

1 A Yes.

2 Q Describe that place for the Court, it's the whole  
3 second floor of the Lindell building, correct?

4 A Correct.

5 Q Now, and if I understand it at some point in time  
6 after The Wild Goose -- before The Wild Goose opened up, you  
7 were receiving paychecks from one of Eric's companies?

8 A I believe so, yes.

9 Q Do you recall which one?

10 A No.

11 Q Was it most likely the auctioneering or Eric Nelson  
12 Auctioneering?

13 A No, probably not.

14 Q Now you believe when The Wild Goose opened, your  
15 paychecks were from The Wild Goose?

16 A I believe so, yes.

17 Q And what was the wild is that a corporation, LLC?

18 A LLC.

19 Q And what was Eric Nelson's involvement with The Wild  
20 Goose, was he the sole owner?

21 A Well, the trust was the sole owner and Eric was the  
22 manager.

23 Q And which trust?

24 A Oh, I take that back. It would have been the

1 separate property trust and then it switched to the new trust.

2 Q So how do you know how the title was held?

3 A I saw the corporate papers.

4 Q And the papers were prepared in what year?

5 A I don't remember.

6 Q Now, this was in the year 2000

7 A You know, know that I think about it -- let's back  
8 up. Those may not have been filed until after the new trust  
9 opened. They may not have created the name because I was  
10 there for marketing for that and they had established a name  
11 but hadn't really gone forward with -- so that could have been  
12 the case.

13 Q So how long did you work as an employee of The Wild  
14 Goose?

15 A I don't know, not very long. Maybe three or four  
16 months.

17 Q What happened with The Wild Goose?

18 A It opened and they took over marketing locally.

19 Q Okay. And what happened to your job after that?

20 A I believe I just moved into doing other things  
21 around the office, other things for other businesses, just  
22 clerical work.

23 Q For all of Eric's businesses or just

24 A I don't remember.

1 Q Well, who gave you the paycheck? Where was the  
2 paycheck

3 A Going way back, I don't know. I don't remember.

4 Q It's not a test. But it was from one of Eric's  
5 companies?

6 A Yes.

7 Q You just don't recall which one?

8 A Exactly.

9 Q Were there times that you would receive paycheck  
10 from one company and then another time from another company?

11 A Over the course of the time I worked there, yeah,  
12 but not between paychecks, I wouldn't think.

13 Q Now when you received your W 2s at the end of the  
14 year, who did it indicate your employer was?

15 A Back then, I don't remember.

16 Q Now, if I understood your testimony yesterday, you  
17 when you started, apparently in November of 2000 -- you were a  
18 little questionable about the year, whether it was '99 or  
19 2000?

20 A Uh huh.

21 Q You took over all of the bookkeeping for all of the  
22 Nelsons' operations; is that true?

23 A When I first started?

24 Q Yes?

1           A     No, when I first started, I was doing the marketing  
2 and then after approximately three or four months, I believe I  
3 started doing     and I'm just speculating because I don't know  
4 everything that I did     I did start collecting rents and  
5 paying for the expenses for the Lindell building, but I can't  
6 tell you exactly if that was after the new trust or Lynita's  
7 old trust. It may have been a little of both, like right  
8 before.

9                     Make sense?

10          Q     So you were just collecting the rents for the  
11 Lindell building

12          A     And billing.

13          Q     And at that point in time, whether it was Lynita's  
14 initial trust, what I'll call the revocable trust

15          A     Nelson trust?

16          Q     The Nelson trust, rather, or whether it was after  
17 2001 when the trust in question in this case were formed. The  
18 Lindell building that you referred to was owned 100 percent in  
19 the name of Lynita's Trust; is that correct?

20          A     Right.

21          Q     But you were paid from one of Eric's companies,  
22 correct?

23          A     Now that you say that, it may have changed when my  
24 duties changed.

1 Q You don't recall?

2 A I don't remember.

3 Q Now, other than keeping the books, did you have any  
4 other role with respect to handling the affairs of either Eric  
5 Nelson or Lynita Nelson?

6 A Specifically, what do you mean? I don't know.

7 Q What did you consider your job to be?

8 A Well, it changed so much over the course of the  
9 years.

10 Q Can you take us over your time with Eric Nelson?

11 A You know, you kinda do whatever needs to be done  
12 depending on what so you don't have specific job duties,  
13 other than in the beginning, like I said, Lindell was the big  
14 time that I spent doing it.

15 And then I believe I did part of -- Eric had a  
16 warehouse in Arizona. I collected rent, is basically I was  
17 like the rent person, so I did collect -- billed and collected  
18 rents and did repairs, maintenance, and that on the rental  
19 properties that each trust had at the time.

20 Q All the properties?

21 A Yes.

22 Q Did that job change at any point in time?

23 A Later on -- and I don't know specifically what year  
24 Rochelle took over doing the -- Lynita's Trust side and I

1 specifically stayed with Eric's trust side.

2 Q Now when you were hired, initially hired in the year  
3 2000, approximately November of 2000, who hired you?

4 A Eric Nelson.

5 Q And who was your supervisor?

6 A Eric.

7 Q And did you take all of your instructions with what  
8 to do with respect to your particular job assignments from  
9 Eric?

