And if you ask what she got monthly, she may be able to clarify that for you.

MS. FORSBERG: That's what was I was trying to do, Your Honor. So --

THE COURT: Sure.

THE WITNESS: I don't know if I can. I -- I just don't remember that kind of stuff. And then I don't know that I went through the -- like I didn't look at the distribution and then go check my bank account. I didn't do -- I didn't do that myself.

BY MS. FORSBERG:

Q Were you aware of the $15,000 transfers from the Mellon account to your -- your bank?

A I remember that -- oh, let me think. The amounts

changed over the years. And oh, I -- yeah, I -- I don't know if I received this one. We had the Mellon or not, but I know that Eric had -- Eric was the one that would tell me like during a certain year like okay, we're going to start giving you like $5,000 a month. And then if it -- then it changed to like 10,000. And then he's --

Q So as your -- as your advisor, ma'am, he advised you of what he thought was best for you to take from your account?

MR. DICKERSON: Object to the form of the question.

A No.

MR. DICKERSON: If she can finish what she's saying.

THE COURT: Why don't you finish the --

THE WITNESS: He never advised. He never -- that was -- it was not a discussion. He just told me what was going to happen.

BY MS. FORSBERG:

Q Isn't it true that it ended up being $15,000 direct deposits from the Mellon account, your Mellon account to your bank account, ma'am?

MR. DICKERSON: Well, object to the form of the question? What time? I believe at one point in time yes, but in the later years it was 20,000.

MS. FORSBERG: Let's start with --

THE COURT: I think -- and if there was different

amounts and if she said she thought it started at five and then it went up and ended at 20 I thought, but do you remember how it was? Do you know how it worked? Did you see deposits monthly that went -- went into your account?

THE WITNESS: There was a time where I did have direct deposits. Yeah.

MR. DICKERSON: And for clarification, we're talking about these are withdrawals from her Mellon account --

MS. FORSBERG: Yes.

MR. DICKERSON: -- into her personal account. Yes.

MS. FORSBERG: Correct.

MR. DICKERSON: Okay.

MS. FORSBERG: Correct. Yeah.

THE WITNESS: He -- I was told that actually when he setup the account, he said that -- that I would be getting whatever interest that account made. That's what I would be getting into my account was the interest. But I found out later it wasn't interest. There was principal that was coming to me as well. It wasn't making that much interest. I found that out when I switched to Schwab.

BY MS. FORSBERG:

Q Okay. Let's talk about that. But now in your Schwab account you made 304,000 in 2009 though, correct? We just put up that --

A If that's what it says, yeah. If that's what -- yeah. We just did.

MR. DICKERSON: And again, I have to object to the form of the -- that question. It indicates the entries and value of the investments.

MS. FORSBERG: Of course she can take out whatever she wants. It's an increase value you can use. Just like a bank account. It goes up or it goes down. You can use it or you don't use it.

MR. DICKERSON: Then you've got to sellout the asset.

THE WITNESS: Then you lose money.

MR. DICKERSON: This is not interest income coming to it. That's the increased value of a particular stock --

MS. FORSBERG: Of course, but if you're going to leave it at the same amount, you can take out from there and leave --

THE COURT: Well --

MS. FORSBERG: -- it at the same amount or not.

THE COURT: Yeah. Well, you made -- made more or you may not. It's just a paper transaction until you sell it. You don't know what it is. So what looks on paper may be a true value. It could be less, it could be more depending on when you sell it and all those things on that. But it would

show that the investments on the paper did show for that year the 304,000 --

MS. FORSBERG: Right.

THE COURT: -- increase on that.

MS. FORSBERG: Exactly.

BY MS. FORSBERG:

Q Ma'am, did -- did you ever receive any deposits from Eric Nelson's trust to yours other than the due to, due froms we've seen already?

MR. DICKERSON: Other than what, I'm sorry?

MS. FORSBERG: Other than the due to, due froms we've seen on Mr. Gerety's report.

MR. DICKERSON: Well, I -- can I --

Q Do you recall any other deposits from Mr. Nelson to you?

MR. DICKERSON: I've got to object --

A I mean --

MR. DICKERSON: -- to the -- the form of the question when she's saying any other other than these due to, due froms. I mean --

MS. FORSBERG: We can go through all the due to, due froms.

MR. DICKERSON: That -- that's a litigation intervention --

MS. FORSBERG: I'm just trying to short shift it so we're not --

MR. DICKERSON: -- due to, due from. So --

THE COURT: Yeah.

