

Exhibit “F”

APN: 163-10-893-015
Affix R.P.T.T. \$4,227.90

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

Inst #: 201311010001148
Fees: \$19.00 N/C Fee: \$0.00
RPTT: \$4227.90 Ex: #
11/01/2013 11:34:27 AM
Receipt #: 1528701
Requestor:
CHICAGO TITLE LAS VEGAS
Recorded By: SAO Pgs: 4
DEBBIE CONWAY
CLARK COUNTY RECORDER

ESCROW NO: 13042142-149-CK

GRANT, BARGAIN, SALE DEED

THIS INDENTURE WITNESSETH: That

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

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

Stefan Nathan Chock, An Unmarried Man

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

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

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

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

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

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

Lynita Sue Nelson
By: Lynita Sue Nelson, Trustee

Lynita Sue Nelson, Trustee

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

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

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

Carla Kuhl
Notary Public Carla Kuhl

My commission expires: 4-14-14

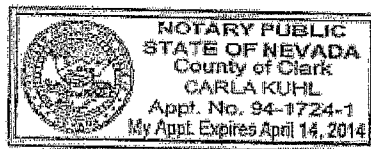


EXHIBIT A
LEGAL DESCRIPTION

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

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

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

APN: 163-10-803-015

Exhibit “E”

1 TRANS

FILED

JUN 27 2013

Ann L. Sullivan
CLERK OF COURT

2
3
4 ORIGINAL

5
6 EIGHTH JUDICIAL DISTRICT COURT

7 FAMILY DIVISION

8 CLARK COUNTY, NEVADA

9
10 ERIC L. NELSON,)

11 Plaintiff,)

CASE NO. D-09-411537-D

12 vs.)

DEPT. O

13 LYNITA NELSON,)

(SEALED)

14 Defendant.)
15

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

18 TRANSCRIPT RE: MOTION

19
20 WEDNESDAY, JUNE 19, 2013

1 APPEARANCES:

2 The Plaintiff:
3 For the Plaintiff:

NOT PRESENT
RHONDA FORSBERG, ESQ.
64 N. Pecos Rd., #700
Henderson, Nevada 89074
(702) 990-6448

5 The Defendant:
6 For the Defendant:

LYNITA NELSON
ROBERT DICKERSON, ESQ.
KATHERINE PROVOST, ESQ.
1745 Village Ctr. Cir.
Las Vegas, Nevada 89134
(702) 388-8600

8 The Trustee:
9 For the ELN Trust:

ROCHELLE MCGOWAN
JOAN RAMOS
JEFFREY LUSZECK, ESQ.
9060 W. Cheyenne Ave.
Las Vegas, Nevada 89129
(702) 853-5483

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1 LAS VEGAS, NEVADA

WEDNESDAY, JUNE 19, 2013

2

P R O C E E D I N G S

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(THE PROCEEDINGS BEGAN AT 14:37:51)

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THE COURT: This is the time set in the matter of Eric Nelson and Lynita Nelson, case number D-411537. Can we have everybody's appearance for the record? We'll start with our Trust.

9

10

MR. LUSZECK: Jeff Luszeck, counsel for distribution Trustee of the ELN Trust.

11

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13

THE COURT: Thank you.
MS. FORSERG: Good afternoon, Your Honor. Rhonda Forsberg, 9557 on behalf of Eric Nelson.

14

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16

MR. DICKERSON: Your Honor, Bob Dickerson, bar number 945 and Katherine Provost, bar number 8414 on behalf of Lynita Nelson who is present.

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THE COURT: It's good to see you again, Ms. Lynita. I'm sorry Mr. Eric's not here. It's always a pleasure to see both of the parties. Everybody can sit down and get comfortable. This is on Mr. Dickerson's motion on behalf of Ms. Nelson for motion for payment of funds pursuant to this Court's divorce and decree that was entered by this Court and requested immediate payment.

24

The Court had ordered payment within 30 days of the

1 decree and they request immediate payment concerns that the
2 money if they don't get it, they may never see it.

3 I've also have read ELN Trust and an opposition to
4 the motion for payment of funds pursuant to the Court's
5 decree. And basically a countermotion to stay payments and
6 transfer of pos -- and transfer of other property ordered by
7 this Court pending appeal or resolution to the Nevada Supreme
8 Court for an extraordinary writ -- writ I guess I should say.

9 I have read the paperwork. This is your motion, Mr.
10 Dickerson. I'll give you a chance to highlight or identify
11 anything that you think you want me spend special attention
12 to.

13 MS. FORSERG: Your Honor, one thing before he goes.
14 I just want to make sure -- I wasn't sure if the Court got my
15 joinder to her opposition and then the countermotion for
16 disqualification.

17 THE COURT: No, did -- did you get a copy of that?

18 MR. DICKERSON: Yes, we did.

19 THE COURT: Okay.

20 MR. DICKERSON: It was -- arrived today by email, so

21 --

22 THE COURT: Okay. I didn't have a chance --

23 MR. DICKERSON: -- it really hasn't --

24 THE COURT: -- to review that.

1 MR. DICKERSON: -- finally got served on us.

2 THE COURT: Okay. I haven't had a chance to review
3 that. So what did you file on the joinder?

4 MS. FORSERG: Yes.

5 THE COURT: Okay.

6 MS. FORSERG: We did a joinder and request for
7 disqualification for non -- non-lawyer employee, Your Honor.
8 I actually brought extra copies just in case since it was --

9 THE COURT: Okay. Let me see. Are you ready to
10 address? What do you want --

11 MR. DICKERSON: Yes, we have it. And I --

12 THE COURT: Okay. Want to give me a copy and if
13 everybody is okay to address, we address. If you need more
14 time, I'll give you time to --

15 MR. DICKERSON: I prefer we have an affidavit.

16 MS. FORSERG: And we can always move it to another
17 hearing that you have schedule too, so --

18 THE COURT: Okay. So have you guys --

19 MR. DICKERSON: And if I may.

20 THE COURT: -- all made sure it's for everybody?

21 MR. DICKERSON: This is the affidavit in response to
22 that.

23 MS. FORSERG: I have read that also, Your Honor.

24 THE COURT: Have it?

1 MS. FORSERG: Yeah.

2 THE COURT: Counsel, do you have a position on that
3 as your -- in this one and not --

4 MR. LUSZECK: Well, it doesn't involve --

5 THE COURT: Okay.

6 MS. FORSERG: Yeah.

7 MR. LUSZECK: -- the Trust, Your Honor.

8 THE COURT: All right. I want to make sure
9 everybody is comfortable on that and we'll try to see if we
10 can get everything resolved today. Mr. Dickerson.

11 MR. DICKERSON: Yes, Judge. And -- and I don't know
12 if you want to take time to review that first, but dealing
13 with our motion --

14 THE COURT: Okay.

15 MR. DICKERSON: -- our motion is rather simple.
16 It's set out to specifically in the motion what our request is
17 and the reasons for it. I believe in light of your specific
18 findings of fact and conclusions of law with respect to the --
19 the likelihood that Eric Nelson will not honor any of these
20 Court's orders that -- that it's imperative and -- and I --
21 it's very imperative. I -- I was kind of surprised to see
22 that the -- that the injunction was -- was dissolved
23 immediately at that point in time.

24 I don't know where the funds are. I don't know.

1 I've been attempting to get a hold of Dave Stephens (ph). He
2 has not returned my calls. I don't know if the trust has
3 taken the entire 1.8 million plus all the interest that has
4 been accrued on that over the last year, year and a half that
5 it's -- it's been there.

6 THE COURT: My intent was when I said dissolve it
7 was to order immediate distribution within the 30 days I think
8 -- at least maybe it wasn't as clear as I thought. And I said
9 we'll distribute A, B, C, D, E and then the remaining 500,000
10 to Mr. Nelson. That was my intent.

11 MR. DICKERSON: Well --

12 THE COURT: Not -- that's --

13 MR. DICKERSON: -- my -- my hope was is that that
14 was the intent --

15 THE COURT: Yeah.

16 MR. DICKERSON: -- and my hope was that it would
17 remain with -- with Mr. Stephens and that Mr. Stephens would
18 cut the checks that Your Honor had ordered. I don't know why
19 it -- it would have necessitated a -- a 30 day period. And
20 we're asking that Your Honor order that those monies be
21 released today. Ms. Nelson has no monies available to her.
22 As you see, we've set it -- I believe she has about 19,000.

23 THE COURT: 19,000 in --

24 MR. DICKERSON: She has significant debt.

1 THE COURT: -- credit card bills --

2 MR. DICKERSON: I think it's also --

3 THE COURT: -- about 53,000.

4 MR. DICKERSON: -- ironic and it -- it goes to tell
5 you what we've been dealing with in this case. You know that
6 this -- the case was filed in January of 2009. The parties
7 have been going through divorce problems for years prior to
8 that. They separated in June of 2008. And I think the -- the
9 record reflects that approximately since 2008 at most Lynita
10 Nelson has received about \$30,000 from Eric Nelson.

11 He left her this account roughly \$2,000,000 that she
12 was strictly had to rely upon that. Receives no income from
13 any other source, had to rely on those monies and that money
14 is down to 19,000 which they -- they throw a line in their
15 opposition pointing out that she's gone through the
16 \$2,000,000. That \$2,000,000 was what she used for the
17 purposes of her living expenses which Your Honor has already
18 determined. It's at least \$240,000 a year and she use those
19 money for the purposes of -- of her litigation expenses.

20 And I think it's ironic seeing that, Your Honor she
21 is here and she's not -- she doesn't have the money available
22 for her to go on vacation. And while Eric Nelson is not here,
23 because he's spending two and a half weeks in Thailand with at
24 least three of his children.

1 So in fairness, I mean, something needs to be done
2 to get money to this woman. She's waited a -- a considerable
3 amount of time. And I will simply ask that you enter the
4 order that we've requested. I -- I prepared a proposed order
5 for your consideration for that purpose and it's simply
6 directing it at David -- Dave Stephens still retains those
7 monies, that he is to release \$1,032,742 to Lynita and \$35,258
8 to Larry Bertsch and the -- the balance he can release to Eric
9 Nelson pursuant to -- pursuant to your decree of divorce. And
10 as I mentioned, I do have a proposed order if Your Honor's
11 inclined to sign it.

12 THE COURT: Okay. Counsel?

13 MR. LUSZECK: Your Honor, I don't have much to add
14 other than what's in our opposition in -- in countermotion.

15 THE COURT: You're concerned if I gave the money and
16 paid it and then he was successful on getting me --

17 MR. LUSZECK: Correct.

18 THE COURT: -- overruled that the money would be
19 gone, they wouldn't get it. Is that kind of --

20 MR. LUSZECK: Yeah, I mean we're --

21 THE COURT: -- a little bit --

22 MR. LUSZECK: -- we're essentially concerned that
23 the ELN Trust is going to suffer irreparable harm if the
24 payment has to be made and the property is transferred over

1 from the ELN Trust to the LSN Trust. We are going to file an
2 appeal with the Nevada Supreme Court. We would ask that any
3 type of transfer or payments be stay pending our appeal.

4 I think -- the argument that's been made essentially
5 it's akin to a motion for reconsideration. The allegations
6 that we've heard today and that are in the motion for payment
7 are the same arguments that we've heard before in a trial.
8 There's no new evidence, no new facts, no new law. We think
9 the 30 days is appropriate to give us the -- the Trust ample
10 time to -- to appeal the decision which it's going to do.

11 MR. DICKERSON: Well -- well, there are new facts.
12 There's the facts that you found and you found that she is
13 entitled to that money and it's time that she be paid that
14 money and it's time that she be able to enjoy life like Eric
15 Nelson has been doing since they separated in June of 2008.
16 It's -- it's the only fair way to do it. They -- they ask for
17 a -- Your Honor to issue -- to stay the proceedings.
18 Essentially, they're asking her -- you to allow this woman to
19 be out on the street and not have any money available to her
20 while they decide to pursue the appeal.

21 I'll bring to their attention right now. I mean, if
22 they do file a notice of appeal, they obviously need to file
23 their motion for stay and they're going to have to post a
24 supersedeas bond for the amount of the judgment that you have

1 found in her favor which is well in excess I believe of six,
2 \$7,000,000 that they would have to do.

3 And our intent at that point in time Judge is we
4 will be filing a Honeycutt motion seeking to have you pursue
5 that finding that you made that you find that the trusts are
6 invalid and that they -- and that the trusts are not
7 effective. And -- and that would be our intent as we file in
8 a Honeycutt motion so the supreme court can consider that
9 issue also.

10 THE COURT: And I did look into on anticipation the
11 supersedeas bond that the judgment and the Court would add
12 interest on that, I believe five and a quarter percent
13 interest, I think. Plus I would add two years interest on
14 that, because the supreme court takes a couple years. Plus
15 costs I think could be added. They can be anywhere from 50 to
16 a hundred thousand. So I did look at some of those things
17 that that bond could be kind of costly, but I do respect your
18 right for the Trust to do as they deem appropriate.

19 My issue is do you know if that money's been -- have
20 you -- would your client -- do you know if that money's been
21 distributed? Because my intent was for Mr. Stephens to give
22 that out to her and to give back the trust, but I could have
23 been clearer when I looked at it. I thought it was -- when
24 you're writing anything, it's not clearer than when you look

1 at it. When I looked at -- so I probably should have been
2 very specific, but that's why I try to say this money, this
3 money and then the remaining to Mr. Nelson, because I figured
4 they may have some concerns that the money could dissipate.

5 MR. LUSZECK: Yes. It's my understanding the money
6 has been transferred from the trust account to the ELN Trust.

7 MR. DICKERSON: So they have already --

8 MR. LUSZECK: Do you know if Mr. Nelson -- do you
9 know if Mr. Nelson's got his 500 grand? Do you know if they
10 distributed it and just transferred to the trust?

11 MR. LUSZECK: That I don't know, Your Honor.

12 THE COURT: Okay.

13 MR. DICKERSON: So what they've already done is they
14 have already taken benefits of your judgment and now they're
15 telling after we take the benefits of our judgment we're going
16 to file an appeal. And they can't do that. And they -- they
17 very well have waived their rights to appeal.

18 MR. LUSZECK: I -- I don't think that's true, Your
19 Honor. I believe the order -- the divorce decree has been
20 complied with and I don't think we've waived any rights to
21 appeal.

22 THE COURT: Okay. Yeah. We'll deal with that when
23 it comes. My concern on this case is I thought that there
24 could be possible appeals on that. I felt that -- give people

1 some time. I did feel that I would try to keep the trust in
2 place in order to provide the protection from creditors, so I
3 didn't want them to lose the intent as I found the intent of
4 their trust which was to protect from creditors on both sides.
5 They didn't want to open up Ms. Lynita either to any attacks
6 by creditors as to her thing through Eric or otherwise. So I
7 did feel on that.

8 I'll deal with those issues about setting aside
9 appropriately with Honeycutt or whatever comes down on that,
10 but I'm very -- the reason I asked you if those monies have
11 been transferred, because if they left the money with Mr.
12 Stephens I wouldn't been as concerned saying they left it
13 there, fine, they're doing it on the up and up. They had
14 concerns on that and they just want to protect that.

15 But I'll be honest with you. My findings on that
16 and your client's got a lot of issues from this Court felt on
17 credibility. I'm not the only judge that founds those issues.
18 Issues about dissipating estates and the bankruptcy estate
19 that I was concerned that this stuff could disappear. So that
20 was my intent.

21 If that money is stayed with Mr. Stephens in his
22 trust, then I'd have been more comfortable saying hey, the
23 money ain't going anywhere. Mr. Stephens -- Attorney Stephens
24 has it. He's an honorable. Money being transferred to Nelson

1 Trust -- to his trust, I'm worried about that, because I think
2 they could get distributions on that. Other ways to get that
3 money out, transfer it to family members as he done to the
4 other property on that. As I made my findings, getting out
5 and had the estate thrown. So I'm troubled by that and the
6 fact that they transferred to the trust. I'm very concerned
7 now.

8 As far as that going, I'm inclined to grant their
9 motion and make that money payable within 24 hours. And as
10 far as that, I'm also would consider if you -- as far as if
11 you want me to -- my concern is for -- for the trust for their
12 appeal purposes, their concern that wait a minute, that money
13 is gone. We give it to Ms. Nelson now. Now you kind of
14 screwed us all because we can't get it back. But the issue is
15 other property. They have two. There's other ways we can do
16 and ought to make -- there's some collateral there if it
17 disappeared over the next two years.

18 But I think -- there's other ways I could protect
19 that if it's appropriate, because there is sizable real estate
20 that could be pledged as collateral if necessary. So I think
21 that there is a remedy. I don't think she's going to go and
22 get rid of all the property in her trust during the pending of
23 the appeal on that, so I'm not so sure that you couldn't get
24 that money back.

1 I think there's collateral there that could be
2 assigned by this Court to cover the million dollars and some
3 change paid to Ms. Nelson so that if you were successful on
4 appeal, they would have collateral. I think I could probably
5 do a -- bond if I needed to to protect that. There's a couple
6 options, I think I could do that, that would solve the trust
7 concern that if they're successful on appeal, that they'd be
8 able to get the money and property back. So did you want to
9 address that specifically, counsel? And I'll have Mr.
10 Dickerson respond or it doesn't --

11 MR. LUSZECK: I mean, I discovery --

12 THE COURT: -- because I'm inclined to order that
13 money released immediately, so I want to give you a chance --

14 MR. DICKERSON: I -- I don't believe though that
15 this is the appropriate time to do this --

16 THE COURT: Well --

17 MR. DICKERSON: -- because they have yet to file the
18 appeal.

19 THE COURT: Appeal and the supersedeas bonds and --

20 MR. LUSZECK: Right.

21 THE COURT: -- everything and address it at that
22 time.

23 MR. LUSZECK: Well --

24 THE COURT: But --

1 MR. LUSZECK: But --
2 THE COURT: -- let me give you a chance.
3 MR. LUSZECK: -- before we go on -- well --
4 THE COURT: Yeah.
5 MR. LUSZECK: -- I don't know that we technically
6 can file an appeal right now, because you filed NRCP 55 -- 59
7 motion which may preclude us from doing that. So we're going
8 to have to seek a writ.
9 THE COURT: Okay.
10 MR. LUSZECK: And first up, before we can seek a
11 writ is seeking a stay from this Court. So procedurally, we
12 had no other choice but to seek this relief from this Court
13 before we file a writ.
14 THE COURT: Okay.
15 MR. DICKERSON: You have to file a writ and a writ
16 would be an improper method when you have a final judgment.
17 There -- there is a relief by an appeal. And as Your Honor
18 pointed out, there is sufficient security with respect to the
19 other property. It's not -- they -- they have -- they've got
20 to transfer that property. That our next motion that comes.
21 They're going to refuse to do that.
22 MR. LUSZECK: Well --
23 MR. DICKERSON: So I would ask that Your Honor enter
24 the order today that we filed an order in open court that the

1 record reflect that it's being served on both counsel at this
2 time and that Lana Martin as the distribution trustee of the
3 ELN Trust that she be directed to distribute those monies in
4 the form of an appropriate cashier's check made payable to
5 both Ms. Nelson and to Larry Bertsch and that Your Honor set
6 this for a status hearing on Monday with ordering that Lana
7 Martin be here if she has refused to pay those fees so that
8 you can hold her in contempt at that point in time if she
9 refuses to honor Court's order.