10 A Yes.

11 Q So, have you described your complete -- you weren't  
12 involved in any investments, were you?

13 A No I couldn't be. I didn't have the capacity.

14 Q Were you involved in any way with any of the  
15 investments that were made by Eric Nelson?

16 A No, I mean I didn't have signing authority or  
17 anything that I could be involved.

18 MR. DICKERSON: Now, if I may have Exhibit 165,  
19 please.

20 BY MR. DICKERSON:

21 Q Ms. Martin, I'm going to put the exhibit book  
22 this is the Intervener's exhibit book, and I believe it's  
23 Exhibit 165 I want to refer you to. Now, you are appearing  
24 here in this action today in the capacity as representing a

1 party; is that correct?

2 A Correct.

3 Q And as I understand it, you are the current  
4 distribution trustee of the Eric -- the ELN Trust; is that  
5 true?

6 A Yes.

7 Q And this is your second stint as the distribution  
8 trustee; is that right?

9 A That's right.

10 Q Your second stint started in, I believe that was in

11 A May of '01 -- oh, second one.

12 Q The second one started in I would say June of 2011?

13 A Yes, June 8th or something.

14 Q June 8th; is that correct?

15 A Uh huh.

16 Q Is that a yes?

17 A Yes.

18 Q Now, this Exhibit 165, do you know what this is?

19 A Delegation.

20 Q And can you tell me why this delegation -- did you  
21 have any involvement in this delegation?

22 A To what extent, I don't know.

23 Q What do you know about this delegation? How did it  
24 come into existence and what were you told about it?

1 MR. SOLOMON: Your Honor, I'm going to

2 BY MR. DICKERSON:

3 Q What were you told about it by Eric Nelson?

4 MS. FORSBERG: Outside the presence of me because I  
5 represented both of them at that time.

6 THE COURT: Well, make sure that you don't disclose  
7 any conversations you had with your attorney, so let us know  
8 if they're getting anywhere.

9 THE WITNESS: You know, outside of with Mark, I  
10 probably didn't talk to Eric about it.

11 BY MR. DICKERSON:

12 Q Okay. Were you present when Eric Nelson signed  
13 this?

14 A No.

15 Q Were you told about this after August 19th, 2011?

16 A I don't recall that.

17 Q Well, you were told that you had already been  
18 delegated this authority; is that correct? Sometime  
19 basically, when this was explained to you, you had already  
20 been delegated; is that correct?

21 MR. SOLOMON: Asked and answered. She doesn't  
22 remember.

23 THE WITNESS: Huh uh, I don't remember if that was  
24 after.



1 BY MR. DICKERSON:

2 Q Now, as I read this delegation it was apparently  
3 prepared by -- do you know who it was prepared by?

4 A No.

5 Q Now, have you read the LSN Trust?

6 A The LSN Nevada Trust, have I read it? The  
7 certificate of trust?

8 Q No, not the certificate, the entire trust?

9 A I mean it's been awhile, but, yes, I've

10 Q Now, what is your understanding, in your capacity  
11 what is your role with respect to the ELSN Trust?

12 A The ELN Trust, the Nelson -- the Eric L. Nelson  
13 Trust or Lynita

14 Q Yeah, the ELN.

15 A All right.

16 Q We'll call it Eric -- you know something, you're  
17 right. For simplicity, let's call it Eric's trust and  
18 Lynita's trust, okay?

19 A Okay.

20 Q So for Eric's trust, what is your role?

21 A To basically approve distributions to the trustor,  
22 which would be Eric Nelson.

23 Q So you understand that your sole job purpose as the  
24 distribution trustee under Eric's trust is simply to approve

1 distributions to him, correct?

2 A Correct.

3 Q Now, you are not a beneficiary on the trust are you?

4 A No.

5 Q And you have no claims under the trust, do you?

6 A No.

7 Q Now, if I read this, it says that Eric as the  
8 trustee is claiming that he has some type of conflict of  
9 interest pertaining to your claims. So, it says the claims  
10 asserted by Lana Martin.

11 Can you tell me what claims to you have to assert?

12 MR. SOLOMON: Calls for a legal conclusion

13 MS. FORSBERG: Actually, Your Honor

14 MR. SOLOMON: And it's been predicate of the  
15 questions. Assumes facts not in evidence.

16 Counsel's interpretation is irrelevant.

17 MR. DICKERSON: What her interpretation is and then  
18 the judge's is important.

19 MR. SOLOMON: He can make it from the document. He  
20 doesn't need a layperson to explain the legal significance of  
21 it.

22 THE COURT: Well, not the legal, they can't. They  
23 can ask what her understanding is what her roles are, whether  
24 as far as legal, I'm going to leave that for the attorneys.

1 But since she was delegated, she can explain what she thought  
2 that meant to her or her understanding of what she had to do.

3 BY MR. DICKERSON:

4 Q So what do you understand you claims to be?

5 A I would -- I would say it would be to limit the  
6 distributions of the trust.

7 Q So Eric, correct?

8 A To Eric, yes.

9 Q In fact you have a specific power granted to you  
10 under the lease -- excuse me, under the trust that should Eric  
11 ever make an unauthorized distribution to you -- to himself,  
12 that you, as the distribution trustee, have a claim against  
13 Eric and can pursue that claim against Eric; isn't that  
14 correct?

15 A I don't know.

16 Q Well, do you want us to review that provision?

17 A Yes, please.

18 Q Take a look at

19 MS. PROVOST: Do you want the exhibit -- the entered  
20 exhibit number?

21 MR. DICKERSON: Yeah, I know it was originally Trial  
22 Exhibit 80 for the Plaintiff's case. I'm looking for Eric  
23 Nelson's Trust. Do you have it -- can I use your book?