MR. DICKERSON: -- I object to the form of the question, Your Honor.

THE COURT: Why don't you just restate that. And do you know of any deposits you got from the -- from Eric Nelson Trust? That -- was that the question?

MS. FORSBERG: Yes, Your Honor.

THE COURT: And the due to, due froms, Mr. Gerety testified for a lot on that and that's a legal issue we'll get through I guess on that, but your question was do you remember any deposits from Eric Nelson's account -- trust to her trust other than --

MS. FORSBERG: Right.

THE COURT: -- the due to or due from that --

MS. FORSBERG: Right. Exactly.

THE COURT: -- Mr. Gerety testified?

THE WITNESS: That is way over my head. There is no way I would be able to answer that.

BY MS. FORSBERG:

Q So is that a no, you don't remember any?

A It's I would not be able to answer that.

MS. FORSBERG: The Court's indulgence, Your Honor.

Q Isn't it true Ms. Nelson that your trust paid for all your expenses at the Palmyra home since at least the beginning of this action?

A Ask me that again? I'm sorry.

Q Isn't it true that LSN Trust paid for all your expenses in Palmyra? We'll start with the beginning of this action and we'll work backwards.

A So what you're saying is that whatever expenses I have in Palmyra house since the -- since the divorce was filed came out of my Mellon account.

Q Or any other account from -- that LSN Trust owns, isn't that correct?

A I would have to say that's probably true.

Q Okay. And before that, isn't it true that all the expenses also came out of -- out of an LSN Trust account also?

A I don't know. What do you mean all other --

Q Let's start the --

A -- what expenses?

Q -- five years before that. Let's go on blocks of time. Let's start backwards, okay?

A I wouldn't know. I didn't manage any of that. Eric did that at the office with the girls.

Q Isn't it true that we heard testimony from Rochelle

McGowan that she talked to you about all these -- these items?

A Well, I understand that maybe what she said, but I -- I don't agree. Just because she said that, doesn't mean that I agree with that. She -- is that -- I don't know what you're asking me. You're asking me if I have agreed with her testimony? I don't.

Q I didn't ask you that, ma'am. I asked you --

A Well --

Q -- if she testified that all the expenses came out for all of those items that were LSN Trust properties came from LSN Trust.

A I don't know if I remember her testimony that well. If you show me something, I can look.

Q Isn't it true ma'am as we sit here today you have no documents to provide me that show that your Palmyra house was paid for any other way but out of the LSN Trust?

A Well, it was free and clear. We built that house. So we didn't -- never have a mortgage or anything on it.

Q What about the utilities and -- and those items? You still have expenses at home, correct?

A Yes.

Q Okay. Isn't it true as we stand here today you don't have anything that shows me that -- that you were -- you or your LSN Trust, when I say you, I mean your LSN Trust, was

the regular payer of all those utilities, all the time that it was titled in the trust name, is that correct, ma'am?

A You're asking me if I have anything to show you right now that -- that those bills were paid by my trust?

Q That they were not paid by your trust, ma'am.

A Well, I can tell you what I know. Did you want me to tell you what I know?

Q No, I just want you to answer to the question.

A I don't know that I can --

Q Isn't it true you don't have any documents here that show that they were paid by anything other than the LSN Trust, isn't that correct?

MR. DICKERSON: Was she subpoenaed to bring --

A I disagree.

MR. DICKERSON: Excuse me. Object to the form of the question. Was she subpoenaed to bring documents with her?

MS. FORSBERG: It's her time for trial, Your -- Mr. Dickerson.

MR. DICKERSON: Was she subpoenaed to bring documents for it?

THE WITNESS: It's something to show --

THE COURT: That's all right. The question is do you know during the -- since the filing of divorce of all the expenses of Palmyra come from the trust. That was the first

question.

THE WITNESS: Yeah, I answered that.

THE COURT: Okay. The next --

THE WITNESS: Right.

THE COURT: -- question was prior to that did the trust pay for those expenses to your knowledge prior to the divorce being filed of Palmyra?

THE WITNESS: I understood they were paid out of a bunch of different accounts.

THE COURT: Okay.

THE WITNESS: It just depended where the money was. He would -- he would -- I mean, he had a couple accounts that were in my name that he had the girls manage. And I know that sometimes if there wasn't enough in one account, he would pay bills from another account. That's what he would tell me.

BY MS. FORSBERG:

Q Ms. Nelson, the other accounts that you had more than one account in the LSN Trust then, didn't you? You had the Lindell account for instance, correct?