10 MR. LUSZECK: Your Honor, Mr. Nelson's out of the
11 country and he has to approve any distributions of the
12 distribution --

13 MR. DICKERSON: No.

14 MR. LUSZECK: -- trustee meets.

15 MR. DICKERSON: No.

16 MR. LUSZECK: Further --

17 MS. PROVOST: No.

18 MR. DICKERSON: That's not the argument you made --

19 THE COURT: Wait. Wait. Wait. Let's -- I'm
20 talking now.

21 MR. LUSZECK: Further --

22 THE COURT: That's not according to what they said.

23 And now maybe that might take a thing that -- that he --

24 MR. LUSZECK: Okay.

1 THE COURT: -- came up with said the distribution
2 trustee approved everything, she had to have prove it and not
3 him. He could request the --
4 MR. LUSZECK: Well, no.
5 THE COURT: -- distribution --
6 MR. LUSZECK: I agree --
7 THE COURT: -- but she could approve --
8 MR. LUSZECK: -- but I believe the investment
9 trustee has veto power. Secondly, it's my understanding Lana
10 Martin has resigned as distribution trustee for health reasons
11 and Nola Harbor (ph) is the current distribution trustee.
12 MS. PROVOST: Oh, the sister.
13 MR. DICKERSON: Then they need -- then they need his
14 sister.
15 MR. LUSZECK: And I don't if she has access to the
16 accounts or not. I -- I just don't know.
17 THE COURT: Fair enough. Fair enough.
18 MR. LUSZECK: I understand what you're saying and I
19 understand the concern, but I think having that done within 24
20 hours I don't know if that's feasible.
21 THE COURT: Okay. Did you have -- did you have a
22 proposed order, Mr. Dickerson? Let me see it. Here's what
23 I'm going to do. I'll give you chance on that. I'm going to
24 grant the motion for the immediate release of the funds. I'm

1 going to give you up to the release by Friday, 5:00 o'clock.
2 That gives you two days. That way you can try to get
3 extraordinary relief if necessary. 24 hours is kind of tough,
4 gives you a chance a talk. I -- I believe Thailand has
5 telephones and emails in Thailand I believe they have, so I
6 imagine that it -- Mr. Nelson can be contacted.

7 I have serious concerns with that money being
8 transferred into the trust that that money would dissipate.
9 And that's my concerns on that. If it's still with Mr.
10 Stephens' account, I would have frozen that account, you know,
11 if I needed to on that, but I'm concerned on that.

12 So I am going to grant the motion. I'm denying the
13 motion for stay. I'll give you a chance to -- now you can
14 pursue your extraordinary relief if the supreme court has
15 deemed appropriate. And I will address any issues at that
16 time at the supersedeas bonds or otherwise, whatever needs to
17 be done.

18 This case has been going on for a long time. I
19 respect both parties. I am seriously concerned. Mr. Nelson
20 has been controlling the estate essentially since day one.
21 Now he's losing control of the estate. And no disrespect to
22 him. I expect a lot of problems trying to get payment.
23 That's why I did lump sums with my findings, because I can see
24 this going on til the world ended to be honest. And I do

1 respect people's rights to -- to do all their legal basis and
2 I do respect that.

3 I am going to grant the motion. It's hereby ordered
4 that as follows. Good cause being shown. Well, I guess Mr.
5 Stephens got to change there where it says ordered Dave
6 Stephens to immediately upon present pay Lynita or attorneys.
7 That's -- I think we have to modify that order to simply put
8 it --

9 MR. DICKERSON: But the next -- but the next order
10 covers that --

11 THE COURT: The next covers it, does it?

12 MR. DICKERSON: -- that it's already distributed.

13 THE COURT: Okay. I'll get it going. It's further
14 ordered that if said 1.568 million or any portions thereof has
15 already been transferred to Mr. Nelson to the trust. The ELN
16 Trust is to pay Ms. Nelson the order of this Court. I haven't
17 added up those numbers, but I think that includes the lump sum
18 spousal and the child support. I'll add, again, add it up. I
19 haven't added it up, but I'll go by counsel's --

20 MR. DICKERSON: It said out of the motion, Your
21 Honor.

22 THE COURT: Okay. Of the \$1,032,742 and shall Mr.
23 Bertsch who has been waiting a long time for his fees. 35,280
24 will be that within 48 hours. So let's delineate that within

1 48 hours. The presentation of this order. I'm going to sign
2 it today and get it dated. What's the date today?

3 THE CLERK: The 19th.

4 THE COURT: The 19th. I will initial. Let's get
5 these filed and get them served, get taken care of now. That
6 would give them two business days to get it done. I'm denying
7 the motion for stay as I think this case -- let the supreme
8 court intervene and do what they need to do as they deem
9 appropriate. This case has been ongoing since 2009 January.
10 We've had numerous, numerous motions, numerous, numerous
11 hearings. And I respect the party's right to litigate, but I
12 think it's time that it needs to be resolved and it needs to
13 be off of my desk up to the supreme court and let them handle
14 it as they deem appropriate.

15 I do not believe that the release of those funds put
16 you at any risk from the trust, because I do believe that Ms.
17 Nelson has significant resources that will -- could be able to
18 be collateral if -- if you need that. And so I don't think
19 I've identified any wrongdoing on Ms. Nelson that she would
20 try to get rid of funds and not pay any funds if the supreme
21 court was indeed overturned it and said she was not entitled
22 to said funds. And therefore, that's the basis for the order
23 of this Court. And then we have another -- did you want to
24 deal with this motion we have pending as to --

1 MR. DICKERSON: If you care to -- if you want to
2 review that, yes, and to determine whether you feel you need
3 anything more. I -- we pointed out that the -- the motion is
4 not supported by any affidavit of any person having personal
5 knowledge. It's simply Ms. Forsberg's reliance upon --

6 MS. FORSERG: That's not really true, because --

7 MR. DICKERSON: -- on her --

8 MS. FORSERG: -- I do know Jeanette (ph) --

9 THE COURT: Okay. Why don't --

10 MS. FORSERG: -- worked for Jimmerson.

11 THE COURT: Why don't we take a 10 minute recess,
12 get that order all for you and let me go in the back and read
13 it --

14 MS. FORSERG: That's fine.

15 THE COURT: -- come back until then when we got
16 everybody here.

17 MS. FORSERG: Yes, please.

18 MR. DICKERSON: Okay.

19 MS. FORSERG: Thank you.

20 THE COURT: Counsel, you can hang around or not.
21 You can leave.

22 MR. LUSZECK: Okay. Thank you, Your Honor.

23 THE COURT: Thanks, counsel.

24 MR. DICKERSON: Your Honor, may stick around so that

1 we can for the record to reflect that he has been served with
2 the -- with the order?

3 THE COURT: Okay. She has to -- you got to file it
4 first.

5 MR. DICKERSON: And then was Your Honor inclined to
6 set this matter for a brief hearing in -- on Monday?

7 THE COURT: Absolutely. If they want to get there
8 so we get it resolved, because -- and if it's not distributed,
9 we can have the Nola Harbor or whoever needs to be here for
10 the trust, because Mr. Nelson will still be out do you know if
11 he's --

12 MS. FORSERG: He will be.

13 MR. LUSZECK: I believe so.

14 THE COURT: So when we put on a status check because
15 the payment of the order, that way we'll see if there's
16 anything pending on that just to try to get it resolved for
17 you guys. We'll put on the status check as the Monday
18 afternoon as to payment under the order and that will give you
19 time on that while we're looking at that and I'll go in the
20 back and read these two and come back in --

21 MS. FORSERG: Thank you, Your Honor.

22 THE COURT: -- about 10 minutes.

23 MR. DICKERSON: So your order --

24 THE COURT: Whatever time works --

1 MR. DICKERSON: You order is --
2 THE COURT: -- for counsel, I'm here all the time.
3 MR. DICKERSON: Your order then is to recognize Nola
4 Harbor or -- or whoever the distribution trustee is --
5 THE COURT: Or whoever was the distribution trustee
6 of the ELN Trust.
7 MR. DICKERSON: Here on Monday. And what time on
8 Monday?
9 THE COURT: I will look at one now and see what
10 works counsel. Just look at my calendar and I'll -- whatever
11 time I'm --
12 THE CLERK: I'm still looking.
13 MR. LUSZECK: Your Honor, and I'm going to have to
14 check with her too, because I don't know her schedule --
15 THE COURT: 2:30?
16 MR. LUSZECK: -- is, so --
17 THE COURT: If you need a different time --
18 MR. LUSZECK: -- obviously there may be issues.
19 THE COURT: -- just call counsel and we can --
20 MR. LUSZECK: Okay.
21 THE COURT: -- do -- call my law clerk and we can
22 work it out if they need to be here at --
23 MR. DICKERSON: And -- and --
24 THE COURT: -- 10:00 or 12:00. We'll work something

1 out.

2 MR. DICKERSON: And just one other comment and
3 again, it's -- it's -- well -- because I don't know if Jeff is
4 going to leave.

5 MS. FORSERG: He's not. He's waiting for the order.

6 THE COURT: We'll have him hang around until he gets
7 the order, so we --

8 MR. DICKERSON: But -- but just one other comment
9 for the record is --

10 THE COURT: Let's keep it on the record while we got
11 just so we --

12 MR. DICKERSON: This --

13 THE COURT: -- make sure there's --

14 MR. DICKERSON: This matter is here today based upon
15 the fact that we filed a motion for ex parte relief on the day
16 that Your Honor's findings of fact, conclusions of law and
17 decree of divorce were entered. That day we filed an ex parte
18 and unfortunately it was denied. We anticipated this would
19 happen. And I -- I just respectfully suggest that in the
20 future when you're dealing with an individual such as Eric
21 Nelson, you have to know --

22 MS. FORSERG: Your Honor --

23 MR. DICKERSON: -- that this is going to happen.

24 MS. FORSERG: -- we have to object to this.

1 MR. DICKERSON: This is absolutely going to happen

2 --

3 MS. FORSERG: We object to his statement.

4 MR. DICKERSON: -- and the likelihood we will get
5 these monies by Friday, I -- I -- it -- it will be a surprise.

6 THE COURT: Yeah, well, I did consider when I got
7 the ex parte, I don't do anything ex parte, because it gives
8 the appearance that it's being done. I did have concerns, but
9 I felt that Mr. -- the funds were in the trust fund with the
10 attorney, so I wasn't too worried. Should -- and I maybe
11 should have clarified my order better, so that one's on me.
12 But we'll -- we'll get that money --

13 MR. DICKERSON: Thank you, Your Honor.

14 THE COURT: -- unless the supreme court says
15 otherwise. Thanks, everybody.

16 MR. DICKERSON: And Your Honor, and for the record
17 reflect that I'm providing your -- I'll have your --

18 MR. LUSZECK: Thank you.

19 MR. DICKERSON: -- I'll have your marshal provide a
20 copy to both --

21 THE COURT: The record reflect that the order's been
22 signed by the Court today approving the motion for the
23 immediate disposal -- dispersal to Ms. Nelson within 48 hours.
24 It will be by 5:00 o'clock on close of business on Friday,

1 5:00 o'clock. Copies been served to counsel Mr. Luszeck on
2 behalf of the ELN Trust and to Ms. Forsberg on behalf of Eric
3 Nelson. Thanks, everybody.
4 MR. LUSZECK: Okay. Thank you.
5 MS. FORSERG: Thank you.
6 THE COURT: It's good to see you, Mr. Luszeck.
7 THE MARSHAL: The court's in recess.
8 (Off record)
9 THE MARSHAL: Have a seat, folks.
10 THE COURT: This is recalling the matter of Eric
11 Nelson and Lynita Nelson, case number 411537. This Court took
12 a brief recess so I could read the motion filed on behalf of
13 Mr. Eric Nelson, the joinder in opposition. We've already
14 kind of addressed that at the previous, but this was the
15 motion as far as -- what would we call that, I guess to --
16 trying to -- trying to think what I would call it.
17 MS. FORSERG: Disqualifying?
18 THE COURT: Disqualify a --
19 MS. FORSERG: Sorry.
20 THE COURT: -- non-attorney, a non-attorney from the
21 case on it. I have read that and I did read the points and
22 authorities and the countermotion. I also read the affidavit
23 submitted by Jeanette Lackner (ph). Ms. Forsberg, is there
24 anything you want to add in to the argument or anything?

1 MS. FORSERG: Your Honor, only one. They're both
2 not huge law firms. Jimmerson's wasn't huge, so she had to be
3 involved in things. And Dickerson's isn't huge, because of
4 course most family firms are not. His is -- not everyone's,
5 but that's the only thing, Your Honor.

6 THE COURT: Mr. Dickerson, anything else?

7 MR. DICKERSON: Nothing further, Your Honor.

8 THE COURT: This Court has reviewed that. I did
9 read the affidavit submitted by Jeanette Lacker. She
10 indicated that she had been employed for the Jimmerson Law
11 Firm from I think September 2008 through 2012 was when this
12 case would have been involved. I think the case officially
13 was filed with 2009 if I remember. I don't remember how long
14 Mr. Jimmerson was involved in the case to be honest and when
15 he got out. I'm not sure when he got out of the case.

16 Indicated our main concern was did she acquire
17 confidential information. That was my concern in this case.
18 I do note that both firms are relatively small firms.
19 According to the affidavit, she indicated that during the
20 employment she's been employed since April 1st, 2013, went to
21 Dickerson Law Firm. She did disclose that she had been
22 working for Jimmerson prior. She had another involvement with
23 Michelle Roberts after she left Jimmerson in February 2012
24 through April 2013 and came to work for the Dickerson Law Firm

1 on April 1st.

2 So he said that prior to receiving an offer of
3 employment with -- with Attorney Dickerson's firm she did
4 disclose -- list any cases that she -- if that remained in
5 controversy between the Dickerson Firm and any of her former
6 employers including the Jimmerson Firm. She said she was --
7 she's not aware of when Jimmerson first got retained to the
8 action.

9 In the matter she said during her employment with
10 the Jimmerson Firm she performed very limited work. She did
11 basically her -- she would review files. Her reviewed the
12 files, indicated that the paralegal assigned was Shahana
13 Polselli and not her. And the legal -- legal assistant
14 assigned to the Nelson case was Jessica Dennis (ph).

15 As she indicated, she did not attend any
16 confidential meetings with Eric Nelson and Mr. Jimmerson when
17 Mr. Jimmerson represented Eric. She also indicated she did
18 quote, I did not participate in any meeting with Mr. Jimmerson
19 or Mr. Nelson or any client for that matter, that such
20 meetings were attended to by the paralegal assigned to that
21 case and not the legal assistance. And the -- and the
22 paralegal in that case had been Shahana Polselli.

23 She indicated that the only document she worked on
24 was a Plaintiff's first supplemental, NRCP 16.1 disclosure of

1 documents, witnesses and documents. She indicated that would
2 have been initially prepared by Shahana Polselli and annotated
3 by Mr. Jimmerson. And that would have been delivered to her
4 to insert annotations so that she can have it then signed
5 finally by Mr. Jimmerson and then complete their certificate
6 of service and mailing process.

7 She said if there's any other documents that she
8 would have worked on would have been certificates of service
9 prepared by other parties. She indicated that quote, I
10 obtained no confidential information by Mr. Nelson or this
11 matter due to my empl -- my employer as one of Mr. Jimmerson's
12 legal assistants. She said her interactions consisted at the
13 office of saying hello, goodbye if she saw Mr. Nelson come
14 into the office or answer the telephone. She said she quote,
15 never had any telephonic conference or conversation with Mr.
16 Nelson or any associate with Mr. Nelson.

17 Do you feel, counsel, that the -- her putting
18 annotations in to the 16.1 disclosure witnesses and documents
19 would give her access to any confidential information? I'm
20 not sure what that would have been entailed to be honest, but
21 --

22 MS. FORSERG: We would think that -- that it would,
23 Your Honor, but we are not sure that's our concern is, because
24 you're going through all of it. You're interacting with all

1 of this stuff when you're putting together documents for a
2 witness list and everything like that. So that's where --
3 where her -- his concern is.

4 THE COURT: Okay. Well, based on the -- the
5 affidavit and the issue I -- this Court -- based on the
6 information provided at this time, it does -- did not say that
7 she acquired any confidential information about the former
8 client. If you got some more information specific, I'll be
9 glad to look at it. I'm not sure if this citing this 16.1,
10 dis -- disclosure of witnesses and documents means that she
11 reviewed all the documents or have seen those documents. So I
12 do not feel at this time that she -- the non-lawyer employees
13 acquired any confidential information as to Mr. Nelson.

14 I -- I also notice that they did have some screening
15 procedures in place according to the affidavit, that during
16 her employment with Mr. Dickerson she was advised of course
17 she cannot work in any capacity on the Nelson case. And the
18 long, she also informed that she would be screened from any
19 access to any of the work product existing in that Nelson case
20 and was provided with a copy of the Leibowitz (ph)
21 determination ascertained about the screening of non-lawyers
22 or she would risk termination and that she has fully complied
23 with those requirements.

24 I do know that these are both small -- really small

1 law firms. The issue is number one, I do not see any evidence
2 that she did acquire any confidential about a former client
3 and that number two, it looks like they had a screening
4 process that would screen her from access to this case to
5 provide any information on this case in order to screen her
6 from any contact regarding this case or any input to make sure
7 that there was not any unfairness to Mr. Nelson to using the
8 information acquired.

9 And for all those reasons, I am denying the motion
10 at this time. And again, if you have more specifics, I'd be
11 glad to look at it after something more specific. But based
12 on the information provided and the affidavit and opposition
13 too, I do not believe there's any evidence that she acquired
14 any confidential information and furthermore that Mr.
15 Dickerson had a sufficient screening in there to safeguard any
16 -- Mr. Nelson from any disclosure. Do you want to prepare the
17 order on that, Mr. Dickerson? Or do you want --

18 MR. DICKERSON: I --

19 THE COURT: Do you want an order on that or --

20 MR. DICKERSON: Can we certify the minutes as the
21 Court's order.

22 THE COURT: Okay with that or do you want to --

23 MS. FORSERG: Well, as long as the minutes say that
24 we can look at more specifics. That's the only -- my only

1 concern would be --

2 THE COURT: Okay. If you got something that's more
3 specific --

4 MS. FORSERG: -- to make sure that they're --

5 THE COURT: -- you think that their affidavit, I
6 would be glad to look at it.

7 MS. FORSERG: As long as it includes that, we're
8 okay with that, Your Honor, but we just want to make sure that
9 the minutes do include that portion.