24 MR. LUSZECK: Give me a second.

1 THE COURT: That would be

2 MR. LUSZECK: For Eric's, right, Mr. Dickerson?

3 THE COURT: That would be volume -- what number was  
4 it?

5 MS. PROVOST: Number 80.

6 MR. DICKERSON: It's Plaintiff's Exhibit 80. It's  
7 already been admitted.

8 MR. LUSZECK: Eighty six.

9 MR. DICKERSON: Okay. So 86 on theirs. I have no  
10 objection to the submission of Exhibit 86, if we could just  
11 use the book in front of her?

12 THE COURT: Is that for the Intervenor's?

13 MR. DICKERSON: Yeah, it's intervenor's Exhibit 86  
14 and it's

15 THE COURT: And it's cross referenced with ours. It  
16 would be Plaintiff's Exhibit 80. I believe it's already been  
17 admitted.

18 But just for simplicity, you're all right if we just  
19 do it under 86, then? I would rather have it admitted twice  
20 than none I guess.

21 BY MR. DICKERSON:

22 Q And I don't mean to be standing over you, I just  
23 want to get you to the right page.

24 A No, that's okay. What page?

1 Q All right. So what we're looking at here is the  
2 Eric L. Nelson Nevada Trust; is that correct?

3 A Correct.

4 MR. DICKERSON: And this has been admitted for the  
5 purpose of the record, Your Honor?

6 THE COURT: Yeah. Any objections?

7 MR. SOLOMON: No objections.

8 MS. FORSBERG: No objection.

9 THE COURT: We'll show this as admitted Intervenor's  
10 86.

11 (Whereupon, Intervenor's Exhibit No. 86 is admitted  
12 into evidence.)

13 BY MR. DICKERSON:

14 Q Now, you've indicated, and I believe correctly so,  
15 that your role as a distribution trustee is simply to  
16 authorize distributions that are made to Eric Nelson, correct?

17 A Correct.

18 Q And you agree that you do not have to authorize any  
19 distribution that is made to any other beneficiary under the  
20 trust, other than Eric Nelson, do you agree with that?

21 A Yes.

22 Q Now, with respect to your claims and your rights,  
23 powers under this document, if I'll refer you to Section 3.4,  
24 entitled unauthorized distribution of trustor. Do you want to

1 read that to yourself and familiarize yourself with it?

2 A Yes, please.

3 (Pause.)

4 Okay.

5 Q Now, do you agree that Section 3.4 provides you with  
6 the rights to pursue a claim on behalf of the trust against  
7 Eric Nelson?

8 MR. SOLOMON: Document speaks for itself. Draws for  
9 a legal conclusion. Irrelevant.

10 THE COURT: Overruled. You can answer.

11 BY MR. DICKERSON:

12 Q Is that your understanding?

13 A Yes.

14 Q Now, can you point to any other provision in this  
15 trust agreement that provides you with any rights or claims to  
16 initiate any action on behalf of the trust or gives you any  
17 claim against the trust?

18 A Not specifically, without re reading it.

19 Q Now, you and your husband are owed money by Eric  
20 Nelson, are you not?

21 A I believe it's by Dynasty Development Group.

22 Q Now, Dynasty Development Group, then, is an asset of  
23 the ELN Trust, correct?

24 A Correct.

1 Q And so it is your position that you and your husband  
2 are owed money by the ELN Trust?

3 A I guess, yes.

4 Q And how much money are you owed by the ELN Trust?

5 A I don't have the exact amount because of the accrued  
6 interest, but it's probably close to 400,000.

7 Q Is that with the accrued interest?

8 A Yes.

9 Q Do you know what the principal amount that you claim  
10 is owed by the ELN Trust?

11 A 374 -- close to 375,000.

12 Q Do you have any security -- you do have a promissory  
13 note; is that correct?

14 A Correct.

15 Q And is that promissory note -- that promissory note  
16 was executed by yourself?

17 A I would have to look because there's two.

18 Q There's two promissory notes?

19 A Yes.

20 Q You do not recall who the promissory note is issued  
21 from, who signed it?

22 A Oh, Eric would have signed both, but I don't know on  
23 behalf of what entity.

24 Q Now, are either of those promissory notes secured by

1 any property?

2 A One of them is secured by land in Mississippi.

3 Q And the other one is unsecured?

4 A Correct.

5 Q And both those promissory notes are past due, are

6 they not?

7 A Yes, they are.

8 Q How far past due? When were they due? When was

9 that money due to be paid to you?

10 A I would have to look at the document. I don't

11 remember.

12 Q Do you recall, more than a year ago?

13 A Oh, yes.

14 Q More than two years ago?

15 A Oh, yes.

16 Q More than three years ago?

17 A Oh, yes.

18 Q More than four years ago?

19 A Yes.

20 Q More than five years ago?

21 A I don't know.

22 Q Probably in that range, four or five.

23 All right. So over the last four or five years,

24 have you done anything to foreclose on the security that you



1 have with respect to the one promissory note?

2 A I have not.

3 Q Have either you or your husband initiated any action  
4 against Eric Nelson for the purpose of collecting on that?

5 A No.

6 Q So you haven't filed any lawsuit; is that true?

7 A True.

8 Q You haven't pursued any of the security that you  
9 have, at least under one of the promissory notes; is that  
10 true?

11 A True.

12 Q You haven't even hired a lawyer to collect on that,  
13 have you?

14 A No.

15 Q Is that true, you have not?

16 A True, I have not.

17 (Counsel confer.)