A I don't -- I can't tell you about that. Eric -- Eric and the girls managed that. So I -- I never saw a statement. I never -- I got a -- I got -- they transferred the B of A account to me and told me I was going to start to manage that and that that was mine. And at -- prior to that I

don't know anything about. And nobody ever talked to me. I never saw a statement, never signed a check.

MS. FORSBERG: The Court's indulgence.

Q Do you remember Ms. Nelson when we went through all of the notes from the meetings from your trust, do you remember that when we were going through those? Do you --

A I -- I --

Q -- recall that?

A I do. We -- we went through them I think -- I remember going through them. I don't know if I can remember everything on them.

Q Do you recall one of the specific lines on --

MS. FORSBERG: And if the Court doesn't mind one second, I'm trying to locate it, because it's not memorized --

Q There was one specific one where you signed about the signatures on the account, do you recall that?

A I signed to approve the people that were on the account?

Q Yes, do you remember that, ma'am?

A I remember. Uh-huh. (Affirmative). Seeing that.

Q And you were assigned on those accounts, correct?

A I don't know if I was.

Q Can we turn to Intervener's 35, please? Do we have that up there?

A This one probably, huh?

Q I think so.

A Actually, I think this only goes to 24. Is there another one?

MS. FORSBERG: If I can approach, Your Honor. Intervener's -- Intervener's book. It's the thing with the yellow thing on the front.

THE WITNESS: Yes.

MS. FORSBERG: Does that help? Okay.

THE WITNESS: Okay. 34 you said?

THE COURT: 35.

MS. FORSBERG: 35.

THE WITNESS: Okay.

Q Do you recall seeing this one -- this particular one?

A When we were in court I -- I do remember seeing it. Uh-huh. (Affirmative).

Q And you agree that that was your signature on there, didn't you, ma'am?

A I did. Yeah, that's my signature. Uh-huh. (Affirmative).

Q And nowhere on those signers is Mr. Nelson, is there?

A Nope, it doesn't look like it. I do know though

that when I went to go try to get --

Q Ma'am, there's no question before you. Ms. Nelson, how about we go to -- to 36. And now we're right in the line of where we were talking before. Do you see Exhibit 36 in the Intervener's book?

A I do.

Q Okay.

A It's 4180 at the bottom?

Q Correct. Correct.

A Okay.

Q And do you see this was a distribution out of LSN Trust to Lynita Nelson for a hundred thousand dollars? Do you recall that?

A I see that.

Q Okay.

A I see -- do I recall what?

Q That's just Lynita -- the LSN Trust, not Eric L. Nelson Trust, is that correct?

A Yeah.

Q So all these distributions were made out of your own trust too, is that correct?

MR. DICKERSON: Object to the form of the question. It's assuming distributions were made. I mean, those documents mean nothing with respect to distributions actually

being made.

THE COURT: Right. He can say what it says on there as far as all the arguments. We've gone through a lot of those things on it, but is -- does that reflect a distribution?

THE WITNESS: Well, it's a piece of paper that says that.

THE COURT: Okay.

THE WITNESS: It -- I mean, that's all it says. I didn't sign it, nobody ever talked to me about it.

BY MS. FORSBERG:

Q Ma'am, in --

A I mean --

Q -- 2000 -- or in 2002 were you at anywhere in odds with -- with Ms. Martin? You were friendly with Ms. Martin in 2002 --

A I don't consider myself --

Q -- correct?

A -- at odds today with her.

Q But in 2002 you certainly were not, is that correct?

A Do you want to define at odds? Maybe we should start there.

Q That would be good. That would be good. Do you have any reason to believe that she would fill this out

distribution to you and not pay you back in 2002?

A Knowing what I know now, yes.

Q Let's go into the next exhibit in that book if we could, 37.

A Okay.

Q And this says a distribution to you of $15,000 for that month, do you see that?

A Yes.

Q Is this the ones that you recall receiving some direct deposits from Mellon, the $15,000 that you referenced earlier?

A You know, I -- I couldn't tell you what year it is. I -- I couldn't tell you what year the 15,000 started. I just -- I'm sorry. I just don't remember. I -- I just was in charge of so many other things that --

Q But do you agree at least this shows that it actually would have come from LSN Trust, correct?

A This is a piece of paper that says --

Q Is that a yes or a no, ma'am?

MR. DICKERSON: Object to the form of the question.