10 MR. DICKERSON: Thank you.

11 MS. FORSERG: Thank you, Your Honor.

12 THE COURT: Thank you.

13 THE MARSHAL: Thank you, guys.

14 THE COURT: We'll have the minute order suffice as
15 an order of this Court. Certify that.

16 MS. FORSERG: Thank you, Your Honor.

17 THE COURT: We'll certify that and we'll leave it in
18 your envelope downstairs.

19 MR. DICKERSON: Thank you, Your Honor.

20 MS. PROVOST: Thank you, Your Honor.

21 THE COURT: Thank you.

22 MS. FORSERG: Thank you.

23 (PROCEEDINGS CONCLUDED AT 15:17:13)

24 * * * * *

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

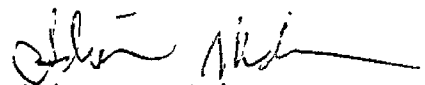
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6 /s/ Adrian N. Medrano
7 Adrian N. Medrano
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Exhibit “D”

DISTRICT COURT
CLARK COUNTY, NEVADA

ERIC L. NELSON,
Plaintiff/Counterdefendant,

vs.

LYNITA SUE NELSON, LANA MARTIN, as
Distribution Trustee of the ERIC L. NELSON
NEVADA TRUST dated May 30, 2001,

Defendant/Counterclaimants.

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

Crossclaimant,

vs.

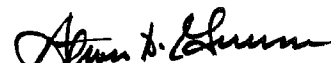
LYNITA SUE NELSON,

Crossdefendant.

CASE NO.: D-09-411537-D

DEPT. NO.: O

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CLERK OF THE COURT

FINDINGS OF FACT AND ORDER

This Matter having come before this Honorable Court on January 26, 2015, for a Motion to Enforce the June 3, 2013, Decree of Divorce, Address Issues Relating to Property Awarded to Defendant in the Divorce, and Related Relief and the ELN Trust's Opposition Hearing with Plaintiff, Eric Nelson, appearing and being represented by Rhonda Forsberg, Esq., Defendant, Lynita Nelson, appearing and being represented by Katherine Provost, Esq., Josef Karacsonyi, Esq., and Robert Dickerson, Esq. and Counterdefendant, Crossdefendant,

FRANK R. SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

1
2 Third Party Defendant Matt Klabacka, Distribution Trustee of the Eric L. Nelson Nevada
3 (ELN) Trust, being represented by Mark Solomon, Esq., and Jeffrey Luszeck, Esq., with the
4 Court having reviewed the testimony and good cause being shown:

5 THE COURT HEREBY FINDS that this Court entered a Divorce Decree in this matter
6 on June 3, 2013.

7
8 THE COURT FURTHER FINDS that said Decree awarded Ms. Nelson certain property
9 and assets held by the Eric L. Nelson (ELN) Trust.

10 THE COURT FURTHER FINDS that the ELN Trust had filed Writs of Prohibition
11 with the Nevada Supreme Court in an effort to prevent the transfer of these properties and
12 assets.

13 THE COURT FURTHER FINDS that on May 23, 2014, the Nevada Supreme Court
14 denied ELN's Petitions for Writs of Prohibition which further vacated all temporary Stays of
15 the Divorce Decree.

16 THE COURT FURTHER FINDS that on September 18, 2014, this Court entered an
17 Order instructing the ELN Trust to transfer the Lindell Property and the Banone, LLC,
18 properties to the Lynita Sue Nelson (LSN) Trust.

19 THE COURT FURTHER FINDS that said Order also enjoined the LSN Trust from
20 selling or encumbering these properties and also enjoined the ELN and LSN Trusts from selling
21 or encumbering their interest in their jointly held Brian Head cabin.

22 THE COURT FURTHER FINDS that the June 4, 2014 Order also entitled Ms. Nelson
23 to the income from the Lindell and Banone properties from the date of the Decree (June 3,
24 2013) to present.

1
2 THE COURT FURTHER FINDS that Ms. Nelson now files this Motion in an effort to
3 enforce the Decree and the June 4, 2014 Order.

4 THE COURT FURTHER FINDS that the ELN Trust has requested that this Court Stay
5 any decision on the Motion until after a February 27, 2015, Settlement Conference.

6
7 THE COURT FURTHER FINDS it is not inclined to Stay its decision as this litigation
8 has lingered on for far too many years and numerous attempts to settle this matter have been
9 unsuccessful.

10 4601 Concord Village Property

11 THE COURT FURTHER FINDS that the property located at 4601 Concord Village
12 Drive is one of the Banone, LLC, properties awarded to Ms. Nelson in the Divorce Decree
13 dated June 3, 2013.

14
15 THE COURT FURTHER FINDS that the property was vacated in July of 2014 and that
16 the \$500.00 Security Deposit was returned to the Tenant.

17 THE COURT FURTHER FINDS that, upon being vacated, the 4601 Concord Village
18 Drive property was dirty, had some debris left in the yard and required repairs in the amount of
19 \$14,679.01.

20 THE COURT FURTHER FINDS that, while the property was dirty, had some debris
21 left in the yard and needed repairs, there was insufficient evidence for this Court to determine if
22 the Tenant's \$500.00 Security Deposit should have been forfeited as the condition of the
23 property upon the Tenant renting the premises was unknown to this Court.

24
25 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should not be
26 required to reimburse Ms. Nelson the \$500.00 Security Deposit that was returned to the Tenant.

1
2 JB Ramos Note

3 THE COURT FURTHER FINDS that, as part of its effort to equalize the ELN and LSN
4 Trusts, this Court awarded Ms. Nelson and the LSN Trust 100% interest in the JB Ramos Note.

5 THE COURT FURTHER FINDS that the detailed accounting completed by Larry
6 Bertsch, CPA, valued the JB Ramos Note at \$78,000.00.
7

8 THE COURT FURTHER FINDS that the ELN's Opposition did not dispute the value
9 of the JB Ramos Note.

10 THE COURT FURTHER FINDS that the September 4, 2014 accounting reflects that
11 the JB Ramos Note has been "paid in full".

12 THE COURT FURTHER FINDS that the ELN's Opposition did not indicate that Ms.
13 Nelson or the LSN Trust had already received any payments attributed to the JB Ramos Note.
14

15 THE COURT FURTHER FINDS that Ms. Nelson and the LSN Trust are entitled to the
16 total value of the JB Ramos Note in the amount of \$78,000.00, with statutory interest from the
17 date of the Decree (June 3, 2013).

18 2209 Farmouth Circle Note

19 THE COURT FURTHER FINDS that 2209 Farmouth Circle was a property formerly
20 held by Banone, LLC, and was a property included in Mr. Larry Bertsch's value determination
21 of the Banone, LLC, properties.
22

23 THE COURT FURTHER FINDS that, during the pendency of the Divorce proceedings,
24 the Farmouth property was sold for \$88,166.00, with a Promissory Note and Deed of Trust
25 securing the property.

26 THE COURT FURTHER FINDS that Ms. Nelson and the LSN Trust were awarded
27 100% interest in the Promissory Note.
28

1
2 THE COURT FURTHER FINDS that based upon the September 2014 accounting, Mr.
3 Nelson and the ELN Trust have collected funds in the amount \$8,816.55 on the Farmouth Note
4 from June 3, 2013 through September 30, 2014.

5 THE COURT FURTHER FINDS that Ms. Nelson and the LSN Trust have received
6 payments for the months of October, November, and December of 2014 on the Farmouth Note.
7

8 THE COURT FURTHER FINDS that since the Farmouth property was one of the
9 Banone, LLC, properties awarded to Ms. Nelson in the Divorce Decree entered on June 3,
10 2013, and that she was subsequently awarded 100% interest in the Promissory Note, Ms.
11 Nelson and the LSN Trust are entitled to the \$8,816.55 generated from the Promissory Note for
12 the period of June 3, 2013 through September 30, 2014, inclusive.

13 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should be
14 required to execute an Assignment of the Promissory Note and Deed of Trust for the 2209
15 Farmouth Circle property as previously Ordered by this Court.
16

17 5704 Roseridge Avenue

18 THE COURT FURTHER FINDS that 5704 Roseridge Avenue was a property formerly
19 held by Banone, LLC, and was a property included in Mr. Larry Bertsch's value determination
20 of the Banone, LLC, properties.

21 THE COURT FURTHER FINDS that, during the pendency of the Divorce proceedings,
22 the Roseridge property was sold for \$63,000.00.
23

24 THE COURT FURTHER FINDS that since the Roseridge property was one of the
25 Banone, LLC, properties awarded to Ms. Nelson and the LSN Trust in the Divorce Decree
26 entered on June 3, 2013, Ms. Nelson and the LSN Trust are entitled to the \$63,000.00
27 generated from the sale of the Roseridge property.
28

1
2 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should be
3 required to pay Ms. Nelson and the LSN Trust \$63,000.00, plus statutory interest from June 3,
4 2013.

5 1301 Heather Ridge Lane

6
7 THE COURT FURTHER FINDS that 1301 Heather Ridge is a property held by
8 Banone, LLC, and was awarded to Ms. Nelson and the LSN Trust in the Divorce Decree dated
9 June 3, 2013.

10 THE COURT FURTHER FINDS that the Heather Ridge property had been previously
11 rented to Lance Liu, Mr. Nelson's nephew, for \$866.00 per month.

12 THE COURT FURTHER FINDS that on April 1, 2014, Mr. Nelson entered into a three
13 (3) year Lease for the Heather Ridge property with Lance Liu for the amount of \$700.00 per
14 month.

15
16 THE COURT FURTHER FINDS that Mr. Nelson indicated that the monthly rent was
17 lowered to \$700.00 per month based upon Mr. Liu being responsible for the maintenance of the
18 yard and pool.

19 THE COURT FURTHER FINDS that considering the fact that the Heather Ridge
20 property has been awarded to Ms. Nelson and the LSN Trust and that no Stay is in place, Mr.
21 Nelson should not have encumbered the property with a long-term lease.

22
23 THE COURT FURTHER FINDS that throughout the marriage and pendency of these
24 extensive legal proceedings, Mr. Nelson has consistently transferred property to his family and
25 employees regardless of Ms. Nelson's interest in the properties.

26 THE COURT FURTHER FINDS that many of Mr. Nelson's transfers of property to his
27 family and friends appeared to be below the actual market value of the properties.
28

1
2 THE COURT FURTHER FINDS that lowering the monthly rent of the Heather Ridge
3 property from \$866.00 to \$700.00 under the guise of his nephew, Mr. Liu, being required to
4 maintain the yard and pool, was simply a pretext on the part of Mr. Nelson to once again
5 transfer a property interest to a family member at a price below market value.
6

7 THE COURT FURTHER FINDS that while Ms. Nelson has submitted "comparables",
8 confirmed by a quick GLVAR search, alleging monthly rental rates of \$1,395.00 to \$1,600.00
9 for similar properties, the submitted "comparables" are insufficient for this Court to determine
10 if such properties are truly "comparable" to the Heather Ridge property.
11

12 THE COURT FURTHER FINDS that considering the fact that the Heather Ridge
13 property has been awarded to Ms. Nelson and the LSN Trust, and that Mr. Nelson's lowering
14 of the rent to \$700.00 per month appears to simply be a pretext to give his nephew, Mr. Liu, a
15 property interest below the market value, Mr. Nelson and the ELN Trust should be required to
16 pay Ms. Nelson and the LSN Trust the amount of \$166.00 per month (\$866.00 - \$700.00 =
17 \$166.00) from April 1, 2014 throughout the duration of the lease, with such payments due on
18 the 5th of each month.
19

20 Banone LLC Net Profits

21 THE COURT FURTHER FINDS that Mr. Nelson and ELN's accounting indicates that
22 the Banone, LLC, properties grossed a profit of \$132,479.00 from June 1, 2013 to June 30,
23 2014.

24 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust have listed the
25 following costs on the Banone ledger associated with maintaining the Banone properties:
26 general upkeep in the amount of \$35,487.20; \$65,000.00 management fees; \$19,649.83
27
28

1
2 administrative wages expense; and \$28,575.00 maintenance wages expense, for total expenses
3 in the amount of \$148,712.03.

4 THE COURT FURTHER FINDS that applying Mr. Nelson and the ELN Trusts claimed
5 total expenses in the amount of \$148,712.03 to the "gross profit" of \$132,479, results in a loss
6 of \$16,233.03.

7
8 THE COURT FURTHER FINDS that while Mr. Nelson and the ELN submitted an
9 Affidavit from Lance Liu, Banone maintenance manager and nephew of Mr. Nelson, a copy of
10 a W-2 or 1099 for Mr. Liu was never provided to this Court.

11 THE COURT FURTHER FINDS that neither Mr. Nelson nor the ELN Trust submitted
12 proper documentation to verify the validity of the claimed administrative wages expense and
13 the maintenance wages expense, such as, copies of W-2s or 1099 Statements.

14
15 THE COURT FURTHER FINDS that the administrative wages expense in the amount
16 of \$19,649.83 is excessive considering the fact that such amount reflects 50% of the total gross
17 wages on Mr. Nelson and ELN's business General Ledger.

18 THE COURT FURTHER FINDS that a reasonable amount for administrative wages
19 expense would be 25% of the total gross wages reflected on Mr. Nelson and ELN's business
20 General Ledger, or \$9,824.92.

21 THE COURT FURTHER FINDS that the maintenance wages expense in the amount of
22 \$28,575.00 is excessive considering the fact that such claimed payments to Lance Liu, Mr.
23 Nelson's nephew, reflect 75% of the total gross wages on Mr. Nelson and ELN's business
24 General Ledger.
25
26
27
28

1
2 THE COURT FURTHER FINDS that a reasonable amount for maintenance wages
3 expense would be 25% of the total gross wages reflected on Mr. Nelson and ELN's business
4 General Ledger, or \$9,525.

5
6 THE COURT FURTHER FINDS that Mr. Nelson's claimed management fees in the
7 amount of \$65,000.00 is extremely unreasonable and that a reasonable property management
8 fee would be 10% of gross profits.

9 THE COURT FURTHER FINDS that reasonable property management fees would be
10 10% of the \$132,479 gross profit, or \$13,247.90.

11 THE COURT FURTHER FINDS that based upon the aforementioned, the claimed
12 expenses associated with the Banone properties are not reasonable and are merely an attempt to
13 inflate the expenses associated with the Banone properties in order to completely eradicate any
14 monies due and owing to Ms. Nelson and the LSN Trust.

15
16 THE COURT FURTHER FINDS that the allowed deductions should be as follows:
17 \$35,487.20 for general upkeep; \$9,824.92 for administrative wages; \$9,525 for maintenance
18 wages; and \$13,247.90 for property management fees, for total expenses in the amount of
19 \$68,085.02.

20 THE COURT FURTHER FINDS that subtracting the expenses in the amount of
21 \$68,085.02 from the "gross profit" of \$132,479, results in an amount of \$64,393.98
22 representing the Banone, LLC, net profits from June 1, 2013 through June 30, 2014.

23
24 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should be
25 required to pay Ms. Nelson and the LSN Trust \$64,393.98 representing the Banone, LLC, net
26 profits from June 1, 2103 through June 30, 2014.

1
2 Healthcare Deductions

3 THE COURT FURTHER FINDS that it previously addressed the issue of Mr. Nelson
4 and the ELN Trust using the family medical insurance cost of the Nelson's two youngest
5 children and Ms. Nelson as an offset.

6
7 THE COURT FURTHER FINDS that the Divorce Decree made it clear that Mr. Nelson
8 would be responsible for the payment of Carli Nelson's medical insurance premiums.

9 THE COURT FURTHER FINDS it previously indicated that neither parent has a legal
10 obligation to pay the healthcare costs for Garrett Nelson as he had reached the age of majority at
11 the time that the Divorce Decree was entered.

12 THE COURT FURTHER FINDS that as to the family medical insurance, the Joint
13 Preliminary Injunction entered at the onset of this matter required that the couple maintain the
14 status quo, which included the family medical insurance.

15
16 THE COURT FURTHER FINDS that evidence presented during trial established that
17 the family medical insurance premiums were being paid by Dynasty Development Group,
18 which was held in the ELN Trust.

19 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust were responsible
20 for the payment of the family medical insurance premiums pursuant to the Joint Preliminary
21 Injunction and no Order was issued by this Court modifying Mr. Nelson and the ELN Trust's
22 responsibility to continue payment of such premiums.

23
24 THE COURT FURTHER FINDS that upon this Court requiring Mr. Nelson and the
25 ELN Trust to submit an accounting of the income generated by the Lindell property, Mr.
26 Nelson took it upon himself to modify the responsibility for payment of the family medical
27 insurance premiums by reflecting such payments against the Lindell property.

1
2 THE COURT FURTHER FINDS that Mr. Nelson's unilateral decision to reflect the
3 family medical insurance premiums as a debit against the Lindell property was a clear attempt
4 on his part to reduce any monies due and owing to Ms. Nelson.

5 THIS COURT FURTHER FINDS that prior to Divorce, Mr. and Ms. Nelson each held
6 a 50% interest in the Lindell Property and that Ms. Nelson was awarded 100% interest in the
7 property by the Divorce Decree of June 3, 2013.

8
9 THE COURT FURTHER FINDS that Ms. Nelson is not responsible for any family
10 medical insurance payments made during the pendency of these Divorce proceedings.

11 THE COURT FURTHER FINDS that no deductions should be given for the payment of
12 Carli and Garrett's Health Insurance premiums and Ms. Nelson's Insurance premiums, and,
13 accordingly, the net profit of the Lindell property should not be reduced by the payment of such
14 premiums.

15
16 THE COURT FURTHER FINDS that after removing the deductions for the
17 "Carli/Garett Health Insurance Premiums" and the "Health/Dental Insurance Lynita Portion"
18 from the Lindell Property results in the following net income due and owing to Ms. Nelson:
19 2010 = \$6,832.28; 2011 = \$8,730.31; 2012 = \$8,257.76; January 2013 through July 2013,
20 inclusive, = \$10,131.07; August 2013 through December 2013, inclusive = \$3,706.65; February
21 2014 through June 2014, inclusive, = \$18,201.98, for a total amount of \$55,860.05.

22
23 THE COURT FURTHER FINDS that after deducting Ms. Nelson's portion of
24 Insurance Premiums from June 3, 2013 through June 2014, inclusive, in the amount of
25 \$14,016.16, from the net income of \$55,860.16, leaves an amount due and owing to Ms. Nelson
26 and the LSN Trust of \$41,843.89.

1
2 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should be
3 required to pay Ms. Nelson and the LSN Trust the amount of \$41,843.89, plus statutory interest
4 from June 3, 2013.

5 THE COURT FURTHER FINDS that Ms. Nelson is responsible for her own health
6 insurance payments from July 1, 2013 through the present.

7
8 THE COURT FURTHER FINDS that since Garrett has attained the age of majority,
9 neither Mr. Nelson nor Ms. Nelson are financially responsible for any costs related to his
10 college education.

11 Imputed Lindell Rents May 6, 2009 to June 3, 2013

12 THE COURT FURTHER FINDS that prior to the Divorce Decree of June 3, 2013, the
13 Nelson's each held a 50% interest in the Lindell Property via the ELN and LSN Trusts.

14 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust occupied 3,200
15 square feet on the second floor of the Lindell property without paying any rent.

16 THE COURT FURTHER FINDS that on June 3, 2013, the Divorce Decree awarded
17 Ms. Nelson and the LSN Trust 100% interest in the Lindell property.

18 THE COURT FURTHER FINDS that a consideration of the Court in awarding Ms.
19 Nelson and the LSN Trust 100% ownership interest in the Lindell property was the fact that
20 Mr. Nelson and the ELN Trust had occupied the premises from May 6, 2009 until June 3, 2013
21 without paying any rent.