18 MR. DICKERSON: Court's indulgence, please.

19 I'll have these marked as our next exhibit.

20 (Whereupon, Defendant's Exhibit Nos. DDDD and EEEE  
21 are marked for identification.)

22 BY MR. DICKERSON:

23 Q All right. I'm going to show you, Ms. Martin,  
24 what's been marked for identification purposes, Plaintiff

1 actually, it should be Defendant's -- it says Plaintiff's  
2 Exhibit, but we can change that later. We will call it  
3 Defendant's Exhibit DDDD and Defendant's Exhibit EEEE.

4 A Okay.

5 Q These were provided to us just recently from your  
6 counsel in a report that was prepared by Dan Gerety and the  
7 Bates Stamp numbers at the bottom says DG 00422 and DG 00423.  
8 I'll reference these as Dan Gerety's copies?

9 MR. SOLOMON: Mr. Dickerson, is DDDD the one that  
10 ends in 22?

11 MR. DICKERSON: Yes, they are in that order.

12 BY MR. DICKERSON:

13 Q Ms. Martin, are those the two promissory notes that  
14 you were referencing?

15 A Yes.

16 Q And if I look at these, it appears then that  
17 let's take the first note, the one that is four Ds, DDDD. It  
18 was dated January 28th, 2005, and it's from Eric L. Nelson or  
19 Eric L. Nelson Nevada Trust promises to pay to Lana Martin  
20 105,000; is that correct?

21 A What did you say, four?

22 Q Yeah, do you see the order there?

23 A Yes, I do see that.

24 Q So it's Eric L. Nelson, individually --

1           A     Uh huh.

2           Q     -- or Eric L. Nelson Nevada Trust promises to pay to  
3 you how much money?

4           A     \$105,000.

5           Q     And that was payable in one year from the date of  
6 the note, that would mean that it was due January 28th  
7 approximately January 28th, 2006; is that correct?

8           A     Correct. I do see though, here, that the check is  
9 dated 2004.

10          Q     That is interesting, isn't it?

11          A     It is.

12          Q     So you actually -- could that have just been a  
13 mistake on your part of, you know, here you are in the new  
14 year and

15          A     Oh, yeah, probably the -- oh, yeah, true. I would  
16 have to see when it cleared. Yeah, it probably was. I'm  
17 surprised they took it at the bank.

18          Q     Well, banks do that. They do it in January of each  
19 year.

20                 So you lent this money to Eric?

21          A     Yes.

22          Q     As a loan?

23          A     Uh huh.

24          Q     Is that a yes?

1 A Yes.

2 Q And you loaned it to Nelson & Associates?

3 A Correct.

4 Q What is Nelson & Associates?

5 A That is the DBA of the Eric L. Nelson Nevada Trust.

6 Q Nelson & Associates is the DBA of the Trust?

7 A Yes.

8 Q Now, can you tell me why Eric Nelson or the Trust is

9 going to pay you back?

10 A I don't know why. I can't remember.

11 Q Now, is this note secured or is this one unsecured,

12 as far as you know?

13 A This one is unsecured.

14 Q And, again, since it was due in January, 2006, you

15 have made no effort to collect on this; is that right?

16 A Right.

17 Q And then if you take a look at Exhibit EEEE, this is

18 the promissory note that you referenced that was issued to

19 your husband; is that right?

20 A Correct, yes.

21 Q And this one was from Eric Nelson individually,

22 isn't it. It says Eric L. Nelson, a married man, promises to

23 pay Robert A. Martin the sum of \$200,000 at annual rate of 8

24 percent and it's all due and payable in five years; is that

1 right?

2 A That's right.

3 Q So this one isn't even to the Trust, is it?

4 A Nope.

5 Q In fact the check that your husband wrote is to Eric  
6 Nelson for \$200,000?

7 A Yes.

8 Q And it's indicating that Eric Nelson is a married  
9 man; is that right?

10 A Correct.

11 Q Now, this note then appears to have been due in June  
12 of 2011; is that correct?

13 A Yes, correct.

14 Q Approximately June 1st of 2011 is five years?

15 A Uh huh.

16 Q And this note is still outstanding?

17 A Correct.

18 Q Now, this one says that the note that the  
19 collateral for this note will be 120 acres of land in Bay St.  
20 Louis, Mississippi, and it provides the appraiser -- the  
21 appraiser number there?

22 A Yes.

23 Q And current owned by Dynasty Development Group; is  
24 that correct?

1 A Correct.

2 Q So we have Eric Nelson, individually, as a married  
3 man, taking \$200,000 from your husband and giving to your  
4 husband security that is the Dynasty Development, LLC; is that  
5 right?

6 A And that

7 Q In land that is owned by Dynasty Development, LLC;  
8 is that right?

9 A Correct.

10 Q Now, was there -- I have not seen the deed of trust  
11 securing this note, none was ever prepared, was it?

12 A No.

13 Q Okay. So the collateral this is referenced in this  
14 promissory note really isn't collateral, is it? You do not  
15 have a promissory note securing -- or you do not have a deed  
16 of trust securing; is that correct?

17 A Correct, but I could file one.

18 Q Well, has it been signed by Eric?

19 A What?

20 Q The promissory -- the deed of trust?

21 A No, but I could get one.

22 Q And how would you do that?

23 A I would ask him to do it. I just haven't done it  
24 yet.

1 Q So you would just go to Eric like a year or plus  
2 after this is due and say, Eric, will you sign this deed of  
3 trust?