MS. FORSBERG: It was a simple question. I asked her if it references that it's from LSN Trust.

THE WITNESS: It's a piece of paper that says that.

BY MS. FORSBERG:

Q So it's a yes?

A I don't know. I would have to ask the Judge.

THE COURT: It's a -- we'll take it as a yes.

MS. FORSBERG: Thank you, Your Honor.

Q Ms. Nelson, can you turn to Number 48 in the Intervener's book, please?

A Sure.

Q Okay.

A Okay.

Q I believe you testified that this was your signature on this page, didn't you, ma'am?

A Well, I wouldn't be able to tell you that, but it does -- now that I'm looking at it, it looks like my -- it looks like my tail on my Y is missing a little bit. So it looks like it's my signature, but I don't -- I'm not going to say that it wasn't transcribed or copied or --

Q Okay. Ma'am --

A -- that on it.

Q -- just answer the question yes or no and we'll get done a lot quicker.

THE COURT: Does it look like your signature? Do you have reason --

MS. FORSBERG: I believe she said yes in a roundabout way, Your Honor.

THE WITNESS: When I talked -- when I talked about my signature before, I felt that some of my signatures appeared to be my signature, but I -- I was concerned that some of them were copied. And so I thin it's important for me to state whether or not there's inconsistencies with them. So just because that appears to be my signature, there are some things that just don't look right with it. And I think it's important for me to clarify that. I don't know if you -- do you want me to do that, Judge, or --

THE COURT: Well, yeah, if you want.

MS. FORSBERG: Your Honor, I'm just asking yes or no questions. It's pretty simple.

THE COURT: Well, she can if you asked --

THE WITNESS: Well, you asked if it was my signature.

THE COURT: -- her if that's her signature and she's saying it kind of looks like it but she has concerns about to why or whatever it was, but --

THE WITNESS: Yeah. So if I say that it's my signature, does that mean that I'm saying that I signed this?

THE COURT: No, you can just say basically if it looks like your signature, that's fine. Whether you signed it or not, that -- that some one else could have copied from somewhere in that. So the admission that it's inaccurate

unless you remember signing it or you remember not signing it.

THE WITNESS: So it appears --

THE COURT: But it looks like your signature based on some concerns about the Y, is that what --

THE WITNESS: It does, sir.

THE COURT: Okay.

BY MS. FORSBERG:

Q Ma'am, on this one, I show that it shows your expenses not to exceed 20,000 per month including all personal expenses paid by the trust until our next meeting, do you see that?

A Let's see. Under -- that that was resolved?

Q Yes.

A So I guess there was supposedly an agreement.

Q Correct. Some discussion about it where -- where Ms. Martin approved that payment to your -- to you, is that correct? And didn't you just testify earlier ma'am, that you did receive different amounts from 5,000 to 20,000, is that correct?

A Well, yeah. Over the course of my marriage, yeah. There was times where it didn't receive those amounts either. I -- so yeah, what are you -- what are you asking me?

Q Is that a yes, ma'am?

A Do you want to ask me again?

Q I'll restate -- restate the question. Does this not comport with what you said that at one point you made -- you were getting 5,000 from your trust and then you were up to $20,000. Doesn't this comport with that?

A The 5,000 I told you I didn't know if it was from my trust. I don't know when I started getting -- I mean, I don't know where that 5,000 came from. I used to get two. I have no idea where that money came from. How would I know that?

Q You were with Mr. Nelson when you guys set up these trusts, weren't you?

A I went in the -- which trust are you talking about?

Q The 2001 trust of -- of the LSN Trust. You signed those, right?

A I signed them.

Q Okay. Ma'am, during this divorce action, isn't it true that you took a trip with your girlfriends to Cabo?

A I did.

Q And you paid for it, didn't you, ma'am?

A I paid for some portions of it.

Q What portions did you pay for it, ma'am?

A I paid for the hotel and one of the fights.

Q One of the fights meaning for all of your friends?

A Well, who's all of my friends?

Q You tell me, ma'am. How many -- how many girls

went?

A Two.

Q Two and you, is that correct?

A Uh-huh. (Affirmative).

Q Okay. And you paid for their flights, right, ma'am?

A I paid for -- yeah, one of their flights. So mine and one of them.

Q And you paid for their hotels?

A We all stayed in the same room. I paid for the hotel. Uh-huh. (Affirmative).

Q Okay. And -- and you paid for most of the food while you were there?

A We took turns.

Q Let's turn to Mr. Bertsch's reports if you could. Do you see those?