22 THE COURT FURTHER FINDS that since this Court had considered the non-payment
23 of rent in its determination to award Ms. Nelson and the LSN Trust 100% interest in the Lindell
24 property, it would be inequitable to require Mr. Nelson and the ELN Trust to pay rent for the
25 period in question.
26
27
28

1
2 Imputed Lindell Rents July 1, 2013 to Present

3 THE COURT FURTHER FINDS that 100% interest in the Lindell property was
4 awarded to Ms. Nelson and the LSN Trust as part of the Divorce Decree entered on June 3,
5 2013.

6 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust has occupied
7 3,200 square feet on the second floor of the Lindell property without paying rent.

8 THE COURT FURTHER FINDS that during the trial, the expert witness, Larry
9 Bertsch, appraised a fair market rental value of \$1.00 per square foot.

10 THE COURT FURTHER FINDS that Ms. Nelson and the LSN Trust are entitled to
11 rental payments from Mr. Nelson and the ELN Trust for the period of July 1, 2013 to June 30,
12 2015 in the amount of \$3,200.00 per month.

13 THE COURT FURTHER FINDS that Ms. Nelson and the LSN Trust are entitled to
14 rental payments in the amount of \$76,800.00 from Mr. Nelson and the ELN Trust, for the
15 period of July 1, 2013 through June 30, 2015, minus any rental payments made to date, with
16 statutory interest from June 3, 2013.

17
18
19 Vacating the Lindell Property

20 THE COURT FURTHER FINDS that throughout these lengthy proceedings, Mr.
21 Nelson has continually harassed and threatened Ms. Nelson despite a Mutual Behavior Order,
22 Temporary Protective Order and No Contact Orders being in place.

23 THE COURT FURTHER FINDS that on June 16, 2014, Mr. Nelson was sentenced to
24 seven (7) days in jail due to his continued harassment of Ms. Nelson.
25
26
27
28

1
2 THE COURT FURTHER FINDS that on June 3, 2015, Mr. Nelson was again found
3 guilty of contempt for yelling, cursing, aggressively approaching and grabbing locks from Ms.
4 Nelson causing her to fall onto the stairs and was sentenced to twenty-five (25) days in jail.

5 THE COURT FURTHER FINDS that Mr. Nelson's continued contemptuous behavior
6 has rendered a Landlord/Tenant relationship between him and Ms. Nelson untenable.
7

8 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should vacate the
9 Lindell property on or before August 31, 2015, by 5:00 p.m.

10 Security Gate

11 THE COURT FURTHER FINDS that Mr. Nelson, following entry of the Divorce
12 Decree, installed a security gate restricting access to the second floor of the Lindell property.
13

14 THE COURT FURTHER FINDS that Ms. Nelson requested that Mr. Nelson remove
15 the gate, but her request was ignored.

16 THE COURT FURTHER FINDS that Ms. Nelson incurred a \$375.00 expense for the
17 removal of said gate and should be reimbursed by Mr. Nelson for this expense.

18 830 Arnold Ave, Greenville, MS

19 THE COURT FURTHER FINDS that the LSN Trust owned the 830 Arnold Ave.
20 property prior to the Divorce and remains the sole owner of the property.

21 THE COURT FURTHER FINDS that Mr. Nelson, as Investment Trustee for the LSN
22 Trust, was the manager of said property prior to and during the pendency of the Divorce.
23

24 THE COURT FURTHER FINDS that the accounting provided by Mr. Nelson and the
25 ELN Trust for the period of June 3, 2013 through September 30, 2014, reflects net income for
26 the Arnold property in the amount of \$1,037.72.
27
28

1
2 THE COURT FURTHER FINDS that Ms. Nelson and the LSN Trust are entitled to
3 payment in the amount of \$1,037.72 from Mr. Nelson and the ELN Trust for the Arnold
4 property.

5 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should be
6 required to provide Ms. Nelson and the LSN Trust with an accounting for the period from May
7 6, 2009 through June 3, 2013 of all income and expenses for the Arnold property.

8 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should be
9 required to pay Ms. Nelson and the LSN Trust all income received, less all actual and
10 documented expenses, for the Arnold property for the period of May 6, 2009 through present,
11 with statutory interest from May 6, 2009.

12 Russell Road Property

13 THE COURT FURTHER FINDS that it previously found that the ELN Trust held a
14 66.67% interest in the Russell Road Property and a 66.67% interest in the Note for rents, taxes
15 and proceeds related to this property.

16 THE COURT FURTHER FINDS that the LSN Trust was not properly compensated for
17 the transferring of its previously held interest in the Russell Road property, and, as such, this
18 Court awarded the LSN Trust 50% of the ELN Trust's interest in the property, resulting in the
19 LSN Trust receiving a 1/3 interest in the property as part of the Divorce Decree.

20 THE COURT FURTHER FINDS the Russell Road Property generated a profit of
21 \$80,084.00 for the period of June 1, 2013 to June 30, 2014.

22 THE COURT FURTHER FINDS that Ms. Nelson and the LSN Trust are entitled to 1/3
23 of the \$80,084.00 Russell Road profit, or \$26,694.66.

1
2 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should be
3 required to pay Ms. Nelson and the LSN Trust the amount of \$26,694.66, plus statutory interest
4 from June 3, 2013.

5 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust has not provided
6 any further accounting beyond June 30, 2014 for the Russell Road property.
7

8 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should be
9 required to pay Ms. Nelson and the LSN Trust 1/3 of the monthly profits for the Russell Road
10 property from July of 2014 and every month thereafter, with payments due on the 15th of each
11 month.

12 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should direct the
13 Payor of the Note associated with the Russell Road Investment to pay Ms. Nelson and the LSN
14 Trust's 1/3 share directly to Ms. Nelson and the LSN Trust.
15

16 Mississippi RV Park

17 THE COURT FURTHER FINDS that the Mississippi RV Park property was owned
18 outright by the LSN Trust prior to the Divorce and remains so today.

19 THE COURT FURTHER FINDS that according to Mr. Bertsch's report, the property
20 was being leased by the Silver Slipper Casino for \$4,000.00 per month.

21 THE COURT FURTHER FINDS that neither Ms. Nelson nor the LSN Trust has
22 received any funds related to the lease of this property.
23

24 THE COURT FURTHER FINDS that in or about April of 2012, the Silver Slipper
25 Casino was sold to Full House Resorts.

26 THE COURT FURTHER FINDS that Full House Resorts will not provide the LSN
27 Trust with any information related to the Mississippi RV Park lease without a Subpoena.
28

1
2 THE COURT FURTHER FINDS that a Subpoena Duces Tecum should be issued
3 directing Full House Resorts to produce all contractual agreements concerning the Mississippi
4 RV Park and payments made by such entity to Mr. Nelson and/or the ELN Trust, and/or any
5 related business entity, for use of the Mississippi RV Park for the period of May 6, 2009 to
6 present.
7

8 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust shall provide an
9 accounting for the Arnold property and Mississippi RV Park lease on or before July 31, 2015,
10 by 5:00 p.m.

11 Wyoming Property

12 THE COURT FURTHER FINDS that Ms. Nelson and the LSN Trust have held title to
13 approximately 200 acres of land adjacent to Wyoming Downs in Evanston, WY.
14

15 THE COURT FURTHER FINDS that it appears that Mr. Nelson may have granted
16 Brandon C. Roberts grazing rights to the Wyoming property.

17 THE COURT FURTHER FINDS that Mr. Nelson testified that he has not received any
18 payments related to any grazing agreement between himself and Mr. Roberts.

19 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust should provide
20 Ms. Nelson and the LSN Trust with all contracts concerning Ms. Nelson's Wyoming property
21 and submit an accounting of all income received by Mr. Nelson and the ELN Trust for the
22 period of May 6, 2009 to present, on or before July 31, 2015, by 5:00 p.m.
23

24 THE COURT FURTHER FINDS that, if necessary, a Subpoena Duces Tecum will be
25 issued directing the production of any and all documentation concerning any compensation that
26 Mr. Roberts or any other party has paid to Mr. Nelson and/or the ELN Trust for the grazing
27 rights to Ms. Nelson and the LSN Trust's Wyoming land.
28

1
2 Attorney Fees for June 16, 2014 Contempt Finding Against Mr. Nelson

3 THE COURT FURTHER FINDS that Ms. Nelson is entitled to attorney's fees
4 stemming from the commencement of the contempt proceedings in June of 2014 pursuant to
5 NRS 22.100(3).
6

7 THE COURT FURTHER FINDS the following: that Attorney Dickerson has over 38
8 years of legal experience and Attorney Provost has over 12 years of legal experience; that the
9 Dickerson Law firm is an AV rated firm; that Attorney Provost is certified as a Family Law
10 Specialist; that the character of the work performed was intricate and important in curbing the
11 harassing and aggressive behavior of Mr. Nelson towards their client, Ms. Nelson; that counsel
12 expended considerable time and attention to the work performed; that counsel performed their
13 work with a high degree of skill and professionalism; and that counsel were successful in
14 having Mr. Nelson found in Contempt of Court for his continued harassment of their client.
15

16 THE COURT FURTHER FINDS that upon review of the Memorandum of Fess and
17 Costs, the following fees and costs are reasonable: 22.6 hours of billable attorney time at
18 \$400.00 per hour (\$9,040.00); 2.0 hours of billable attorney time at \$550.00 per hour
19 (\$1,100.00); 11.1 hours of billable paralegal time at \$175.00 per hour (\$1,942.50); and costs in
20 the amount of \$972.24, for a total amount of \$13,054.74.
21

22 THE COURT FURTHER FINDS that Mr. Nelson should be required to pay attorney
23 fees and costs in the amount of \$13,054.74 to Ms. Nelson.

24 THEREFORE, IT IS HEREBY ORDERED that Mr. Nelson and the ELN Trust shall
25 remit a payment in the amount of \$78,000.00 to Ms. Nelson and the LSN Trust for the JB
26 Ramos Note, plus statutory interest from June 3, 2013, with such payment to be made on or
27 before July 10, 2015, by 5:00 p.m.
28

1
2 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
3 and the LSN Trust the amount of \$8,816.55 for income generated by the 2209 Farmouth Circle
4 Promissory Note for the period of June 3, 2013 through September 30, 2014, inclusive, with
5 such payment due on or before July 10, 2015, by 5:00 p.m.
6

7 THE COURT FURTHER FINDS that Mr. Nelson and the ELN Trust shall execute the
8 Assignment of the Promissory Note and Deed of Trust for 2209 Farmouth Circle on or before
9 July 10, 2015, by 5:00 p.m.

10 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
11 and the LSN Trust the \$63,000.00 generated from the sale of the 5704 Roseridge property, plus
12 statutory interest from June 3, 2013, with such payment due on or before July 10, 2015, by 5:00
13 p.m.
14

15 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
16 and the LSN Trust the amount of \$166.00 per month for the 1301 Heather Ridge Lane property
17 from April 1, 2014 throughout the duration of the lease, with such payments due on the 5th of
18 each month.

19 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
20 and the LSN Trust the amount of \$64,393.98 for the Banone, LLC, net profits from June 1,
21 2013 through June 30, 2014, with such payment due on or before July 10, 2015, by 5:00 p.m.
22

23 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall provide Ms.
24 Nelson and the LSN Trust with all information and documentation necessary to manage the
25 Banone, LLC, properties as requested in the letter dated July 21, 2014, and that such
26 information and documentation shall be provided on or before July 10, 2015, by 5:00 p.m.
27
28

1
2 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
3 and the LSN Trust the amount of \$41,843.89, plus statutory interest from June 3, 2013, as
4 payment for the "Carli/Garett Health Insurance Premiums" and the "Health/Dental Insurance
5 Lynita Portion" deductions taken as offsets against the Lindell property, with such payment due
6 on or before July 10, 2015, by 5:00 p.m.
7

8 IT IS FURTHER ORDERED that neither parent is legally responsible for the healthcare
9 or educational costs associated with the Nelsons' adult son, Garrett Nelson.

10 IT IS FURTHER ORDERED that Ms. Nelson is responsible for her own health
11 insurance costs as of July 1, 2013.

12 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
13 and the LSN Trust the amount of \$76,800.00, minus any payments made to date, with statutory
14 interest from June 3, 2013 as rental payments for the Lindell property for the period July 1,
15 2013 through June 30, 2015, with such payment due on or before July 10, 2015, by 5:00 p.m.
16

17 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall provide Ms.
18 Nelson and the LSN Trust with all information and documentation necessary to manage the
19 Lindell property as requested in the letter dated July 21, 2014, and that such information and
20 documentation shall be provided on or before July 10, 2015, by 5:00 p.m.
21

22 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall vacate the
23 Lindell property on or before August 31, 2015, by 5:00 p.m.

24 IT IS FURTHER ORDERED that Mr. Nelson shall reimburse Ms. Nelson \$375.00 for
25 the cost of removing the unauthorized security gate.
26
27
28

1
2 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
3 and the LSN Trust the amount of \$1,037.72 for the 830 Arnold Avenue property, with such
4 payment due on or before July 10, 2015, by 5:00 p.m.

5 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall provide an
6 accounting to Ms. Nelson and the LSN Trust of all income and expenses for Arnold Avenue,
7 generated between May 6, 2009 and September 30, 2014, with such accounting due on or
8 before July 31, 2015, by 5:00 p.m.

9
10 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
11 and the LSN Trust all income received, less all actual and documented expenses, for Arnold
12 Avenue, for the period of May 6, 2009 through present, with statutory interest from May 6,
13 2009, with such payment due on or before August 31, 2015, by 5:00 p.m.

14 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
15 and the LSN Trust the amount of \$26,694.66, plus statutory interest from June 3, 2013, as
16 payment for 1/3 of the profits from the Russell Road property for the period of June 1, 2013
17 through June 30, 2014, with such payment due on or before July 10, 2015, by 5:00 p.m.

18 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
19 and the LSN Trust 1/3 of the monthly profits for the Russell Road property from July of 2014
20 and every month thereafter, plus statutory interest from July 1, 2014, with payments due on the
21 15th of each month.

22 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall execute all
23 assignment(s) or other documents necessary to secure Ms. Nelson and the LSN's 1/3 interest in
24 the Russell Road Investments, with all necessary documents executed on or before July 10,
25 2015, by 5:00 p.m.

1
2 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall direct the Payor
3 of the Promissory Note associated with the Russell Road Investment to pay Ms. Nelson and the
4 LSN Trust's 1/3 share directly to Ms. Nelson and the LSN Trust, on or before July 10, 2015, by
5 5:00 p.m.
6

7 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall provide Ms.
8 Nelson and the LSN Trust with a copy of all documents relating to the Russell Road
9 Investment, with such documentation due on or before July 10, 2015, by 5:00 p.m.
10

11 IT IS FURTHER ORDERED that a Subpoena Duces Tecum shall issue directing Full
12 House Resorts to produce all contractual agreements concerning the Mississippi RV Park and
13 all payments made by such entity to Mr. Nelson and/or the ELN Trust, and/or any related
14 business entity, for the use of the Mississippi RV Park for the period of May 6, 2009 through
15 present.
16

17 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall provide Ms.
18 Nelson and the LSN Trust with an accounting for all income received and expenses attributable
19 to the Mississippi RV Park property, for the period of May 6, 2009 through present, with such
20 accounting due on or before July 31, 2015, by 5:00 p.m.
21

22 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall provide Ms.
23 Nelson and the LSN Trust with a copy of the original Lease Agreement between the Silver
24 Slipper Casino and Bay Resorts, LLC, for the use of the Mississippi RV Park.
25

26 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay to Ms.
27 Nelson and the LSN Trust all income received, minus all actual and documented expenses,
28 attributable to the Mississippi RV Park property, for the period of May 6, 2009 through present,
with such payment due on or before August 31, 2015, by 5:00 p.m.

1
2 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall execute the
3 four (4) Quitclaim Deeds required to transfer the Mississippi property to Ms. Nelson and the
4 LSN Trust, with such Deeds to be executed on or before July 10, 2015, by 5:00 p.m.

5 IT IS FURTHER ORDERED that a Subpoena Duces Tecum shall issue directing the
6 production of any and all documentation concerning any compensation that Brandon C.
7 Roberts or any other party has paid to Mr. Nelson and/or the ELN Trust for the grazing rights
8 of Ms. Nelson and the LSN Trust's Wyoming land.

9
10 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall provide Ms.
11 Nelson and the LSN Trust with any and all contracts concerning Ms. Nelson and the LSN's
12 Wyoming land and shall submit an accounting of all income received by Mr. Nelson and/or the
13 ELN Trust for the period of May 6, 2009 through present, with such documentation and
14 accounting to be submitted on or before July 31, 2015, by 5:00 p.m.

15
16 IT IS FURTHER ORDERED that Mr. Nelson and the ELN Trust shall pay Ms. Nelson
17 and the LSN Trust all income received, minus all actual and documented expenses, attributable
18 to the Wyoming property, plus statutory interest from May 6, 2009, with such payment due on
19 or before August 31, 2015, by 5:00 p.m.

20 IT IS FURTHER ORDERED that Mr. Nelson shall pay Ms. Nelson attorney fees and
21 costs in the amount of \$13,054.74 for the proceedings which resulted in Mr. Nelson being
22 found in Contempt of Court on June 16, 2014 for his continued harassment of Ms. Nelson, with
23 such payment due on or before July 10, 2015, by 5:00 p.m.

24
25 Dated this 8 day of June, 2015.

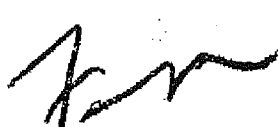
26
27 
28 Honorable Frank P. Sullivan
District Court Judge - Dept. O

Exhibit “C”

1 TRANS

FILED

OCT 28 2013

Ann L. Sullivan
CLERK OF COURT

ORIGINAL

2
3
4
5
6 EIGHTH JUDICIAL DISTRICT COURT

7 FAMILY DIVISION

8 CLARK COUNTY, NEVADA
9

10 ERIC L. NELSON,

11 Plaintiff,

12 vs.

13 LYNITA NELSON,

14 Defendant.

CASE NO. D-09-411537-D

DEPT. L

(SEALED)

15
16 BEFORE THE HONORABLE FRANK P. SULLIVAN
17 DISTRICT COURT JUDGE
18

19 TRANSCRIPT RE: ALL PENDING MOTIONS

20 MONDAY, OCTOBER 21, 2013
21
22
23
24

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

2 MR. NELSON: And he did approve it.

3 THE COURT: And I think he --

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

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

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

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

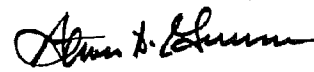
1 was challenged that they didn't.

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

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

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

Exhibit “B”



CLERK OF THE COURT

1 **ORDR**
2 THE DICKERSON LAW GROUP
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12 Attorneys for LYNITA SUE NELSON

8 EIGHTH JUDICIAL DISTRICT COURT
9 FAMILY DIVISION

10 CLARK COUNTY, NEVADA

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

14 LYNITA SUE NELSON,
15 Defendant/Counterclaimant.

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

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

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

Date of Hearing: June 4, 2014
Time of Hearing: 9:00 a.m.