4 A Yes.

5 Q Do you know if this land is still even owned?

6 A I believe it is.

7 Q Okay. And what makes you think that?

8 A In the same name, I believe, Dynasty Development  
9 Group.

10 Q And what is Dynasty Development Group?

11 A That is an LLC of the owned by the Eric L. Nelson  
12 Nevada Trust.

13 Q Okay. And Dynasty Development Group, LLC is  
14 currently in bankruptcy; is that right?

15 A Correct.

16 Q And do you know if that land has been listed as one  
17 of the assets in that bankruptcy action?

18 A I do not know the details of that.

19 Q Have you filed a claim in that bankruptcy action?

20 A Yes, I have.

21 Q And that is based upon the promissory note that is  
22 Exhibit DDDD?

23 A I believe it's the total amount owed between  
24 promissory notes and another check that was written.

1 Q Is that the one that's EEEE?

2 A No, there's also another check for about, oh, I  
3 don't even know the total, whatever makes it up to 75 from  
4 about 69,000.

5 Q Now, I don't believe -- and I could be mistaken  
6 that I've seen that promissory note for that amount?

7 A There was not one done.

8 Q So you did not do a promissory note?

9 A No.

10 Q And you just wrote Eric the check?

11 A Yes.

12 Q Do you recall who the check was made payable to?

13 A I believe that one was to Dynasty Development Group,  
14 LLC.

15 Q Do you have a copy of that check?

16 A I don't.

17 Q Okay. When did you issue that check?

18 A I don't know exactly. I want to say it was in 2007.  
19 Sometime in '07 -- '06 -- I don't know.

20 Q What was your agreement with Eric when you gave him  
21 that note?

22 A Basically, what these promissory notes did, and  
23 you'll have to ask Eric about the details because I don't know  
24 all of the details, it was investment in the casino in



1 Mississippi.

2 Q These were investments in a casino?

3 A These were to be enrolled into an investment into  
4 that.

5 Q But you described these as loans?

6 A They were loans, then they would be converted to an  
7 interest in Dynasty Development's interest in the casino, as  
8 far as I know. I don't know all of the details.

9 Q Where is that spelled out?

10 A There should be another form.

11 Q Now, is that just another way of getting around the  
12 gaming and licensing regulations in Louisiana -- of  
13 Mississippi, excuse me?

14 A I don't think so. It's -- I can't remember the name  
15 of the

16 Q Can you tell me why you wouldn't just have invested  
17 in the casino itself?

18 A I don't know why.

19 Q Do you know what Eric Nelson did with these monies?

20 A I don't. I know, it's ugly. They're not made out  
21 right. I'm screwed -- who am I kidding?

22 Q All right. Let's talk about your role as -- during  
23 the period of time that you were the distribution trustee for  
24 the LSN Trust, which let's just call it Lynita's Trust, okay?

1           A     Okay.

2           Q     Do you recall the period of time that you were the  
3 distribution trustee?

4           A     May of 2001 through February of 2007.

5           MR. DICKERSON: Your Honor, I don't believe that I  
6 offered Exhibits DDDD and EEEE. I would move for the  
7 admission of those two documents.

8           THE COURT: Any objection?

9           MR. SOLOMON: No objection.

10          MS. FORSBERG: No objection.

11          THE COURT: They're going to be admitted as DDDD and  
12 EEEE, respective.

13          They should be Defendant's, I think, right?

14          MS. PROVOST: Yes.

15          (Whereupon, Defendant's Exhibit Nos. DDDD and EEEE  
16 are admitted into evidence.)

17          (Counsel confer.)

18          THE COURT: Do you have the exhibits?

19          MS. PROVOST: Madam Clerk would like them back.

20          THE CLERK: Please.

21          THE COURT: For once I get accused of misplacing  
22 exhibits, so you don't want LaTosha after you, trust me.

23          We'll get those corrected. They will be  
24 Defendant's.

1 BY MR. DICKERSON:

2 Q Let's start -- what I'd like to do is go through  
3 some of the minutes and the exhibits that you went through  
4 yesterday, as I understand were what you prepared or was  
5 prepared for the purpose of you documenting transactions as  
6 the distribution trustee, and I believe the first document  
7 that I could find is Exhibit 30.

8 So if you'll turn to Exhibit 30

9 THE COURT: Have these been admitted already?

10 MR. DICKERSON: Yes, they have.

11 THE COURT: Okay.

12 MR. DICKERSON: All these exhibits that I'm going to  
13 go through, Your Honor

14 THE COURT: Have been admitted?

15 MR. DICKERSON: have been admitted. And if they  
16 can't, Ms. Clerk, if you'll just correct me if I'm wrong.

17 BY MR. DICKERSON:

18 Q Exhibit 30, did you prepare this document?

19 A I don't think so. I mean -- no. No.

20 Q In fact, I believe there's an exhibit in here -- I  
21 believe we saw an exhibit yesterday -- do you recall seeing a  
22 letter from Jeff Burr's office where this form was enclosed?

23 A No.

24 Q Eric Nelson gave you this form, did he not?

1 A I don't remember.

2 Q Now, this indicates -- well, the date is June 1st of  
3 2001; is that your handwriting?

4 A Yes.

5 Q Okay. Now, isn't it true, Ms. Martin, that you and  
6 Lynita signed this document at different times -- you were not  
7 together when this was signed?