A Okay. Where do you want me to go?

Q Mr. Bertsch did an amendment to your report. And I believe it's 17.

A Tab number 17?

Q Yes, Tab 17, please.

A Okay.

Q Mr. Bertsch talks about some unknown deposits for $576,000. And you had some cashier's check for that amount that you had in your possession withholding, wasn't that

correct?

A I never had cashier's checks. I think I've gotten two cashier's checks in the past six years and they are just to pay taxes with.

Q So can you explain why these unknown deposits for $576,000 all of a sudden $350,000 of them came back in?

A Where are you at? And I'll try to see if I can remember.

Q It's 6742 is the page number under 17.

A 6742. There was one time where I was getting checks from -- I'm trying to think if this might be it. There were times where I was getting checks from like -- I don't want to call it a draw, but like a monthly check from Schwab. And so it could have even been from Mellon. What year does it say it was?

Q Well, it shows that you redeposited them in 2011 -- or 2 --

A It wouldn't have been '11.

Q 2010 statement, 2011. Shows that you had some cash -- some unknown amounts that were withdrawals that you had, but then they got redeposited. Do you recall this, ma'am?

A Depo -- deposits. I think that that's just my -- I think Larry had asked me about this and when my -- I have a direct deposit from Schwab. So in '11 -- in -- oh, it says --

it says 2009 through 2011. It doesn't say '11, right?

Q But it shows something about 2011 provided a copy -- Lynita's bookeeper provided a copy of --

A Oh, I -- I see. I see. Under Lynita's response?

Q Right.

A Yeah, the -- I don't -- I don't know. I thought they kind of resolved this, but my draw -- or the amount that I was getting each month from Schwab comes -- it appears on the statement as that it's cash, you know, like when it's direct --

Q To your bank account.

A -- deposited. Yeah.

Q Okay.

A And so I think I've never gotten a $350,000 check. So I think that's just a cumula -- cumulation of sometimes I was getting 25,000. And then to cover my legal expenses I requested 50. So that's probably just a cumulation of that -- either 25,000 or 50,000 that came in. I have -- I -- I have -- I would -- I mean, you would have to look at my Schwab statements and see I've never taken 350,000 out in a lump sum. Where would I get that kind of money?

Q I'm asking you, ma'am. That's my question for you.

A Well, did you see it on my Schwab statements?

Q Ma'am, I'll ask the questions. But it looks like it

shows 350,000 unknown deposits is removed. It shows removed on there, correct? Do you see that?

A Yeah, and I'm --

MR. DICKERSON: Excuse me. Objection. Removed means taken off the spreadsheet. He's correcting --

MS. PROVOST: He's reconciled it.

MR. DICKERSON: -- his previous -- he's reconciling the difference.

THE COURT: Yeah, it says deposits were as a result of previously recorded cash withdrawals and unknown checks, so --

BY MS. FORSBERG:

Q So the unknown deposits are 576,000 then.

MR. DICKERSON: Correct.

Q And you say those are from direct deposits from your Schwab account?

A That's the only place I have money coming from.

Q Ma'am, during this divorce proceeding, you went to the cabin and -- and pretty much stripped most of the things out of there, isn't that correct?

A It's not. Sorry about the object.

Q So when did you go --

A I mean --

Q -- take a lot of furniture out of the cabin, ma'am?

A I never took a lot of -- a lot of furniture out of the cabin.

Q So what did you take out of there, ma'am?

A I took some of the decorator items out and things that I had picked out over a long number of years that meant something to me. And --

Q So you took a U-Haul out there to do it, didn't you, ma'am, or one of those rental trucks?

A I did. I took a U-Haul out. Uh-huh. (Affirmative).

Q And when was that?

A I'm not sure. It's been a number of years.

Q Have you been back since then to the cabin?

A Since I took the things out?

Q Yes.

A No.

MS. FORSBERG: One second, Your Honor. We're almost done, Your Honor. I'm just double checking some things.

Q Ms. Nelson, your answer and counterclaim is requesting alimony from Mr. Nelson, is that correct?

A It is.

Q Let's go through Mr. Bertsch's report on Exhibit Number -- under 10, under Tab 10 if I could.

A Okay. I'm there at the beginning.

Q Can you turn to 6918, please? Oh, no. Let's just stay there on the 6915. That actually gives a summation of that and we'll just short circuit that way if we could.

A The -- the -- my --

Q 6915.

A Oh.

Q Tab 10.

A I don't have a 6908 under that one.