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

25 Counterclaimant and Crossclaimant,
26 v.

27 LYNITA SUE NELSON and ERIC
28 NELSON,

Purported Cross-Defendant and
Counterdefendant,

1 LYNITA SUE NELSON,
2 Counterclaimant, Cross-Claimant,
3 and/or Third Party Plaintiff,

4 v.

5 ERIC L. NELSON, individually and as the
6 Investment Trustee of the ERIC L. NELSON
7 NEVADA TRUST dated May 30, 2001; the
8 ERIC L. NELSON NEVADA TRUST dated
9 May 30, 2001; MATT KLABACKA,
10 Distribution Trustee of the ERIC L.
11 NELSON NEVADA TRUST dated
12 May 30, 2001,

13 Counterdefendant, and/or
14 Cross-Defendants, and/or
15 Third Party Defendants.

16 **ORDER REGARDING TRANSFER OF PROPERTY AND INJUNCTIONS**

17 This matter coming on for hearing on this 4th day of June, 2014, before the
18 Honorable Frank P. Sullivan, on the ELN Trust's Status Report and Request for Stay
19 Pending Entry of Final Decree of Divorce; ROBERT P. DICKERSON, ESQ.,
20 KATHERINE L. PROVOST, ESQ., and JOSEF M. KARACSONYI, ESQ., of THE
21 DICKERSON LAW GROUP, appearing on behalf of Defendant, LYNITA NELSON
22 ("Lynita"), individually and as Trustee of LSN NEVADA TRUST dated May 30, 2001
23 ("LSN Trust"), and Defendant being present; RHONDA K. FORSBERG, ESQ., of
24 RHONDA K. FORSBERG, CHTD., appearing on behalf of Plaintiff, ERIC NELSON
25 ("Eric"), and Plaintiff being present; and MARK A. SOLOMON, ESQ., and JEFFREY
26 P. LUSZECK, ESQ., of SOLOMON, DWIGGINS, & FREER, LTD., appearing on
27 behalf of the Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated
28 May 30, 2001 ("ELN Trust"). The Court having reviewed and analyzed the pleadings
and papers on file herein, and having heard the arguments of counsel and the parties,
and good cause appearing therefore,

...

...

1 THE COURT FINDS that on May 23, 2004, the Nevada Supreme Court
2 entered Orders Denying Petitions for Writs of Prohibition ("Orders"), denying the
3 petitions for writ of prohibition filed by the ELN Trust.

4 THE COURT FURTHER FINDS that although it could be argued that the
5 Orders entered by the Nevada Supreme Court permit the Court to distribute all
6 properties in accordance with the Decree of Divorce ("Decree") entered June 3, 2013,
7 the Court is not inclined to dissolve or modify the injunctions previously issued by the
8 Court at this time, except as otherwise specifically set forth below.

9 THE COURT FURTHER FINDS that for the past year, Lynita has not received
10 the approximately \$20,000 per month the Court anticipated she would have from the
11 income from properties awarded to her and/or the LSN Trust in the Decree, and from
12 her lump sum alimony.

13 THE COURT FURTHER FINDS that \$324,000 of the lump sum alimony
14 awarded to Lynita in the Decree should be released to Lynita at this time, from the
15 \$1,068,000 previously enjoined by the Court at Bank of Nevada. Such lump sum
16 represents the \$20,000 the Court anticipated Lynita would receive from June, 2013,
17 to June, 2014, for a total of \$240,000, and the remaining \$84,000 represents \$7,000
18 per month in alimony (awarded in the Decree as a lump sum) for June, 2014, to June,
19 2015 while this matter continues to be litigated. The Court entered a separate order
20 for the payment of said funds in Open Court, however, while such Order states that the
21 payment would be made to Lynita such payment shall be secured by property enjoined
22 herein as further set forth below.

23 THE COURT FURTHER FINDS that the parties stipulated to the payment of
24 Larry L. Bertsch, CPA & Associates in accordance with the Decree from the \$1,068,000
25 previously enjoined by the Court at Bank of Nevada. The Court entered a separate
26 order for the release of said funds in Open Court.

27 THE COURT FURTHER FINDS that the LSN Trust is entitled to any income
28 it should have received from the properties awarded to the LSN Trust in the Decree

1 from the date of divorce to present date. Lynita and the LSN Trust are not waiving
2 any claim to prejudgment or postjudgment interest they may have on any sums they
3 are entitled to under the Decree.

4 THE COURT FURTHER FINDS that it is not inclined to stay these
5 proceedings as this matter has been pending since 2009. Lynita should receive the
6 income from the properties awarded to her or the LSN Trust at this time, and the
7 Banone and Lindell properties shall be transferred to the LSN Trust at this time so she
8 can manage same and receive the rental payments from same. Eric has had control of
9 such properties for the past year while the petitions for writ of prohibition were
10 pending before the Nevada Supreme Court. Although the Banone and Lindell
11 properties are being transferred to the LSN Trust, the properties should be enjoined
12 from being sold, encumbered, or used as collateral without an Order of the Court to
13 allow for the preservation of same pending any appeal of this matter.

14 THE COURT FURTHER FINDS that the parties' respective interests in the
15 Brian Head cabin should be enjoined from being sold, encumbered, or used as collateral
16 without an Order of the Court, to allow for the preservation of same pending any
17 appeal of this matter.

18 THE COURT FURTHER FINDS that the provisions contained in this order are
19 intended to preserve the real property described herein, and to secure with enjoined
20 property(ies) any monetary amounts owed by the parties, or transferred to the parties.

21 Accordingly, and for good cause appearing therefor,

22 IT IS HEREBY ORDERED that the ELN Trust shall transfer, and execute any
23 necessary deeds to transfer, the Lindell and Banone, LLC properties to the LSN Trust
24 by no later than 5:00 p.m. on June 12, 2014. The LSN Trust shall be permitted to
25 manage the Lindell and Banone, LLC properties, and shall receive all rents received
26 therefrom, but shall not sell, collateralize, or encumber such properties without an
27 order of this Court. After such transfers the LSN Trust shall provide quarterly
28 accountings to Eric and the ELN Trust regarding such properties.

1 IT IS FURTHER ORDERED that all parties are enjoined from selling,
2 collateralizing, or encumbering their interest in the Brian Head cabin absent further
3 order of this Court.

4 IT IS FURTHER ORDERED that the \$324,000 being released to Lynita from
5 the \$1,068,000 in the blocked account at Bank of Nevada, will be secured by the LSN
6 Trust's interests in the properties enjoined herein.

7 IT IS FURTHER ORDERED that the ELN Trust shall pay to the LSN Trust the
8 \$75,000 reimbursement related to the Wyoming Downs decision by the close of
9 business on June 16, 2014. If there are any issues with such payment that the ELN
10 Trust would like to address it may do so at the hearing currently scheduled for June 16,
11 2014 at 9:00 a.m.

12 IT IS FURTHER ORDERED that if Lynita and/or the LSN Trust plan on
13 evicting Eric from the Lindell property they must first submit the issue to the Court.

14 IT IS FURTHER ORDERED that Lynita is entitled to the income from the
15 properties awarded to the LSN Trust in the Decree from the date of the Decree to
16 present date. To determine the amount the LSN Trust is entitled to, Eric and the ELN
17 Trust shall provide an accounting of the income and payments received from the
18 Lindell property, Banone, LLC properties, JB Ramos Note, and Russell Road from the
19 date of divorce to present date by no later than September 2, 2014 (90 days from the
20 date of this hearing). Going forward, Eric shall provide monthly accountings for any
21 income/payments received from properties awarded to the LSN Trust until such time
22 as such properties are transferred to Lynita or the LSN Trust.

23 IT IS FURTHER ORDERED that once Eric and the ELN Trust provide the
24 accountings ordered herein the parties can address with the Court any issues related
25 to same, and the payment, and security of payment, of any amounts that may be owed
26 to Lynita and the LSN Trust.

27 ...

28 ...

1 IT IS FURTHER ORDERED that the injunctions and orders issued herein will
2 permit the Court to make necessary adjustments to property depending on the ultimate
3 decision made by the Nevada Supreme Court, if any appeal is filed by the parties.

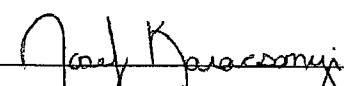
4 DATED this 16 day of September, 2014.

5
6 
DISTRICT COURT JUDGE

7 FRANK P. SULLIVAN

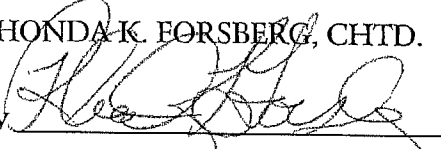
8 Submitted by:

9 THE DICKERSON LAW GROUP

10
11 By 
12 ROBERT P. DICKERSON, ESQ.
13 Nevada Bar No. 000945
14 JOSEF M. KARACSONYI, ESQ.
15 Nevada Bar No. 010634
16 1745 Village Center Circle
17 Las Vegas, Nevada 89134
18 Attorneys for Defendant

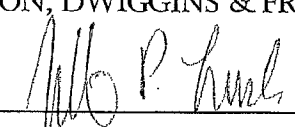
Approved as to Form and Content:

RHONDA K. FORSBERG, CHTD.

19 By 
20 RHONDA K. FORSBERG, ESQ.
21 Nevada Bar No. 009557
22 64 N. Pecos Road #800
23 Henderson, Nevada 89074
24 Attorneys for Plaintiff

16
17 Approved as to Form and ~~Content~~:

18 SOLOMON, DWIGGINS & FREER LTD.

19 By 
20 MARK A. SOLOMON, ESQ.
21 Nevada Bar No. 000418
22 JEFFREY P. LUSZECK, ESQ.
23 Nevada Bar No. 009619
24 9060 W. Cheyenne Avenue
25 Las Vegas, Nevada 89129
26 Attorneys for the ELN Trust

27
28 *Distribution - trustee of the*

Exhibit “A”

**DISTRICT COURT
CLARK COUNTY, NEVADA**

ERIC L. NELSON,
Plaintiff/Counterdefendant,

vs.

LYNITA SUE NELSON, LANA MARTIN, as
Distribution Trustee of the ERIC L. NELSON
NEVADA TRUST dated May 30, 2001,

Defendant/Counterclaimants.

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

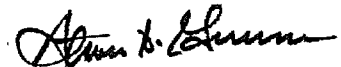
Crossclaimant,

vs.

LYNITA SUE NELSON,

Crossdefendant.

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

DECREE OF DIVORCE

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

FRANK R. SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1
2 A Continental National Bank account;
3 Six (6) Silver State Schools Federal Credit Union accounts;
4 An American Bank of Commerce account;
5 7065 Palmyra Avenue, Las Vegas, Nevada;
6 8558 East Indian School Road, Number J, Scottsdale, Arizona;
7 Ten (10) acres on West Flamingo Road, Las Vegas, Nevada;
8 1167 Pine Ridge Drive, Panguitch, Utah;
9 749 West Main Street, Mesa, Arizona;
10 1618 East Bell Road, Phoenix, Arizona;
11 727 Hartford Avenue, Number 178, Phoenix, Arizona;
12 4285 Polaris Avenue, Las Vegas, Nevada;
13 Metropolitan Mortgage & Security Co., Inc., West 929 Sprague Avenue Spokane,
14 Washington;
15 Apirade Bumpus, 5215 South 39th Street, Phoenix, Arizona;
16 Pool Hall Sycamore, 749 West Main Street, Mesa, Arizona;
17 A Beneficial Life Insurance policy; and
18 A 1992 van

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

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

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

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

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

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

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

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

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

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

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

25
26 ...

27
28

² NRS 166.170(1)

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

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

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

14 THE COURT FURTHER FINDS that on direct examination, when asked what he had
15 done to earn a living following obtaining his real estate license in 1990, Mr. Nelson's lengthy
16 response included:
17

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

20 THE COURT FURTHER FINDS that upon further direct examination, when asked why
21 the ELN and LSN Trusts were created, Mr. Nelson responded:
22

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

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

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

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

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

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

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

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

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

28 ...

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

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

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

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

16
17 *Fiduciary Duty*

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

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

25
26 ...

27 ...

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

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

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

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

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

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

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

9 See, NRS 163.5557 (emphasis added).

10 THE COURT FURTHER FINDS that Mr. Nelson continuously testified as to his role

11 as the investment trustee for both trusts, specifically testifying during cross examination on

12 September 1, 2010, as follows:

13 Q. Now you're the one that put title to those parcels

14 that we've talked about in the name of Dynasty, Bal Harbor,

15 Emerald Bay, Bay Harbor Beach Resorts and (indiscernible)

16 Financial Partnerships. Is that correct?

17 A. I believe so, yes.

18 Q. And you're the one that also put title in the name

19 of -- all the remaining lots in the name of LSN Nevada Trust.

20 Is that true?

21 A. Yes, sir.

22 THE COURT FURTHER FINDS that during his September 1st cross-examination, Mr.

23 Nelson also testified as to the assets located in Mississippi as follows:

24 Q. The height of the market was 18 months ago according

25 to your testimony?

26 A. No, no. But I'm just saying we could have -- the

27 this lawsuit's been pending for a while, sir. We did these

28 deeds mistake -- if you can -- if you reference back to it, it

shows -- shows Dynas -- it's my --

Q. Exhibit -- the Exhibit for the --

A. -- company. It shows Eric Nelson. That's my

company. We put them into Lynita's for community protection,

and she would not cooperate.

1
2
3 Q. You put them --

4 A. Yes, sir.

5 Q. -- into Lynita's?

6 A. Yes, sir --

7 Q. All right. Sir --

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

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

15 THE COURT FURTHER FINDS that the testimony of both parties clearly shows that,
16 pursuant to NRS 163.5557(2)(c), Mrs. Nelson delegated the duties of investment trustee to her
17 husband, Mr. Nelson.
18

19 THE COURT FURTHER FINDS that as the delegated investment trustee for the LSN
20 Trust, Mr. Nelson acted in a fiduciary capacity for Mrs. Nelson.³ Therefore, Mr. Nelson had a
21 duty to "disclose pertinent assets and factors relating to those assets".⁴
22

23 THE COURT FURTHER FINDS that, despite serving as the delegated investment
24 trustee for the LSN Trust, Mr. Nelson did not regularly discuss the pertinent factors relating to
25 the transfer of the assets from the LSN Trust to the ELN Trust, and, as such, violated the
26 fiduciary duty he owed to Mrs. Nelson and to the LSN Trust as the delegated investment trustee
27 to the LSN Trust.
28

³ NRS 163.554.

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

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

5 *Constructive Trust*
6

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

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

16 THE COURT FURTHER FINDS that the Nevada Supreme Court has held that a
17 constructive trust is proper when "(1) a confidential relationship exists between the parties; (2)
18 retention of legal title by the holder thereof against another would be inequitable; and (3) the
19 existence of such a trust is essential to the effectuation of justice." *Locken v. Locken*, 98 Nev.
20 369, 372 (1982).
21

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

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

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

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

15 See, NRS 111.025 (Emphasis added).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

⁶ Defendant's Exhibit GGGGG

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

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

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

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

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

25
26 . . .

27 ⁷ Defendant's Exhibit UUUU

28 ⁸ Id.

⁹ Defendant's Exhibit GGGG.

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

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

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

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

28 ¹⁰ Defendant's Exhibit PPPP.

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

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

10 THE COURT FURTHER FINDS that the Court imposes a constructive trust over the
11 ELN Trust's 50% interest in the Lindell property; therefore, the LSN Trust is entitled to 100%
12 interest in the Lindell property, with an appraised value of \$1,145,000.
13

14 *Unjust Enrichment*

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

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

26 ...

27 ...

28

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

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

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

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

18 THE COURT FURTHER FINDS that Mr. Nelson created Banone, LLC on November
19 15, 2007, the same year that he sold High Country Inn.¹⁴ The Operating Agreement lists the
20 ELN Trust as the Initial Sole Member of the company, meaning that Banone, LLC is an asset
21 of the ELN Trust and that all benefits received from the managing of this company are
22 conferred to Mr. Nelson, as beneficiary of the ELN Trust.
23
24
25
26

27 ¹² On January 24, 2007, Uinta Title & Insurance wired proceeds in the total amount of \$1,947,153.37 (\$1,240,000
28 for High Country Inn and \$760,000 for the Off Track Betting Rights) to the ELN Trust's bank account.

¹³ Defendant's Exhibit NNNN.

¹⁴ Plaintiff's Exhibit 10K.

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

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

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

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

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

26 ...

27 ...

28 ¹⁵ Defendant's Exhibit GGGGG.

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

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

11 THE COURT FURTHER FINDS that Minutes dated November 20, 2004, reflected that
12 all Mississippi property and Las Vegas property owned by the ELN Trust was transferred to the
13 LSN trust as final payment on the 2002 loans from the LSN to the ELN Trust and to "level off
14 the trusts." It must be noted that in November of 2004 the only Las Vegas property owned by
15 the ELN Trust was the Tropicana/Albertson property.
16

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

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

23 THE COURT FURTHER FINDS that on May 22, 2007, a 50% interest in the
24 Brianhead cabin was transferred to the ELN Trust at the direction of Mr. Nelson without any
25 compensation to the LSN Trust.
26

27 ...
28

1
2 THE COURT FURTHER FINDS that while Mr. Gerety testified that consideration for
3 the 50% interest in the Brianhead cabin being transferred to the ELN Trust was the transfer of
4 the Mississippi property to the LSN, the court did not find such testimony credible as it appears
5 that the transfer of the Mississippi property occurred in 2004, whereas, the Brianhead cabin
6 transfer to the ELN Trust was in 2007. In addition, the testimony was not clear as to which
7 Mississippi properties were involved in the alleged transfer and no credible testimony as to the
8 value of the Mississippi property was presented. Accordingly, any alleged consideration for the
9 transfer of the 50% interest in the Brianhead cabin property from the LSN Trust to the ELN
10 Trust is illusory.

11
12 THE COURT FURTHER FINDS that the transfers from the LSN Trust to the ELN
13 Trust regarding the Tierra del Sol property, the Tropicana/Albertson property and the
14 Brianhead cabin all financially benefitted the ELN Trust to the financial detriment of the LSN
15 Trust.

16
17 THE COURT FURTHER FINDS that throughout the history of the Trusts, there were
18 significant loans from the LSN Trust to the ELN Trust, specifically: \$172,293.80 loan in May
19 of 2002; \$700,000 loan in October of 2003; \$250,000 loan in December of 2005 which resulted
20 in a total amount of \$576,000 being borrowed by the ELN Trust from the LSN Trust in 2005.

21
22 THE COURT FURTHER FINDS that while testimony was presented regarding
23 repayments of the numerous loans via cash and property transfers, the Court was troubled by
24 the fact that the loans were always going from the LSN Trust to the ELN Trust and further
25 troubled by the fact that the evidence failed to satisfactorily establish that all of the loans were
26 in fact paid in full.