8 A I don't know.

9 Q You don't recall?

10 A I don't recall. I'll have to remember that.

11 Q This document, if you look at it, it's talking about  
12 waiving certain things and it says that it makes reference to  
13 the foregoing minutes. Right down -- the second to last line,  
14 it says, as set forth in the foregoing minutes. What minutes  
15 are those? Can you tell us where the foregoing minutes are?

16 A I have no idea.

17 Q Did you prepare

18 A Did this come to you separately, just be itself?

19 Q This is how the exhibit came from your counsel.

20 MR. SOLOMON: No, they came from you.

21 THE WITNESS: Actually, it's yours.

22 MR. SOLOMON: Hold on.

23 THE WITNESS: Okay.

24 MR. SOLOMON: That's his representation.

1 MR. DICKERSON: This is the document that your  
2 counsel had admitted into evidence as Exhibit 30.

3 THE COURT: And you got them from Mr. Dickerson?

4 MR. SOLOMON: Yes, they came from Mr. Dickerson's  
5 office.

6 BY MR. DICKERSON:

7 Q This is the exhibit that your counsel offered  
8 yesterday. I don't find anything that's attached, do you?

9 A No.

10 Q Now, let's go to Exhibit 35. Exhibit 35 purports to  
11 be minutes of a meeting that you had at Eric's office with  
12 Lynita on June 3rd -- excuse me, January 3rd, 2002, correct?

13 A Looks like it, yes.

14 Q Now, who prepared this?

15 A I don't know.

16 Q You did not, did you?

17 A I couldn't tell you. I don't know. I don't recall.

18 Q Did you ever prepare any minutes?

19 A Yes.

20 Q Would you be able, as we go through these, tell us  
21 what minutes you did and which minutes you did not?

22 A I could try, but

23 Q As you sit here now, do you recall any specific  
24 minutes that you did prepare?

1 A No.

2 Q You cannot recall?

3 A No, I cannot.

4 Q Now, this indicates that you and Lynita had a  
5 discussion; is that correct?

6 A Does it say discussion? I just want to make sure.

7 Q It says that the trustees discussed matters relating  
8 to the distribution of principal income?

9 A Yes.

10 Q Okay. We see these in all of these minutes.

11 A Okay.

12 Q Again, this appears to be from another document that  
13 I believe we saw yesterday or we will be seeing

14 A It's probably just a form

15 Q Prepared by Jeff Burr?

16 A Correct.

17 Q Now, Lynita was not at this meeting; isn't that  
18 true?

19 A I don't recall.

20 Q In fact there are many times that you were given a  
21 document, with respect to minutes, purporting to have a  
22 meeting with Lynita where you really never had the meeting,  
23 but you and Lynita signed the document; isn't that correct?

24 A No.

1 Q That's not true?

2 A Did you say every time?

3 Q No, no.

4 There are times

5 A There may have been times.

6 Q And we are going to go through these, but as far as

7 this one is concerned, Lynita and you did not meet at any time

8 during January or any time during 2002 and discuss what is set

9 out in Exhibit 35; isn't that true?

10 A I don't recall that.

11 Q Now, can you tell me

12 A Can I go a little bit further, because obviously she

13 had this signed signature card, so we had to get together at

14 some point to get all of this stuff done.

15 Q Okay. Did you give her the signature card? Did

16 Eric give her the signature card? Did she go to the bank and

17 sign the signature card?

18 A I don't recall.

19 Q Now, if I read these correctly, it's simply saying

20 that the that these accounts that previously were in the

21 name of Lynita's revocable trust are going to be transferred

22 to the name of the irrevocable trust that we're referencing

23 here; is that right?

24 A That's right.

1 Q Now, did the bank require new signature cards to be  
2 required?

3 A Yes.

4 Q Was this your husband's bank?

5 A I don't know. It doesn't say, does it?

6 Q Tell us the discussion that you had with Lynita,  
7 then, at any time in 2002 or any time after 2002 or any time  
8 before 2002 about High Country Inn?

9 A I can't tell you. I don't recall back then.

10 Q What is High Country Inn?

11 A That's the hotel in Evanston, Wyoming, or was the  
12 hotel in Wyoming.

13 Q Okay. And what do you know about that hotel in  
14 Evanston, Wyoming?

15 A It's a dive -- no, I don't know.

16 (Laughter)

17 Q I would stipulate to that?

18 THE COURT: It's an (indiscernible - 10:31:49).

19 BY MR. DICKERSON:

20 Q That's probably why that one was given to Lynita,  
21 wouldn't you agree?

22 A No.

23 Q Lynita's -- Lynita, through her Trust, owned a  
24 hundred percent interest in the High Country Inn; is that



1 true?

2 A I do not know that at that point.

3 Q Now, do you know if at any point Lynita through  
4 herself individually or through any Trust owned a hundred  
5 percent interest in the High Country Inn?

6 A I don't recall.

7 Q Did you ever get any instructions from Lynita with  
8 respect to do anything with respect to High Country Inn?

9 A I don't remember. I can't tell you.

10 Q Can you tell me what happened to the High Country  
11 Inn, do you know what happened?

12 A I know it was sold.

13 Q And do you know where the sales proceeds went?

14 A I don't know.

15 Q Do you know when it was sold?

16 A I don't.

17 Q Don't what it was sold for?

18 A I don't.

19 Q If I told you it was sold for somewhere in the  
20 neighborhood of \$1,240,000, would you disagree with that?

21 A I wouldn't dis- -- I mean I would have to see the  
22 paperwork. I really don't -- I couldn't tell you.

23 Q You kept the books, did you not?

24 A I didn't keep those specific books. I -- I oversaw

1 closing them out. I did other things with them, but those,  
2 not specifically, no.