Q 6915.

A Well, I heard that. I just didn't wanted to tell you --

Q I said 18.

A -- I didn't have that.

Q It was 18, but that's okay. Go ahead.

MR. DICKERSON: 6918.

Q 6915.

A Oh. Okay. I'm there.

Q What does it show for the children payments that you paid for for the three and a half years?

A The total children payments is $58,452.93.

Q How about if you turn to --

MS. FORSBERG: Sorry, Your Honor. One second.

Q 11, please.

A Okay. You want me to go to 11?

Q Yeah. I want to compare your amount with Mr. Nelson's amount if we could.

A Just if you could tell me the number of the page.

Q 6818.

A Okay.

Q Can you tell me what Mr. Nelson's children expenses were for the total?

A Oh, just help me with this, will you?

Q On the first column.

A It's be -- it's underneath 11.

Q Yes.

A Is that right?

Q 11, Page 6818.

A Okay.

Q Can you tell me what the children expenses on his were, please?

MR. DICKERSON: The document speaks for itself, Your Honor. And the -- and the attachments to it --

MS. FORSBERG: I still have a question to go with it, so --

MR. DICKERSON: And the attachments to it reflect which children payments were formed.

THE COURT: Do you see -- overruled. This isn't -- do you see where he's asking?

THE WITNESS: Well, is it under --

THE COURT: Do you see it?

THE WITNESS: -- applications?

MS. FORSBERG: Yes.

THE COURT: Under applications, the one, two, three -- the fifth one down.

THE WITNESS: Yeah.

BY MS. FORSBERG:

Q And how much does --

A So --

Q -- does Mr. Bertsch show Mr. Nelson paid for the children's expenses?

A Let me see. Well, it says a hundred and thirty-nine 363, but I don't know if that's for minor children or the adult children as well.

Q I am showing --

A Does mine --

Q -- on Page 6818 showing $407,392. Do you see that?

A Oh, yeah. That's not the minor children I'll tell you that.

Q I'm sure it's not, but is that what you see there?

A I see that, yeah, but it's not for Carli and Garret.

Q And that doesn't include -- and my question was that doesn't include the health insurance, does it, ma'am?

A I -- how -- I don't know. How would I know that?

Q Perhaps looks down further. There's a health insurance line further down.

A Okay. I see that.

Q Okay.

A But yeah, I think -- I think he breaks it out separately as to which children it is, because he hasn't paid for any of their health, that I've been paying for it, so --

Q Okay. Let's go to those if we could.

A Okay. Will you -- will you direct me where that is?

Q You bet.

A Okay.

Q If you can turn to 6828, we'll start there.

A 6828. Okay. I'm not there yet. Okay. I'm here.

Q Do you see that three inches up it says -- it starts listing your children. Do you see that, ma'am?

A Hold on.

Q And this is 2009.

A Oh, from the bottom here. Okay. I do see that.

Q Okay. And which one are the minor children?

A Garret and then Carli.

Q And so for 2009, it's 14,000 on Carli and another 5,270 on Garret, is that correct?

A Hold on. Just a minute. Yeah, 14,000. Uh-huh.

(Affirmative). And then Garret is 5,000.

Q Correct.

A Uh-huh. (Affirmative).

Q And that's for 2009, would you agree, that that particular page is 2009?

A Yeah, that's what it says. That's when she was attending Las Vegas day school as well.

Q How about turn to Page 6832.

A 6832. Oh, it goes to 30.

Q 6832? Keep going.

A So Exhibit -- it goes to --

Q Still on Exhibit 11.

A -- Exhibit C-2.

Q Still Tab 11.

A Yeah. Okay. So now we're in 2010. Okay.

Q And would you agree that it shows $9,850 for Carli?

A It does.

Q And it shows 29,539 for Garret?

A It does. It must have been the year he got his car.

Q Can you turn to Page 6836, please?

A Okay. I'm there.

Q And would you agree that for Carli he paid 8,630?

A Yes.

Q And for Garret he paid 4,427.95?

A Yes, ma'am.

Q And isn't it true -- we just discussed already though that doesn't include the health insurance that he's providing for you or other children, does it, ma'am?

A Yeah, it appeared that it didn't.

MS. FORSBERG: No further questions, Your Honor.

MR. DICKERSON: Your Honor, I'm going to try to as best I can limit my -- my cross examination to just the -- just the testimony on direct.