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

8 *Credibility*

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

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

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

18 THE COURT FURTHER FINDS that Mr. Nelson argued in the Motion to Dissolve
19 Injunction requesting the release of \$1,568,000, which the Court had ordered be placed in a
20 blocked trust account and enjoined from being released, that the ELN Trust "has an opportunity
21 to purchase Wyoming Racing LLC, a horse racing track and RV park, for \$440,000.00;
22 however, the ELN will be unable to do so unless the Injunction is dissolved."
23

24 THE COURT FURTHER FINDS that despite the Court's denial of the request to
25 dissolve the injunction, the ELN Trust via Dynasty Development Group, LLC, completed the
26 transaction and reacquired Wyoming Downs at a purchase price of \$440,000. The completion
27
28

1
2 of the purchase, without the dissolution of the injunction, evinced that Mr. Nelson misstated the
3 ELN Trust's financial position, or at the very least was less than truthful with this Court.

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

11
12 THE COURT FURTHER FINDS that based upon Mr. Nelson's change of testimony
13 under oath, his repeated failure to answer questions in a direct and forthright manner, his less
14 that candid testimony regarding the necessity of dissolving the injunction in order to purchase
15 the Wyoming race track and RV park, and his attempt to circumvent the injunction issued by
16 this Court clearly reflect that Mr. Nelson lacks credibility.

17
18 THE COURT FURTHER FINDS that United States Bankruptcy Judge, Neil P. Olack,
19 of the Southern District of Mississippi, cited similar concerns as to Mr. Nelson's credibility
20 during a bankruptcy proceeding held on June 24, 2011, regarding Dynasty Development
21 Group, LLC. Specifically, Judge Olack noted that as a witness, Mr. Nelson simply lacked
22 credibility in that he failed to provide direct answers to straight forward questions, which gave
23 the clear impression that he was being less than forthcoming in his responses.¹⁶
24

25
26
27
28 ¹⁶ Defendant's Exhibit QQQQQ.

1 THE COURT FURTHER FINDS that Bankruptcy Judge Olack found that the evidence
2 showed that Mr. Nelson depleted the assets of Dynasty on the eve of its bankruptcy filing in
3 three separate transfers, and, subsequently, dismissed the Bankruptcy Petition.¹⁷
4

5 THE COURT FURTHER FINDS that Mr. Nelson's behavior and conduct during the
6 course of these proceedings has been deplorable. This Court has observed Mr. Nelson angrily
7 bursting from the courtroom following hearings.
8

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

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

19 THE COURT FURTHER FINDS that Mr. Nelson was living in the Harbor Hills
20 residence upon his separation from Mrs. Nelson and could have remained there indefinitely
21 pending the conclusion of these proceedings, however, he chose to purchase the Bella Kathryn
22 residence in violation of the JPI simply because he wanted a residence comparable to the
23 marital residence located on Palmyra.
24

25 ...

26 ...

27
28 ¹⁷ Defendant's Exhibit QQQQ.

1
2 THE COURT FURTHER FINDS that due to Mr. Nelson's willful and deliberate
3 violation of the JPI, the Bella Kathryn property will be valued at its "costs" in the amount of
4 \$1,839,495 and not at its appraised value of \$925,000 as a sanction for Mr. Nelson's
5 contemptuous behavior.
6

7 THE COURT FURTHER FINDS that as to Mr. Daniel Gerety, who testified as an
8 expert witness on behalf of the ELN Trust and Mr. Nelson, he based his report solely on
9 information and documentation provided to him by Mr. Nelson. It appears that Mr. Gerety
10 made no effort to engage Mrs. Nelson or her counsel in the process. In the Understanding of
11 Facts section of his report, Mr. Gerety repeatedly used the phrases "I have been told" or "I am
12 advised".¹⁸ Since Mr. Gerety considered statements from Mr. Nelson and others who were in
13 support of Mr. Nelson, an impartial protocol would dictate that he obtain statements from Mrs.
14 Nelson and her counsel in order to have a full and complete framework to fairly address the
15 issues at hand.
16

17 THE COURT FURTHER FINDS that Mr. Gerety has maintained a financially
18 beneficial relationship with Mr. Nelson dating back to 1998. This relationship, which has netted
19 Mr. Gerety many thousands of dollars in the past and is likely to continue to do so in the future,
20 calls in question his impartiality.
21

22 THE COURT FURTHER FINDS that while Mr. Gerety submitted documentation
23 allegedly outlining every transaction made by the ELN Trust from its inception through
24 September 2011, and "tracing" the source of funds used to establish Banone, LLC, this Court
25 found that Mr. Gerety's testimony was not reliable, and, as such, the Court found it to be of
26 little probative value.
27

28

¹⁸ Intervenor's Exhibit 168.

1 THE COURT FURTHER FINDS that as to Rochelle McGowan, she has had an
2 employment relationship with Mr. Nelson dating back to 2001, and was the person primarily
3 responsible for regularly notarizing various documents executed by Mr. and Mrs. Nelson on
4 behalf of the ELN Trust and LSN Trust, respectively.
5

6 THE COURT FURTHER FINDS that it was the regular practice for Mr. Nelson to
7 bring documents home for Mrs. Nelson's execution and to return the documents the following
8 day to be notarized by Ms. McGowan.
9

10 THE COURT FURTHER FINDS that the testimony of Ms. McGowan indicating that
11 she would contact Mrs. Nelson prior to the notarization of her signature is not credible as the
12 Court finds it difficult to believe that Ms. McGowan would actually contact Mrs. Nelson
13 directly every time prior to notarizing the documents.
14

15 *Lack of Trust Formalities*

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

21 THE COURT FURTHER FINDS that Attorney Burr testified that on February 22,
22 2007, at Mr. Nelson's request, he removed Mr. Nelson's employee, Lana Martin, as
23 Distribution Trustee of both the ELN Trust and the LSN Trust and appointed Mr. Nelson's
24 sister, Nola Harber, as the new Distribution Trustee for both trusts. Attorney Burr further
25 testified that he did not provide Ms. Martin with ten days notice as specified in the trusts
26 documents. In June 2011, at Mr. Nelson's request, Attorney Burr once again replaced the
27
28

1
2 Distribution Trustee for the ELN Trust, without providing ten days notice, by replacing Nola
3 Harber with Lana Martin.

4 THE COURT FURTHER FINDS that the ELN Trust and LSN Trust documents require
5 that a meeting of the majority of the trustees be held prior to any distribution of trust income or
6 principal. During the meetings, the trustees must discuss the advisability of making
7 distributions to the ELN Trust Trustor, Mr. Nelson, and the LSN Trust Trustor, Mrs. Nelson. At
8 that time, a vote must take place and the Distribution Trustee must provide an affirmative vote.
9

10 THE COURT FURTHER FINDS that the testimony of Lana Martin and Nola Harber
11 indicate that neither one of them ever entered a negative vote in regards to distributions to Mr.
12 Nelson or Mrs. Nelson. The testimony also reflected that neither one of them ever advised Mr.
13 Nelson or Mrs. Nelson on the feasibility of making such distributions.
14

15 THE COURT FURTHER FINDS that while Ms. Martin and Ms. Harber testified that
16 they had the authority to approve or deny the distributions to Mr. Nelson under the ELN Trust
17 and to Mrs. Nelson under the LSN Trust, that despite literally hundreds of distributions
18 requests, they never denied even a single distribution request. Therefore, Ms. Martin and Ms.
19 Harber were no more than a "rubber stamp" for Mr. Nelson's directions as to distributions to
20 Mr. Nelson and Mrs. Nelson.
21

22 THE COURT FURTHER FINDS that while the ELN Trust produced multiple Minutes
23 of alleged meetings; this Court seriously questions the authenticity of the submitted
24 documentation. Specifically, several of the Minutes were unsigned, the authenticity of the
25 signatures reflected on some of the Minutes were questionable, and several of the Minutes
26 reflected that the meetings were held at the office of Attorney Burr while the testimony clearly
27 established that no such meetings ever occurred at his law office.
28

1
2 THE COURT FURTHER FINDS that Daniel Gerety testified that he had to make
3 numerous adjustments to correct bookkeeping and accounting errors regarding the two trusts by
4 utilizing the entries "Due To" and "Due From" to correctly reflect the assets in each trust.

5 THE COURT FURTHER FINDS that the numerous bookkeeping and accounting
6 errors, in conjunction with the corresponding need to correct the entries to accurately reflect the
7 assets in each trust, raises serious questions as to whether the assets of each trust were truly
8 being separately maintained and managed.
9

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

13 THE COURT FURTHER FINDS that while the Court could invalidate both Trusts
14 based upon the lack of Trust formalities, this Court is not inclined to do so since invalidation of
15 the Trusts could have serious implications for both parties in that it could expose the assets to
16 the claims of creditors, thereby, defeating the intent of the parties to "supercharge" the
17 protection of the assets from creditors.
18

19 *Liabilities*

20 THE COURT FURTHER FINDS that while Mr. Nelson argued that he and the ELN
21 Trust were subject to numerous liabilities, this Court did not find any documented evidence to
22 support such claims except for the encumbrance attached to the newly reacquired Wyoming
23 Downs property.
24

25 ...

26 ...

1
2 THE COURT FURTHER FINDS that Mr. Bertsch's report addresses several
3 unsupported liabilities alleged by Mr. Nelson. Specifically, Mr. Nelson reported a contingent
4 liability attached to the property located in the Mississippi Bay, however, no value was given to
5 the liability.¹⁹

6
7 THE COURT FURTHER FINDS that the Bertsch report indicated that several of the
8 liabilities were actually options held by subsidiaries that Mr. Nelson owns or options held by
9 relatives of Mr. Nelson, and, as such, were not true liabilities.²⁰

10 THE COURT FURTHER FINDS that while Mr. Nelson represented that a \$3,000,000
11 lawsuit was threatened by a third-party in regards to a transaction involving the Hideaway
12 Casino, no evidence was submitted to the Court that any such lawsuit had in fact been filed.

13 THE COURT FURTHER FINDS that the only verified liability is the loan attached to
14 Wyoming Downs. As mentioned above, Mr. Nelson, via Dynasty Development Group,
15 purchased Wyoming Downs in December 2011 for \$440,000 and subsequently obtained a loan
16 against the property.

17
18 THE COURT FURTHER FINDS that outside of the encumbrance attached to the
19 Wyoming Downs property, the liabilities alleged by Mr. Nelson have not been established as
20 true liabilities and are based on mere speculations and threats.

21 *Community Waste*

22
23 THE COURT FURTHER FINDS that the Nevada Supreme Court case of *Lofgren v.*
24 *Lofgren* addressed community waste and found that the husband wasted community funds by
25 making transfers/payments to family members, using the funds to improve the husband's home
26 and using the funds to furnish his new home. *Lofgren v. Lofgren*, 112 Nev. 1282, 1284 (1996).

27
28 ¹⁹ Defendant's Exhibit GGGGG.

²⁰ Id.

1
2 THE COURT FURTHER FINDS that evidence was adduced at trial that the transfers to
3 Mr. Nelson's family members were to compensate them for various services rendered and for
4 joint-investment purposes, and while some of the family transfers were indeed questionable,
5 Mr. Bertsch, the forensic accountant, testified that 1099s were provided to document income
6 paid and loan repayments to Mr. Nelson's family members.²¹
7

8 THE COURT FURTHER FINDS that transfers to Mr. Nelson's family members appear
9 to have been part of Mr. Nelson's regular business practices during the course of the marriage
10 and that Mrs. Nelson has always been aware of this practice and never questioned such
11 transfers prior to the initiation of these proceedings.

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

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

20 *Child Support*

21 THE COURT FURTHER FINDS that Mrs. Nelson is entitled to child support arrears
22 pursuant to NRS 125B.030 which provides for the physical custodian of the children to recover
23 child support from the noncustodial parent.
24
25
26
27

28 ²¹ Mr. Bertsch did not confirm whether or not the 1099s were filed with the IRS as that was not within the scope of his assigned duties.

1
2 THE COURT FURTHER FINDS that the parties separated in September of 2008 when
3 Mr. Nelson permanently left the marital residence, and, therefore, Mrs. Nelson is entitled to
4 child support payments commencing in October 2008.

5 THE COURT FURTHER FINDS that Mr. Nelson's monthly earnings throughout the
6 course of these extended proceedings exceeded the statutory presumptive maximum income
7 range of \$14,816 and places his monthly child support obligation at the presumptive maximum
8 amount which has varied from year to year.
9

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

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

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

20 2009: Carli = \$14,000; Garrett = \$5,270;
21 2010: Carli = \$9,850; Garrett = \$29,539;
22 2011: Carli = \$8,630; Garrett = \$4,427
23 **Total = \$71,716**
24
25
26
27
28

1
2 THE COURT FURTHER FINDS that NRS 125B.080(9) describes the factors that the
3 Court must consider when adjusting a child support obligation. The factors to consider are:

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

18 THE COURT FURTHER FINDS that, while the information provided to the Court does
19 not itemize the exact nature of the expenditures by Mr. Nelson on behalf of the children, NRS
20 125B.080(9)(k) does provide for a deviation for any other necessary expenses for the benefit of
21 the child.

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

27 THE COURT FURTHER FINDS that, while Mr. Nelson did spend a rather significant
28 amount of monies on the children dating back to 2009, Mr. Nelson did not provide any monies
whatsoever to Mrs. Nelson in support of the minor children, and, as such, crediting Mr. Nelson
with only one-third of such payments on behalf of the children seems quite fair and reasonable.

1
2 THE COURT FURTHER FINDS that Mrs. Nelson is entitled to current child support in
3 the amount of \$1,040 a month per child commencing June 1, 2013 through June 30, 2013 for a
4 monthly total of \$2,080.

5 THE COURT FURTHER FINDS that subject minor, Garrett, is 18 years old and will be
6 graduating from high school in June of 2013, and, as such, Mr. Nelson's child support
7 obligation as to Garrett ends on June 30, 2013.

8
9 THE COURT FURTHER FINDS that beginning July 1, 2013, Mr. Nelson's child
10 support obligation as to Carli will be \$1,058 per month.

11 *Spousal Support*

12 THE COURT FURTHER FINDS that NRS 125.150 provides as follows:

13 1. In granting a divorce, the court:

- 14 (a) May award such alimony to the wife or to the husband, in a specified principal sum or as
15 specified periodic payments, as appears just and equitable; and
16 (b) Shall, to the extent practicable, make an equal disposition of the community property of the
17 parties, except that the court may make an unequal disposition of the community property in
18 such proportions as it deems just if the court finds a compelling reason to do so and sets forth in
19 writing the reasons for making the unequal disposition

20 THE COURT FURTHER FINDS that the Nevada Supreme Court has outlined seven
21 factors to be considered by the court when awarding alimony such as: (1) the wife's career prior
22 to marriage; (2) the length of the marriage; (3) the husband's education during the marriage; (4)
23 the wife's marketability; (5) the wife's ability to support herself; (6) whether the wife stayed
24 home with the children; and (7) the wife's award, besides child support and alimony. *Sprenger*
25 v. *Sprenger*, 110 Nev. 855, 859 (1974).

26 THE COURT FURTHER FINDS that the Nelsons have been married for nearly thirty
27 years; that their earning capacities are drastically different in that Mr. Nelson has demonstrated
28 excellent business acumen as reflected by the large sums of monies generated through his
multiple business ventures and investments; that Mrs. Nelson only completed a year and a half

1
2 of college and gave up the pursuit of a career outside of the home to become a stay at home
3 mother to the couple's five children; that Mrs. Nelson's career prior to her marriage and during
4 the first few years of her marriage consisted of working as a receptionist at a mortgage
5 company, sales clerk at a department store and a runner at a law firm, with her last job outside
6 of the home being in 1986;
7

8 THE COURT FURTHER FINDS that Mrs. Nelson's lack of work experience and
9 limited education greatly diminishes her marketability. Additionally, Mrs. Nelson solely relied
10 on Mr. Nelson, as her husband and delegated investment trustee, to acquire and manage
11 properties to support her and the children, and, as such, Mrs. Nelson's ability to support herself
12 is essentially limited to the property award that she receives via these divorce proceedings.
13

14 THE COURT FURTHER FINDS that while Mrs. Nelson will receive a substantial
15 property award via this Divorce Decree, including some income generating properties, the
16 monthly income generated and the values of the real property may fluctuate significantly
17 depending on market conditions. In addition, it could take considerable time to liquidate the
18 property, as needed, especially considering the current state of the real estate market. As such,
19 Mrs. Nelson may have significant difficulty in accessing any equity held in those properties.
20

21 THE COURT FURTHER FINDS that conversely, Mr. Nelson has become a formidable
22 and accomplished businessman and investor. Mr. Nelson's keen business acumen has allowed
23 him to amass a substantial amount of wealth over the course of the marriage.
24

25 THE COURT FURTHER FINDS that the repurchase of Wyoming Downs by Mr.
26 Nelson via Dynasty Development Group and his ability to immediately obtain a loan against
27 the property to pull out about \$300,000 in equity, clearly evidences Mr. Nelson's formidable
28 and accomplished business acumen and ability to generate substantial funds through his

1
2 investment talents. This type of transaction is not atypical for Mr. Nelson and demonstrates his
3 extraordinary ability, which was developed and honed during the couple's marriage, to evaluate
4 and maximize business opportunities and will ensure that he is always able to support himself,
5 unlike Mrs. Nelson.

6 THE COURT FURTHER FINDS that based the upon the findings addressed
7 hereinabove, Mrs. Nelson is entitled to an award of spousal support pursuant to NRS 125.150
8 and the factors enunciated in Sprenger²²
9

10 THE COURT FURTHER FINDS that during the marriage, at the direction of Mr.
11 Nelson, Mrs. Nelson initially received monthly disbursements in the amount of \$5,000, which
12 was increased to \$10,000 per month, and ultimately increased to \$20,000 per month dating
13 back to 2004. The \$20,000 per month disbursements did not include expenses which were paid
14 directly through the Trusts.

15 THE COURT FURTHER FINDS that based upon the distributions that Mrs. Nelson
16 was receiving during the marriage, \$20,000 per month is a fair and reasonable amount
17 necessary to maintain the lifestyle that Mrs. Nelson had become accustomed to during the
18 course of the marriage.
19

20 THE COURT FURTHER FINDS that based upon the property distribution that will be
21 addressed hereinafter, Mrs. Nelson will receive some income producing properties (Lindell,
22 Russell Road, some of the Banone, LLC properties).
23

24 THE COURT FURTHER FINDS that while the evidence adduced at trial reflected that
25 the Lindell property should generate a cash flow of approximately \$10,000 a month, the
26 evidence failed to clearly establish the monthly cash flow from the remaining properties.
27 However, in the interest of resolving this issue without the need for additional litigation, this
28

²² Sprenger v. Sprenger, 110 Nev. 855 (1974).

1
2 Court will assign an additional \$3,000 a month cash flow from the remaining properties
3 resulting in Mrs. Nelson receiving a total monthly income in the amount of \$13,000.