3 Q Why not these?

4 A Those were handled by other people in the office.

5 Q By whom?

6 A Lori Anderson and Joan Ramos.

7 Q And they're all employees of Eric?

8 A I don't know where their pay came from. It could  
9 have come from the High Country Inn, as far as I know.

10 Q And in keeping -- you keep all of Eric's books  
11 during this period of time?

12 A 2002, I believed so.

13 Q Do you recall Eric

14 A Can I back up a little bit?

15 Q Yes.

16 A I'm not sure because Shelly may have been doing some  
17 of that at that point.

18 Q Do you recall keeping anything in the books  
19 reflecting that Eric received the monies from the sale of the  
20 High Country Inn?

21 A Do you remember keeping anything in the books that  
22 he received it? No.

23 Q What about -- did you and Lynita discuss at any time  
24 in January of 2002, after January of 2002 or even before

1 January of 2002, with respect to Tierra del Sol, what did you  
2 discuss with her?

3 A You know, I didn't do much with that. I did like  
4 paying bills and every, you know, day to day prepares and  
5 things like that. So regarding that, I didn't have any reason  
6 to really contact her unless it was

7 Q Who told you to pay the bills?

8 A Who told me to pay the bills?

9 Q Eric told you to pay the bills, didn't he?

10 A Well, I guess nobody specifically said, "Here, sit  
11 down and pay these bills." It was just a job that I did on  
12 behalf of the Trust.

13 Q So you have no recollection of having any discussion  
14 with Lynita at any time with respect to Tierra del Sol; is  
15 that correct?

16 A Correct. But I'm not saying it didn't happen; I'm  
17 just saying I don't recall.

18 Q How about with respect to -- now, let's talk about  
19 Tierra del Sol.

20 A Okay.

21 Q Do you know -- what can you tell us about it? Can  
22 you tell us who was the owner of Tierra del Sol in 2002?

23 A The LSN Nevada Trust.

24 Q Okay. Can you tell us what happened with Tierra del

1 Sol?

2 A It was sold at some point.

3 Q Do you recall it being sold in 2005?

4 A Yeah, I believe it was 2005.

5 Q Do you know what the selling price was? Do you know

6 how much was received?

7 A I don't know.

8 Q Do you recall in your record -- keeping the records,

9 did any of that money ever go into Lynita's Trust?

10 A I don't remember, you'd have to show me.

11 Q Do you know where the money went?

12 A Not exactly, no.

13 Q Were you -- were you keeping Eric's records in 2005,

14 August of 2005?

15 A Yes.

16 Q In keeping those records, do you recall any money

17 being transferred into ELN Trust, BNY Mellon account, do you

18 know what that account is?

19 A Yes.

20 Q ELN Trust, BNY Mellon account, what is that account?

21 A That's the Trust investment account.

22 Q And that's Eric's trust investment account?

23 A Yeah.

24 Q And do you recall in August of 2005 -- excuse me, I

1 take that back -- September of 2006, were you keeping the  
2 books, Eric's books?

3 A Yes, but not that particular account.

4 Q Not this one?

5 A No.

6 Q So you have no knowledge as to why \$1,460,190.58  
7 would have been transferred to that account after the sale of  
8 Tierra del Sol?

9 A Nope.

10 Q Now, can you tell me did Lynita name you as an  
11 authorized signator on each of these accounts referenced in  
12 Exhibit 35?

13 A I don't know. Ask Lynita.

14 Q Should I ask Lynita or should I ask Eric?

15 A It's up to you.

16 Q Can you tell me why Lynita would have Joan Ramos as  
17 a signator on at least the High Country Inn account?

18 A I don't know why, no.

19 Q Have Joan Ramos -- she's a secretary -- she also  
20 worked for Eric?

21 A She did all of the work in Wyoming, basically.

22 Q And she worked out of Eric's office?

23 A Yes.

24 Q And then you also worked off Eric's office?

1 A Yes.

2 Q So it made it very easy for the two of you to handle  
3 all the checks that were -- and all the transactions, with  
4 respect to these entities through the office where you worked,  
5 correct?

6 A Uh huh, yes.

7 Q Now, the bottom line -- it's resolved that the  
8 release of income in the amount of \$10,000 for the next 12  
9 months to Lynita Nelson, the first payment will be made on the  
10 5th day of January or sooner, as reasonably possible. Now,  
11 did you have that discussion with Lynita, did she tell you  
12 that that's what she wanted?

13 A I don't recall.

14 Q In fact, it was Eric that told you that Lynita is to  
15 be given \$10,000 a month for the next year; is that correct?

16 A No.

17 Q No?

18 A No, I don't know who told me.

19 Q So you just don't recall that?

20 A Correct.

21 Q Did you issue the checks to Lynita?

22 A I don't remember back then.

23 Q So, can you tell us, then, as the distribution  
24 trustee of Lynita's Trust, you would have to approve those,

1 right?

2 A I just did in that document.

3 Q You would have to approve these distributions to  
4 Lynita, correct?

5 A Correct.

6 Q Can you tell us how did you determine in the year  
7 2002, that Lynita, in order to cover whatever living expenses  
8 she was handling at the time, that she needed \$120,000 a year?

9 A How did I determine that?

10 Q Yes.

11 A Well, we paid her personal bills, I know, at the  
12 office, since I can remember, so it was probably based on -- a  
13 portion was based on that.