CROSS EXAMINATION

BY MR. DICKERSON:

Q Starting with the last issue there, Ms. Nelson, tell the Court how much you have received from Eric Nelson in the form of child support since the inception of this case.

A Child support. I haven't received anything.

Q So now you had primary physical custody of your children since the time the two of you separated, is that correct?

A I have.

Q In fact, you have an order in this case with parenting which you have been awarded primary physical custody, is that correct?

A Yes, sir.

Q Is it your testimony that you have not received one

dime in child support from Eric Nelson?

A I have not.

Q Now reference was made to your Schwab account and we only have the statements in here for 2000 --

MS. PROVOST: '09 and '10.

Q 2009 and 2010. Would you tell the Court what current balance is in your Charles Schwab account?

A It's just a little over $200,000.

Q Now in addition to your Charles Schwab account, what other accounts do you have held in your name or in the name of the LSN trust?

A I have an account at Silver State Credit Union and then I have an account at Credit Union 1.

Q Okay. Silver State Credit Union. How much do you have in that account at the present time?

A Specifically I don't remember. I can --

Q The approximate amount within a hundred dollars, can you do that?

A I have it written down. I don't know that I remember. A couple thousand. It's over there by my water bottle.

Q It's approximately $2,000?

A Yeah.

Q Okay. And how much do you have in -- what was the

other account?

A Credit Union 1.

Q And how much do you have in that account?

A About $55,000.

Q Okay. Now you say that you have notes written down. Would it refresh your recollection to look at those notes?

A Yes.

Q Where are those notes?

A Just right there at the -- yeah.

Q Those are the notes you're referring to?

A Yes.

Q So the -- to refresh your recollection as to how much you have deposited the -- as of today in the Charles Schwab account?

MS. FORSBERG: Your Honor, if I can see the notes to know what she's referring to.

THE COURT: Want to go up there and grab them? I -- should have shown them to you before he gave it to --

MS. FORSBERG: Your Honor, they appear to be statements that just never been produced to us.

MR. DICKERSON: Well, all the statements have been produced to you.

MS. FORSBERG: I haven't put all those ones --

MR. DICKERSON: But all -- see, these are -- these are not statements that reflect the amount. These are --

THE COURT: So you can use that to refresh memory.

THE WITNESS: I -- I'm sorry.

THE COURT: But does that refresh your memory of reading those?

THE WITNESS: It -- it does. Uh-huh. (Affirmative). I just actually called today on the phone for a couple of them. So I wrote them down on here.

BY MR. DICKERSON:

Q What is the current balance on the Charles Schwab account?

A 200,000, 16 --

Q 200,000 --

A 16,702.90.

Q How much is in the Silver State Credit Union account?

A Silver State is -- I just have -- I didn't -- oh, 1,888.96.

Q And how much is in --

A That includes like the $5. You have to leave $5 in there. I know that includes that too, but --

Q And how much is in the Credit Union 1 account?

A Credit Union 1 -- I don't know if that -- let's see.

Is approximately $56,000.

Q So by my calculations, you're --

A But I have some bills that are on my credit --

Q I haven't asked that --

A Oh.

Q -- question yet.

A Oh.

Q Okay. I haven't --

A Sorry.

Q Okay. Let me do what you pay me for, okay? Okay. 13 -- I have that you have approximately then just a little -- about 273, 275,000 of your monies left?

A Yes.

Q And is that the monies that are left from the deposit of the $2,000,000 into your Mellon account that we've referenced here after the second installment payment for the sale of Tierra Del Sol?

A Yes, sir.

Q Now how have you been living since the inception of this case?

A From that money from the Mellon account.

Q Has -- other than what Mr. Bertsch represents here and we'll go through those with respect to monies that you have received directly or indirectly from Eric, have you

received any of the monies?

A No.

Q Now you indicated that you presently have some outstanding bills that need to be paid from that roughly $273,000.

A I do.

Q What are those?

A $58,000.

Q And what are those -- what are those bills for?

A Legal expenses.

Q Is that legal expenses related -- is that --

A It -- I'm sorry?

Q Is that to my firm?

A Some of them are to you, some of them are to Mr. Leauanae. Some is to Mrs. Antanassio's office.

Q Do you know how that is broken down? You received my latest bill. I don't think you --

A I know that there's more.

Q Okay. So --

A It's -- that's just what I have on my credit cards right now that I have to pay off.

Q And that's what -- what you have to pay off on your credit cards.

A Yeah.

Q Correct. So those are amounts that you charged on your credit card that you have to pay off.

A Yeah.