4 THE COURT FURTHER FINDS that based upon a monthly cash flow in the amount of
5 \$13,000 generated by the income producing properties, a monthly spousal support award in the
6 amount of \$7,000 is fair and just and would allow Mrs. Nelson to maintain the lifestyle that she
7 had become accustomed to throughout the course of the marriage.
8

9 THE COURT FURTHER FINDS that Mrs. Nelson is 52 years of age and that spousal
10 support payments in the amount of \$7,000 per month for 15 years, which would effectively
11 assist and support her through her retirement age, appears to be a just and equitable spousal
12 support award.
13

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

17 THE COURT FURTHER FINDS that the Nevada Supreme Court has indicated that a
18 lump sum award is the setting aside of a spouse's separate property for the support of the other
19 spouse and is appropriate under the statute. *Sargeant v. Sargeant*, 88 Nev. 223, 229 (1972). In
20 *Sargeant*, the Supreme Court affirmed the trial court's decision to award the wife lump sum
21 alimony based on the husband short life expectancy and his litigious nature. The Supreme
22 Court, citing the trial court, highlighted that "the overall attitude of this plaintiff illustrates
23 some possibility that he might attempt to liquidate, interfere, hypothecate or give away his
24 assets to avoid payment of alimony or support obligations to the defendant" *Id.* at 228.
25

26 ...
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1
2 THE COURT FURTHER FINDS that Mr. Nelson's open and deliberate violation of the
3 Joint Preliminary Injunction evidences his attitude of disregard for court orders. The Court also
4 takes notice of Bankruptcy Judge Olack's finding that Mr. Nelson attempted to deplete the
5 assets of Dynasty Development Group on the eve of the bankruptcy filing, raising the concern
6 that Mr. Nelson may deplete assets of the ELN Trust precluding Mrs. Nelson from receiving a
7 periodic alimony award.
8

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

12 THE COURT FURTHER FINDS that, as addressed hereinbefore, the ELN Trust moved
13 this Court to dissolve the injunction regarding the \$1,568,000 because it "has an opportunity to
14 purchase Wyoming Racing LLC, a horse racing track and RV park, for \$440,000.00; however,
15 the ELN will be unable to do so unless the Injunction is dissolved."
16

17 THE COURT FURTHER FINDS that despite the representation to the Court that the
18 injunction needed to be dissolved so that the ELN Trust would be able to purchase Wyoming
19 Downs, less than a month after the hearing, the ELN Trust, with Mr. Nelson serving as the
20 investment trustee, completed the purchase of Wyoming Downs. This leads this Court to
21 believe that Mr. Nelson was less than truthful about the extent and nature of the funds available
22 in the ELN Trust and such conduct on the part of Mr. Nelson raises serious concerns about the
23 actions that Mr. Nelson will take to preclude Mrs. Nelson from receiving periodic spousal
24 support payments.
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1
2 THE COURT FURTHER FINDS that Mr. Nelson alleged numerous debts and
3 liabilities worth millions of dollars, but forensic accountant, Mr. Bertsch, found that these
4 alleged debts and liabilities were based solely on threats and speculations.

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

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

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

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

1
2 THE COURT FURTHER FINDS that Mr. Nelson argues that Dynasty Development
3 Group, LLC, is 100% held by the ELN Trust, and, therefore, he has no interest in Dynasty nor
4 the funds reflected in the Dynasty account as all legal interest rests with the ELN Trust.²³

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

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

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

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

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

25 ...

26 ...

27

28

²³ NRS 166.130

²⁴ Restatement (Third) of Trust § 59 (2003).

1
2 THE COURT FURTHER FINDS that in *Gilbert v. Gilbert*, 447 So.2d 299, the Florida
3 Court of Appeals affirmed the district court's order that allowed the wife to garnish the
4 husband's beneficiary interest in a spendthrift trust to satisfy the divorce judgment regarding
5 alimony payments.

6 THE COURT FURTHER FINDS that the *Gilbert* court found that while "the cardinal
7 rule of construction in trusts is to determine the intention of the settler and give effect to his
8 wishes . . . there is a strong public policy argument which favors subjecting the interest of the
9 beneficiary of a trust to a claim for alimony."²⁵ The Court went on to state that the dependents
10 of the beneficiary should not be deemed to be creditors as such a view would "permit the
11 beneficiary to have the enjoyment of the income from the trust while he refuses to support his
12 dependents whom it is his duty to support."²⁶ The *Gilbert* court went on to state that a party's
13 responsibility to pay alimony "is a duty, not a debt."²⁷
14

15 THE COURT FURTHER FINDS that there is a strong public policy argument in favor
16 of subjecting the interest of the beneficiary of a trust to a claim for spousal support and child
17 support, and, as such, Mr. Nelson's beneficiary interest in the ELN Trust should be subjected to
18 Mrs. Nelson award of spousal support and child support.
19

20 *Attorney's Fees*

21 THE COURT FURTHER FINDS that NRS 18.010(2)(b) provides, in pertinent part, for
22 the award of attorney's fees to the prevailing party: "when the court finds that the claim,
23 counterclaim, cross-claim or third-party complaint or defense of the opposing party was
24 brought or maintained without reasonable ground or to harass the prevailing party."
25

26
27 ²⁵ Id at 301.

²⁶ *Gilbert v. Gilbert*, 447 So.2d 299, 301

²⁷ Id at 301.
28

1
2 THE COURT FURTHER FINDS that Mr. Nelson, as the Investment Trustee for the
3 ELN Trust, was the person authorized to institute legal action on behalf of the Trust.

4 THE COURT FURTHER FINDS that Mr. Nelson did not request that the ELN Trust
5 move to be added as a necessary party to these proceedings until almost two years after
6 initiating this action and following the initial six days of trial. It is apparent to this Court that
7 Mr. Nelson was not satisfied with the tenor of the courts preliminary "findings" in that it was
8 not inclined to grant his requested relief, and, consequently, decided to pursue a "second bite at
9 the apple" by requesting that the ELN Trust pursue being added as a necessary party.
10

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

15 THE COURT FURTHER FINDS that Mr. Nelson's position that he had a conflict of
16 interest which prevented him from exercising his authority to institute legal action on behalf of
17 the ELN Trust was not credible as he had appeared before this Court on numerous occasions
18 regarding community waste issues and the transfer of assets from the ELN Trust and the LSN
19 Trust and had never raised an issue as to a conflict of interest.
20

21 THE COURT FURTHER FINDS that while both parties were aware of the existence of
22 the ELN and LSN Trusts from the onset of this litigation, and, as such, Mrs. Nelson could have
23 moved to add the ELN Trust as a necessary party, Mr. Nelson had consistently maintained
24 throughout his initial testimony that the assets held in the ELN Trust and the LSN Trusts were
25 property of the community.
26
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28

1
2 THE COURT FURTHER FINDS that, while this Court fully respects and supports a
3 party's right to fully and thoroughly litigate its position, Mr. Nelson's change in position as to
4 the character of the property of the ELN Trust and LSN Trust in an attempt to get a "second
5 bite of the apple", resulted in unreasonably and unnecessarily extending and protracting this
6 litigation and additionally burdening this Court's limited judicial resources, thereby justifying
7 an award of reasonable attorney fees and costs in this matter.
8

9 THE COURT FURTHER FINDS that in considering whether or not to award
10 reasonable fees and cost this Court must consider "(1) the qualities of the advocate: his ability,
11 his training, education, experience, professional standing and skill; (2) the character of the work
12 to be done: its difficulty, its intricacy, its importance, time and skill required, the responsibility
13 imposed and the prominence and character of the parties where they affect the importance of
14 the litigation; (3) the work actually performed by the lawyer: the skill, time and attention given
15 to the work; (4) the result: whether the attorney was successful and what benefits were
16 derived." *Brunzell v. Golden Gate Nat'l Bank*, 85 Nev. 345, 349 (1969).
17

18 THE COURT FURTHER FINDS Attorney Dickerson has been Mrs. Nelson's legal
19 counsel continuously since September 2009 and is a very experienced, extremely skillful and
20 well-respected lawyer in the area of Family Law. In addition, this case involved some difficult
21 and complicated legal issues concerning Spendthrift Trusts and required an exorbitant
22 commitment of time and effort, including the very detailed and painstaking review of
23 voluminous real estate and financial records. Furthermore, Attorney Dickerson's skill, expertise
24 and efforts resulted in Mrs. Nelson's receiving a very sizeable and equitable property
25 settlement.
26
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1
2 THE COURT FURTHER FINDS that upon review of attorney Dickerson's
3 Memorandum of Fees and Costs, this Court feels that an award of attorney fees in the amount
4 of \$144,967 is fair and reasonable and warranted in order to reimburse Mrs. Nelson for the
5 unreasonable and unnecessary extension and protraction of this litigation by Mr. Nelson's
6 change of position in regards to the community nature of the property and his delay in having
7 the ELN Trust added as a necessary party which added significant costs to this litigation.
8

9 THE COURT FURTHER FINDS that while the Court could invalidate the Trusts based
10 upon Mr. Nelson's testimony as to community nature of the assets held by each Trust, the
11 breach of his fiduciary duty as a spouse, the breach of his fiduciary duty as an investment
12 trustee, the lack of Trust formalities, under the principles of a constructive trust, and under the
13 doctrine of unjust enrichment, the Court feels that keeping the Trusts intact, while transferring
14 assets between the Trusts to "level off the Trusts", would effectuate the parties clear intentions
15 of "supercharging" the protection of the assets from creditors while ensuring that the respective
16 values of the Trusts remained equal.
17

18 THE COURT FURTHER FINDS that in lieu of transferring assets between the Trusts
19 to level off the Trust and to achieve an equitable allocation of the assets between the Trusts as
20 envisioned by the parties, the Court could award a sizable monetary judgment against Mr.
21 Nelson for the extensive property and monies that were transferred from the LSN Trust to the
22 ELN Trust, at his direction, and issue a corresponding charging order against any distributions
23 to Mr. Nelson until such judgment was fully satisfied.
24

25 ...

26

1
2 THE COURT FURTHER FINDS that the Court has serious concerns that Mrs. Nelson
3 would have a very difficult time collecting on the judgment without the need to pursue endless
4 and costly litigation, especially considering the extensive and litigious nature of these
5 proceedings.

6
7 THE COURT FURTHER FINDS that due to Mr. Nelson's business savvy and the
8 complexity of his business transactions, the Court is concerned that he could effectively deplete
9 the assets of the ELN Trust without the need to go through distributions, thereby circumventing
10 the satisfaction of the judgment via a charging order against his future distributions.

11 THE COURT FURTHER FINDS that its concern about Mr. Nelson depleting the assets
12 of the ELN Trust seems to be well founded when considering the fact that Bankruptcy Judge
13 Olack found that Mr. Nelson depleted the assets of Dynasty on the eve of its bankruptcy filing.

14 THE COURT FURTHER FINDS that upon review of Mr. Bertsch's Second
15 Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses
16 for the Period from April 1, 2012 through July 25, 2012, Mr. Bertsch is entitled to payment of
17 his outstanding fees in the amount of \$35,258.

18
19 THE COURT FURTHER FINDS that in preparing this Decree of Divorce, the
20 monetary values and figures reflected herein were based on values listed in Mr. Bertsch's
21 report and the testimony elicited from the July and August 2012 hearings.²⁸

22
23 THE COURT FURTHER FINDS that as to the repurchase of Wyoming Downs by the
24 ELN Trust via the Dynasty Development Group, this Court is without sufficient information
25 regarding the details of the repurchase of the property, the value of the property and the
26 encumbrances on the property to make a determination as to the disposition of the property,

27
28

²⁸ *Supra*, note 6.

1
2 and, accordingly, is not making any findings or decisions as to the disposition of the Wyoming
3 Downs property at this time.

4 *Conclusion*

5 THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the
6 bonds of matrimony now existing between Eric and Lynita Nelson are dissolved and an
7 absolute Decree of a Divorce is granted to the parties with each party being restored to the
8 status of a single, unmarried person.
9

10 IT IS FURTHER ORDERED that the Brianhead cabin, appraised at a value of \$985,000
11 and currently held jointly by the ELN Trust and the LSN Trust, is to be divided equally
12 between the Trusts.

13 IT IS FURTHER ORDERED that both parties shall have the right of first refusal should
14 either Trust decide to sell its interest in the Brianhead cabin.
15

16 IT IS FURTHER ORDERED that the 66.67% interest in the Russell Road property
17 (\$4,333,550) and the 66.67% interest in the \$295,000 note/deed for rents and taxes (\$196,677)
18 currently held by the ELN Trust, shall be equally divided between the ELN Trust and the LSN
19 Trust.

20 IT IS FURTHER ORDERED that both parties shall have the right of first refusal should
21 either Trust decide to sell its interest in the Russell Road property.
22

23 ...

24 ...

25 ...

1
2 IT IS FURTHER ORDERED that the following properties shall remain in or be
3 transferred into the ELN Trust:

<u>Property Awarded</u>	<u>Value</u>
Cash	\$ 80,000
Arizona Gateway Lots	\$ 139,500
Family Gifts	\$ 35,000
Gift from Nikki C.	\$ 200,000
Bella Kathryn Property	\$1,839,495
Mississippi Property (121.23 acres)	\$ 607,775
Notes Receivable	\$ 642,761
Banone AZ Properties	\$ 913,343
Dynasty Buyout	\$1,568,000
½ of Brianhead Cabin	\$ 492,500
<u>1/3 of Russell Road (+ note for rents)</u>	<u>\$2,265,113.50 (\$2,166,775 + \$98,338.50)</u>
Total	\$8,783,487.50

13
14 IT IS FURTHER ORDERED that the following properties shall remain in or be
15 transferred into the LSN Trust:

<u>Property Awarded</u>	<u>Value</u>
Cash	\$ 200,000
Palmyra Property	\$ 750,000
Pebble Beach Property	\$ 75,000
Arizona Gateway Lots	\$ 139,500
Wyoming Property (200 acres)	\$ 405,000
Arnold Property in Miss.	\$ 40,000
Mississippi RV Park	\$ 559,042
Mississippi Property	\$ 870,193
Grotta 16.67% Interest	\$ 21,204
Emerald Bay Miss. Prop.	\$ 560,900
Lindell Property	\$1,145,000
Banone, LLC	\$1,184,236
JB Ramos Trust Note Receivable	\$ 78,000
½ of Brianhead Cabin	\$ 492,500
<u>1/3 of Russell Road (+ note for rents)</u>	<u>\$2,265,113.50 (\$2,166,775 + \$98,338.50)</u>
Total	\$8,785,988.50

1
2 IT IS FURTHER ORDERED that due to the difference in the value between the ELN
3 Trust and the LSN Trust in the amount of \$153,499, the Trusts shall be equalized by
4 transferring the JB Ramos Trust Note from the Notes Receivable of the ELN Trust, valued at
5 \$78,000, to the LSN Trust as already reflected on the preceding page.²⁹

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

9
10 IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the
11 \$1,568,000, herein awarded to the ELN Trust, to pay off the lump sum spousal support
12 awarded to Mrs. Nelson in the amount of \$800,000. Said payment shall be remitted within 30
13 days of the date of this Decree.

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

18
19 IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the
20 \$1,568,000, herein awarded to the ELN Trust, to pay Mr. Bertsch's outstanding fees in the
21 amount of \$35,258 within 30 days of issuance of this Decree.³⁰

22 IT IS FURTHER ORDERED that the ELN Trust shall use the distribution of the
23 \$1,568,000, herein awarded to the ELN Trust, to reimburse Mrs. Nelson for attorney's fees
24 paid to Attorney Dickerson in the amount of \$144,967 in payment of fees resulting from Mr.
25

26
27 ²⁹ Defendant's Exhibit GGGGG.

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

1
2 Nelson's unreasonable and unnecessary extension and protraction of this litigation. Said
3 payment shall be remitted to Mrs. Nelson within 30 days of the date of this Decree.

4 IT IS FURTHER ORDERED that the funds remaining, in the amount of approximately
5 \$500,000, from the distribution of the \$1,568,000, herein awarded to the ELN Trust, after the
6 payment of the spousal support, child support arrears, Mr. Bertsch's fees and reimbursement of
7 the attorney fees to Mrs. Nelson, shall be distributed to Mr. Nelson within 30 days of issuance
8 of this Decree
9

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

12 IT IS FURTHER ORDERED that Mr. Nelson shall pay Mrs. Nelson \$1,058 a month in
13 support of their child Carli, commencing on July 1, 2013 and continuing until Carli attains the
14 age of majority or completes high school, which ever occurs last.
15

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


18 IT IS FURTHER ORDERED that any medical expenses not paid by any medical
19 insurance covering Carli shall be shared equally by the parties, with such payments being made
20 pursuant to the Court's standard "30/30" Rule.
21

22 IT IS FURTHER ORDERED that the parties shall equally bear the private education
23 costs, including tuition, of Carli's private school education at Faith Lutheran.
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IT IS FURTHER ORDERED that the parties shall keep any personal property now in their possession and shall be individually responsible for any personal property, including vehicles, currently in their possession.

Dated this 3rd day of June, 2013.


Honorable Frank P. Sullivan
District Court Judge – Dept. O

FRANK P. SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

1 **IN THE SUPREME COURT OF THE STATE OF NEVADA**

2
3 MATT KLABACKA, as Distribution
4 Trustee of the ERIC L. NELSON
NEVADA TRUST, dated May 30, 2001,

5 Petitioner,

6 vs.

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

10 Respondents,

11 and

12 ERIC L. NELSON and LYNITA S.
13 NELSON, individually, and LSN
NEVADA TRUST dated May 30, 2001,

14 Real Parties in Interest.
15

Electronically Filed
Jul 07 2015 09:00 a.m.
Tracie K. Lindeman
Clerk of Supreme Court

Case No. 68292

16 **RESPONSE TO PETITIONER'S EMERGENCY MOTION TO STAY**
17 **PROCEEDING PENDING RESOLUTION OF APPEAL, OR IN THE**
ALTERNATIVE, MOTION TO STAY ENFORCEMENT OF FINDINGS OF
18 **FACT AND ORDER ENTERED JUNE 8, 2015**

19 **THE DICKERSON LAW GROUP**

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Attorneys for Real Parties in Interest,
25 LYNITA NELSON and the LSN NEVADA
TRUST dated May 30, 2001
26
27
28

1 **I. INTRODUCTION**

2 The Emergency Motion to Stay Proceeding Pending Resolution of Appeal, or
3 In the Alternative, Motion to Stay Enforcement of Findings of Fact and Order Entered
4 June 8, 2015 (“Motion”) presented by Matt Klabacka (“Movant”), as Distribution
5 Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001 (“ELN Trust”), is just
6 one legal maneuver, in a long line of legal maneuvers dating back several years,
7 directed by Real Party In Interest, Eric Nelson (“Eric”), to attempt to defeat the
8 efficacy of the legal system, and ensure that his former wife of nearly thirty (30)
9 years, Real Party in Interest, Lynita Nelson (“Lynita”),¹ receives as little as possible
10 from the underlying divorce action. Such actions include, but are not limited to, two
11 (2) prior writ proceedings to this Court which were ultimately dismissed. As was
12 argued and categorically rejected in the District Court, Eric and the ELN Trust assert
13 that property and monies awarded to Lynita are protected by Nevada’s self-settled
14 spendthrift trust laws, despite the fact that the District Court found that the provisions
15 for maintenance of a valid self-settled spendthrift trust and the actual formalities of
16 the ELN Trust were never followed prior to and during the Parties’ divorce action.

17 On June 3, 2013, the Eighth Judicial District Court, Honorable Frank P.
18 Sullivan, issued a fifty (50) page decision and Decree of Divorce (“Decree”)
19 following a trial that spanned nearly two (2) years from beginning to end (with
20 approximately fifteen (15) days of trial conducted during such time). A copy of the
21 Decree of Divorce is attached hereto as **Exhibit A**. The Decree brought to conclusion
22 a highly litigious divorce action initiated more than four (4) years prior. In the
23 extremely detailed Decree, the District Court outlined the egregious and “deplorable”
24 behavior perpetrated by Eric throughout the Parties’ divorce to prevent the
25 administration of justice, and the numerous breaches of his fiduciary duties to Lynita
26 prior to the Parties’ divorce action. **Exhibit A**. It is respectfully requested that the
27 Court review the Decree in its entirety, as a reading of same clearly shows the abusive

28 ¹ Lynita and Eric are collectively referred to as the “Parties” herein.

1 litigation tactics employed by Eric and the ELN Trust throughout the underlying
2 divorce action, and the injustice that was sought in the underlying action. Having
3 failed at preventing the administration of justice in the District Court, Eric and the
4 ELN Trust have now filed multiple appeals challenging the Decree. In the meantime,
5 Eric and the ELN Trust have made every attempt to avoid enforcement of the Decree,
6 to ensure that Lynita never receives the benefit of the orders contained therein.
7 Having failed thus far to convince the District Court of any valid reason for delaying
8 enforcement of the Decree, the ELN Trust and Eric now attempt to avoid the
9 enforcement of the Decree through this Court, in yet another effort to starve Lynita
10 out of this litigation. The District Court has already entered orders enjoining certain
11 properties pending appeal which ensure that if any portion of the Decree is reversed
12 on appeal, there will be ample property and monies to compensate the aggrieved
13 party. See generally, Order Regarding Transfer of Property and Injunctions (“Order
14 Regarding Injunctions”), entered September 18, 2014, attached hereto as **Exhibit B**.
15 As set forth below, the relief requested in the Motion is both factually and legally
16 unsupportable, and should be denied by this Court.

17 **II. STATEMENT OF FACTS AND PROCEDURAL HISTORY**

18 In the Decree, the District Court, in part, made the following relevant findings:

19 (1) During the first phase of trial, Eric, individually, and as Trustor and
20 Investment Trustee of the ELN Trust, testified repeatedly that the assets held by ELN
21 Trust, and LSN Nevada Trust, dated May 30, 2001 (“LSN Trust”), were community
22 property and should be divided by the Court. **Exhibit A**, pgs. 6-7.

23 (2) After six (6) days of trial, Eric sought to have the ELN and LSN Trusts
24 joined to the divorce action, not satisfied with the way the proceedings were heading,
25 and in a legal tactic intended to give him a second chance of denying Lynita a large
26 share of the Parties’ community assets. **Exhibit A**, pg. 42, lines 2-26.

27 (3) In 2001, Eric and Lynita, upon the advice and counsel of Jeffrey Burr,
28 Esq., created the ELN Trust and LSN Trust. **Exhibit A**, pg. 4, lines 12-15, 20-23.

1 The Parties' testimony "clearly established that the intent of creating the spendthrift
2 trusts was to provide maximum protection from creditors and was not intended to be
3 a property settlement in the event that the parties divorced." **Exhibit A**, pg. 5, lines
4 16-18. Attorney Burr suggested that the Parties periodically level off or equalize the
5 property in the ELN and LSN Trusts. **Exhibit A**, pg. 8, lines 2-4. The Parties
6 intended to maintain an equal allocation of assets between the trusts as reflected in
7 Minutes from a Trust Meeting, dated November 20, 2004, wherein it was stated that
8 property was transferred from the ELN Trust to the LSN Trust, in part, to "level off
9 the trusts." **Exhibit A**, pg. 8, lines 9-16.

10 (4) That on "numerous occasions, [Eric] requested that [Lynita] sign
11 documentation relating to the transfer of LSN Trust assets to the ELN Trust." **Exhibit**
12 **A**, pg. 9, lines 2-4.

13 (5) That Eric violated his fiduciary duties to Lynita as both Investment
14 Trustee and Trust Adviser to the LSN Trust, and as Lynita's husband, by failing to
15 discuss the factors relating to the numerous transfers from the LSN Trust to the ELN
16 Trust. **Exhibit A**, pg. 9, lines 14-17; pg. 11, lines 22-27; pg. 12, lines 2-4. That Eric
17 was able to exercise control over properties in the LSN and ELN Trusts, and freely
18 transfer same, under the "guise that [such] property transfers benefitted the
19 community," and because he "assured [Lynita] that he managed the assets in the trusts
20 for the benefit of the community." **Exhibit A**, pg. 15, lines 4-9; pg. 14, lines 19-21.
21 That Lynita "was not advised [by Eric] that she was not entitled to the benefit of
22 assets transferred from the LSN Trust to the ELN Trust under the direction of [Eric]
23 until the ELN Trust joined the case as a necessary party." **Exhibit A**, pgs. 14-15.

24 (6) That prior to the Parties' divorce action, millions of dollars worth of
25 properties were taken by Eric from the LSN Trust and transferred to the ELN Trust
26 without compensation, and the retention of same by Eric and the ELN Trust would
27 result in unjust enrichment and injustice. **Exhibit A**, pgs. 12-20.

28 ...

1 (7) That Eric failed to follow the formalities of the ELN and LSN Trusts,
2 and had complete and unfettered access to the properties contained within such trusts.

3 **Exhibit A**, pgs. 27-29.

4 (8) That Eric lacked credibility, and during the divorce proceedings: (a)
5 “failed to answer questions in a direct and forthright manner,” (b) violated the District
6 Court’s injunction; and (c) “misstated the ELN Trust’s financial position, or at the
7 very least was less than truthful with [the District Court].” In fact, the District Court
8 referenced Eric’s lack of credibility, violation of Orders, and deplorable behavior
9 during the divorce action throughout its Decree, and even included a whole
10 subsection concerning his lack of credibility. **Exhibit A**, pgs. 23-25.

11 Based upon the findings set forth in the Decree, the District Court ordered an
12 approximately equal division of the properties held in the ELN and LSN Trusts. The
13 District Court’s division of property was accomplished by ordering properties
14 transferred between the two (2) trusts, and imposing constructive trusts, without
15 specifically invalidating the trusts. The District Court also found that the ELN and
16 LSN Trusts were sham trusts and essentially Eric’s alter egos (based on the findings
17 cited above), and that it would have been wholly justified in invalidating such trusts.
18 **Exhibit A**, pg. 29, lines 13-18; pg. 44, lines 9-17. At multiple hearings since entry of
19 the Decree, the District Court has confirmed that it could have set aside the ELN and
20 LSN Trusts in its Decree based on the evidence presented at trial, but did not do so
21 because it believed it could accomplish the justice afforded in the Decree without
22 specifically invalidating the trusts. See, e.g., **Exhibit C**, Transcript from October 21,
23 2013 Hearing, pg. 12, lines 19-24, and pg. 17, lines 4-14.

24 In addition to dividing the Parties’ property, the District Court in its Decree
25 also awarded Lynita \$800,000 for lump sum alimony, \$87,775 in child support arrears
26 and \$144,967 for attorneys’ fees and costs. **Exhibit A**, pgs. 48-49. To ensure that
27 Lynita received her alimony, child support arrears and attorneys’ fees, the District
28 Court Ordered that such payments be made by the ELN Trust within thirty (30) days

1 from the date of Decree from \$1,568,000 previously enjoined by the Court. **Exhibit**
2 **A**, pgs. 48-49. To allow the ELN Trust and Eric to access the \$1,568,000 and make
3 the aforementioned payments, the District Court dissolved the prior injunction
4 freezing said funds. **Exhibit A**, pg. 48, lines 6-9. The District Court Ordered that
5 the remaining approximately \$500,000 from the enjoined funds would be distributed
6 to Eric within thirty (30) days. **Exhibit A**, pg. 49, lines 4-9. While Eric and the ELN
7 Trust have received the \$500,000 awarded to them, they have prevented Lynita from
8 receiving \$708,742 of the \$1,032,742 awarded to her, which remains frozen in a
9 blocked account. See **Exhibit B**.

10 Since entry of the Decree, there have been several hearings in the District Court
11 regarding the enforcement of same. It is impossible to explain in detail in this
12 Response the entirety of the post-judgment proceedings which have occurred,
13 however, the Order Regarding Injunctions (**Exhibit B**), and the Findings of Fact and
14 Order entered June 8, 2015 ("June 8, 2015 Order," which is the subject of the instant
15 appeal and is attached hereto as **Exhibit D**), contain many of the details of the post-
16 divorce enforcement proceedings. As can be seen from the Order Regarding
17 Injunction, the District Court has enjoined all real property transferred to Lynita
18 pursuant to the Decree from being sold absent further order of the District Court.
19 **Exhibit B**. The District Court has also enjoined sufficient property to make any
20 necessary future adjustments to fully compensate a party if this Court reverses any
21 part of the District Court's decisions. **Exhibit B**.

22 Even a cursory review of the June 8, 2015 Order makes clear that the issue
23 complained about in the Motion (payment of funds from the ELN Trust not ordered
24 in the Decree, for monies received by the ELN Trust from property held by the LSN
25 Trust during the divorce proceeding) comprise just a small part of such Order. The
26 majority of the issues addressed in the June 8, 2015 Order deal specifically with the
27 transfer of properties awarded to Lynita in the Decree, and payment of funds received
28 by the ELN Trust post-divorce from properties awarded to Lynita. Such issues are

1 not detailed in the Motion because Eric and the ELN Trust are trying to parlay one
2 small portion of the June 8, 2015 Order into a stay of the entire Order, and the entire
3 enforcement of the Decree in the District Court.

4 Finally, the District Court has consistently expressed its concerns about
5 whether Eric and the ELN Trust will comply with orders for payment of monies or
6 transfers of property to Lynita. See **Exhibit A**; see also **Exhibit E**, Transcript from
7 June 19, 2013 Hearing, pg. 19, lines 19-24.

8 **III. LEGAL ANALYSIS**

9 **A. The Request For Emergency Stay Is Not Properly Supported**

10 When an emergency motion is filed requesting relief which “was available in
11 the district court, the motion shall state whether all grounds advanced in support of
12 the motion in the court, were submitted to the district court, and, if not, why the
13 motion should not be denied.” NRAP 27(e)(4). Movant’s request for a stay is
14 premised, in part, on an alleged financial hardship in having to comply with the
15 District Court’s Orders. Since entry of the June 8, 2015 Order, Movant has not
16 requested a stay from the District Court of the specific Order issued (although
17 Movant admittedly requested a stay of any Order ultimately issued by the Court from
18 the January 26, 2015 hearing, prior to issuance of same). Accordingly, Movant has
19 not asserted all the grounds to the District Court presented to this Court in support of
20 the requested emergency stay, including the alleged financial hardship that Movant
21 would experience. Movant has not explained why the Motion should not be denied
22 for the failure to advance such grounds to the District Court prior to filing the Motion
23 for emergency stay. Indeed, if such alleged financial hardship in having to pay Lynita
24 the property awarded to her in the Decree was a valid basis for considering a request
25 for stay (which it is not), the District Court could have conducted a hearing and
26 received evidence to determine whether the alleged hardship actually exists. As it
27 stands now, the only “proof” of such alleged hardship are vague and conclusory
28 statements in the Motion without any further support or documentation, other than an

1 Affidavit of counsel restating such allegations (it must be noted that counsel likely
2 has no personal knowledge of same). It should also be noted that in its opposition to
3 Lynita's Motion to Enforce the June 3, 2013 Decree of Divorce, Address Issues
4 Relating to Property Awarded to Defendant in the Divorce, and for Related Relief,
5 filed December 22, 2014, the ELN Trust requested several times that any monies
6 ordered to be paid to Lynita be placed in a blocked account. The ELN Trust even
7 proposed placing large portions of the monies owed to Lynita in a blocked account,
8 without any claim of financial hardship.

9 Finally, all motions for relief under NRAP 8(a)(1) are required to include "the
10 reasons for granting the relief requested and the facts relied on." NRAP 8(a)(2)(B).
11 Movant requests in the instant appeal of the June 8, 2015 Order only, that the entire
12 enforcement proceedings in the District Court should be stayed pending appeal. The
13 only portion of the June 8, 2015 Order which Movant even analyzes in the Legal
14 Analysis of the Motion when addressing its likelihood of success and the purpose of
15 the instant appeal, is a very small portion of the Order dealing with the payment of
16 funds from the ELN Trust not ordered in the Decree, for monies received by the ELN
17 Trust from property held by the LSN Trust during the divorce proceeding.
18 Accordingly, if the Court is inclined to grant any stay of the District Court's orders
19 the stay should apply only to the specific orders for such payments. Certainly Eric
20 and the ELN Trust should not be permitted to obtain a stay of the entire Decree based
21 upon an appeal and complaint about one portion of the Court's June 8, 2015 Order
22 enforcing same. Indeed, the Decree itself is not even the direct subject of the instant
23 appeal in which the Motion was filed.

24 B. A Stay Is Not Supported Legally Or Factually.

25 In deciding whether to issue a stay or injunction, the Supreme Court or
26 Court of Appeals will generally consider the following factors: (1)
27 whether the object of the appeal or writ petition will be defeated if the
28 stay or injunction is denied; (2) whether appellant/petitioner will suffer
irreparable or serious injury if the stay or injunction is denied; (3)
whether respondent/real party in interest will suffer irreparable or
serious injury if the stay or injunction is granted; and (4) whether

1 appellant/petitioner is likely to prevail on the merits in the appeal or writ
2 petition.

3 NRAP 8(c).

4 (1) The object of the appeal will not be defeated if the requested stay is
5 denied. The Movant argues that the object of the appeal will be “defeated if the stay
6 is denied by this Court because the District Court will continue to issue additional
7 punitive orders forcing the ELN Trust to relinquish its property interests, the majority
8 of which is real property.” As previously stated, the District Court has already issued
9 an injunction preventing the sale of any real property transferred to Lynita pending
10 the appeal. The June 8, 2015 Order only requires the transfer of four (4) parcels in
11 Mississippi. All other real property transfers have already occurred. Accordingly,
12 all property which is subject to the appeal was already protected and secured by the
13 District Court. While the majority of property awarded to Lynita is enjoined from
14 being sold, the majority of property in the ELN Trust has not been enjoined. The
15 ELN Trust and Eric want to continue to have unfettered control over almost all assets
16 awarded to them in the Decree, while preventing Lynita from having access to and
17 control of the assets awarded to her.

18 (2) “Although irreparable or serious harm remains part of the stay analysis,
19 this factor will not generally play a significant role in the decision whether to issue
20 a stay.” *Mikohn Gaming Corp. v. McCrea*, 120 Nev. 248, 89 P.3d 36, 40 (2004). The
21 ELN Trust will not suffer irreparable or serious injury if the stay is denied. It is well-
22 settled in Nevada that the potential loss of money is not enough to show irreparable
23 harm. *See, e.g., Hansen v. Dist. Ct.*, 116 Nev. 650, 6 P.3d 982, 987 (2000).
24 Additionally, while Movant argues that it will suffer irreparable harm by being
25 required to vacate the Lindell office building, he does not detail for the Court the
26 findings and reasoning of the District Court in support of the requirement that Eric
27 and the ELN Trust vacate the Lindell building. Specifically, the District Court found
28 that Eric has “continuously harassed and threatened” Lynita throughout the

1 underlying proceedings, “despite a Mutual Behavior Order, Temporary Protective
2 Order and No Contact Orders being in place.” **Exhibit D**, pgs. 13-14. Eric has now
3 been sentenced to jail twice for his contemptuous actions and harassment. Most
4 recently “on June 3, 2015, [Eric] was again found guilty of contempt for yelling,
5 cursing, aggressively approaching and grabbing locks from [Lynita] causing her to
6 fall onto the stairs and was sentenced to twenty-five (25) days in jail.” **Exhibit D**,
7 pgs. 13-14. All of this occurred at the Lindell office building. The Movant’s request
8 to stay the June 8, 2015 Order requiring Eric and the ELN Trust to vacate the Lindell
9 office building is basically a request that the Court stay the District Court’s attempts
10 to protect Lynita from domestic violence.

11 (3) Movant does not provide any analysis of the irreparable harm or serious
12 injury Lynita will suffer if the requested stay is granted. Lynita’s deprivation of the
13 property awarded to her has caused her to liquidate monies and property she had in
14 her possession throughout the course of this protracted litigation. On October 30,
15 2013, Lynita was forced to sell her residence of 26 years. See **Exhibit F**.
16 Additionally, Lynita has suffered continual harassment and threats from Eric as
17 detailed in the June 8, 2015 Order, and will continue to be placed in harm’s way if
18 Eric and the ELN Trust are permitted to stay at the Lindell office building.

19 (4) Finally, Movant does not have a likelihood of success on the merits of
20 the appeals. The District Court’s Decree was well supported by the evidence offered
21 at trial, including the evidence offered by Eric himself. As set forth above, the only
22 issue which is discussed in the Legal Analysis of the Motion when analyzing the
23 likelihood of success on appeal is the District Court’s order for payment of monies
24 received by the ELN Trust from property held by the LSN Trust during the divorce
25 proceeding. Certainly such analysis does not support a stay of the entire District
26 Court proceeding and all other orders.

27 Additionally, the ELN Trust does not have a likelihood of success on the issue
28 addressed. To the contrary, even if the ELN Trust is successful in its challenge of the

1 portions of the Decree which require an equal division of the property in the ELN and
2 LSN Trusts, Lynita and the LSN Trust would still be entitled to compensation for all
3 of the property stolen from them by Eric and the ELN Trust through breach of Eric's
4 fiduciary duties to Lynita and deceit.

5 C. Should A Stay Issue A Supersedeas Bond Should Be Required

6 NRCP 62(c) provides:

7 When an appeal is taken the appellant by giving a supersedeas bond may
8 obtain a stay subject to the exceptions contained in subdivision (a) of
9 this rule. The bond may be given at or after the time of filing the notice
of appeal. The stay is effective when the supersedeas bond is filed.

10 The Supreme Court may condition a party's request for a stay of a judgment or order
11 on the party's filing of a bond or other appropriate security in the district court.
12 NRAP 8(a)(2)(E).

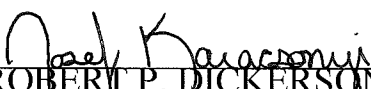
13 The District Court, in the Decree of Divorce and at the June 19, 2013 hearing,
14 has consistently expressed its concerns about whether Eric and the ELN Trust will
15 comply with future orders. Absent a bond, it is likely that Lynita will never be able
16 to recover the judgment awarded to her by the Decree. Accordingly, if the Court is
17 inclined to grant a stay of the limited orders complained about in the Motion and this
18 appeal, the Court should require the ELN Trust to post a bond securing same.

19 **IV. CONCLUSION**

20 For the reasons set forth above, the Court should deny the Motion filed by the
21 ELN Trust in its entirety.

22 DATED this 6th day of July, 2015.

23 **THE DICKERSON LAW GROUP**

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