Q But there are still outstanding balances and -- and legal fees that are -- is that correct?

A Yeah, I -- I --

Q So if what you're telling us, you have a credit card statement of $58,000 that needs to be paid off?

A Yes.

Q So then you've roughly got approximately $215,000 available to you after you pay those monies, is that right?

A Yes.

Q Now then if you take a look at -- if you take a look at Exhibit 241.

A Oh.

Q And if you'll also take a look at Mr. Bertsch's report, do you have Mr. Bertsch's report up there?

A I do, sir.

Q It is the Bates Stamp Number -- I believe this is the number -- Bates Stamp Number 6657. That's under Tab 3.

A They're in order, I think. Uh-huh. (Affirmative).

MS. PROVOST: 657?

THE COURT: 6657.

A Yeah, I don't know where that is.

MS. PROVOST: What is it part of?

MR. DICKERSON: I think it's another one.

MS. PROVOST: Yeah.

MR. DICKERSON: I think it's Tab 1.

MS. PROVOST: It is.

MR. DICKERSON: Yes, it is. Under Tab 1.

THE WITNESS: Oh.

MR. DICKERSON: Bates Stamp 6657?

MS. FORSBERG: Are we under Mr. Bertsch's report, counsel? Sorry.

MR. DICKERSON: Under Bertsch's, I'm -- I'm looking at --

MS. FORSBERG: I lost the --

MR. DICKERSON: -- Bertsch's, that page, and then also your Exhibit 241.

THE WITNESS: Okay. You said 6657, correct?

MR. DICKERSON: Yes, ma'am. Yes.

THE COURT: Okay.

THE WITNESS: And then you want me at 241.

MR. DICKERSON: Right.

THE WITNESS: Okay. I'm there.

BY MR. DICKERSON:

Q Now if you can compare those two, if you take a look at where it says approximate cash, Mr. Bertsch has $1,071,035

as of March 31st of 2011. I'll -- approximately -- approximately a year and a half ago. Is that an accurate amount that was undeposited at that time?

A That's from 241?

Q Yes.

A Yes, sir.

Q Okay. Well, actually, what was from Mr. Bertsch's 6657.

A Yes.

Q Correct?

A Yes.

Q And then you see what Mr. Nelson has done as he simply transposed that amount over on his Exhibit 241, is that correct?

A Yes.

Q So in light of your testimony here today, is it your position that the approximate cash that you have available to you after the payment of that credit card is roughly $215,000?

A It would be about that, yes.

Q Now take a look at Mr. Bertsch's report. Do you have that in front of you?

A I think this is his book right here. Yes.

Q Turn to -- under Tab 10.

A Okay.

Q And if you'll turn to the summary page which is 6915.

A Okay. I'm there.

Q All right. Now we see then what Mr. Bertsch is summarizing that he has each year following this showing that under sale of investments.

A Okay.

Q 1 -- $1,828.534.65. Do you know what that number represents?

A I don't.

Q Does that number represent --

MS. FORSBERG: Your Honor, objection. Leading.

BY MR. DICKERSON:

Q Do you know where that -- do you know what the -- what he is referring to by sale of investments?

MS. FORSBERG: Asked and answered.

THE COURT: Overruled. Do you know what the --

THE WITNESS: Well, from my -- I -- that -- this is my -- this my thing.

BY MR. DICKERSON:

Q This is yours.

A Yeah. So that would be from my Mellon account.

Q Okay. So let's take a look by your --

A Or my Schwab, I'm sorry.

IN THE SUPREME COURT OF THE STATE OF NEVADA

MATT KLABACKA,
DISTRIBUTION TRUSTEE OF THE ERIC L. NELSON NEVADA TRUST DATED MAY 30, 2001,
Appellant/Cross-Respondent,

Vs.
ERIC L. NELSON, INDIVIDUALLY, AND IN HIS CAPACITY AS INVESTMENT TRUSTEE OF THE ERIC L. NELSON NEVADA TRUST DATED MAY 30, 2001,
Respondent/Cross-Appellant,

and

LYNITA SUE NELSON, INDIVIDUALLY, AND IN HER CAPACITY AS INVESTMENT TRUSTEE OF THE LSN NEVADA TRUST DATED MAY 30, 2001,
Respondent

Supreme Court No. 66772
District Court Case No. D-11-443611-D

Consolidated With:
Supreme Court Case No. 68292

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Supreme Court Case 66772 Consolidated with 68292 In the Matter of: Klabacka v. Nelson

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