14 Q Okay. So you determined that in order for Lynita to  
15 meet her needs that she was handling in 2002, she needed  
16 \$120,000 a year; is that right?

17 A Well, it could have been done based on previous  
18 years, too. You know, average of whatever was -- she took.

19 Q But this would meet Lynita's needs; is that right?

20 A Correct.

21 Q And these would be for Lynita to pay for things that  
22 were not being paid for in the family home by Eric; is that  
23 right? Because Eric also received income, correct?

24 A Correct.

1 Q We're going to go through that.

2 A Okay.

3 Q So this was for Lynita to use for whatever she was  
4 paying for during the year 2002; is that right?

5 A Yes.

6 Q Now, if we take a look at Exhibit 36, I can  
7 represent to you I believe we saw yesterday -- maybe not,  
8 maybe it's just as we're going through the documents, I guess  
9 we're going to eventually see it -- but this appears to be a  
10 form the Jeff Burr office provided to Eric, Lynita, or  
11 somebody?

12 A Yes.

13 Q Do you agree?

14 A Yes.

15 Q And so this is just a form that you had apparently,  
16 what, at your desk or computer?

17 A Yes.

18 Q And so this one is -- can you explain this to me,  
19 what are you doing here?

20 A You know, I went -- I can't explain. I went back.  
21 I know there's a lot of those for that year. I think I  
22 thought I was supposed to do them for each check that I wrote.  
23 So, every time I wrote her a check, I think I would do one of  
24 these. I don't remember specifically, but that's what it



1 looks like looking at all of the ones that I did in that year.

2 Q Okay. So your recollection, then, is that on  
3 January 21st, you gave Lynita a hundred thousand dollars?

4 A From looking at this, yes.

5 Q Okay. Now, is that in addition to the \$120,000 that  
6 you were authorized to give her at \$10,000 a month just  
7 earlier that month?

8 A I don't know. I don't recall.

9 Q Okay. And do you recall Lynita -- well, let's  
10 Eric told you to issue a check to Lynita for a hundred  
11 thousand dollars, didn't he?

12 A I don't know.

13 Q Do you know what this hundred thousand dollars was  
14 used for?

15 A I don't know.

16 Q Any notes or anything with respect to that in  
17 fulfilling your obligations as the distribution trustee?

18 A No.

19 Q Okay. And if we then take a look at Exhibit 37  
20 this, one indicates that just the very next day, January  
21 excuse me, I take that back -- about a week later,  
22 January 6th, 2002

23 A February?

24 Q February, thank you. I'm sorry.

1 A week later, okay. So then it would be January 31st.  
2 So on February 6th, 2002, you apparently wrote another check  
3 for \$15,000?

4 A It looks like it, yes.

5 Q And what was that for?

6 A I don't know.

7 Q And that was also done because Eric told you to  
8 write the check to her; is that right?

9 A I can't tell you that. I don't remember.

10 Are we going to go through each one like that?

11 Q I think so.

12 A Okay. Because it was a long time ago and you're  
13 going to get tired of me saying that.

14 Q I will never get tired of you, ma'am.

15 A Okay.

16 Q Let's take a look at Exhibit 38.

17 A Okay.

18 Q This, again, purports that there was some type of  
19 meeting, also in 2002, on April 1st, April Fool's Day --

20 A That's a good one.

21 Q -- apparently, at 10:30 a.m. at Eric's office that's  
22 correct?

23 A This, yes.

24 Q Isn't it true that you never met with Lynita at

1 Eric's office or anywhere else on April 1st of 2002 and  
2 discussed anything that is in these minutes; isn't that true?

3 A I can't tell you if that's true. I can't remember.

4 Q Well, can you tell us -- this indicates that you  
5 guys again, it's saying the same kind of language about  
6 discussing matters relating to distribution of principal and  
7 income, blah, blah, blah, and then it gets down to resolution  
8 and it is resolved that loans from the LSN Trust Nelson  
9 Professional Plaza account, that's the Lindell building,  
10 correct?

11 A Right.

12 Q Would be made to the following.

13 Now, PN Consulting, Inc., that is -- PN stands for Paul  
14 Nelson, does it not?

15 A Yes, it does.

16 Q That's Eric Nelson's brother?

17 A Yes.

18 Q And apparently, a loan is being made from an account  
19 owed a hundred percent by Lynita's Trust to Eric's brother's  
20 company; is that right?

21 A Yes.

22 Q And it's for \$172,000 plus at 12 percent interest?

23 A Correct.

24 Q And we see down at the final resolution, it says

1 that the final promissory note would be signed by each  
2 borrower?

3 A Correct.

4 Q Did you prepare that promissory note?

5 A I don't recall.

6 Q Can you tell me where that promissory note is?

7 A You don't have them in any of the documents?

8 Q I don't have that promissory note.

9 A Oh, I'm sure they exist. They exist somewhere.

10 Q I don't think that Dan Gerety has seen this one  
11 either?

12 A No? Oh, okay.

13 Q I don't think this

14 A I will look again, but, yeah, I thought I saw it.

15 Q Did you prepare it?

16 A I don't remember.

17 Q And then we see that also at this purported meeting  
18 that occurred on April Fool's Day in 2002 that Eric L. Nelson  
19 Nevada Trust is to be loaned another \$172,293.80 at 12 percent  
20 interest from Lynita's Trust; is that right?

21 A That's right.

22 Q And both of these were due one full year from the  
23 date the funds were dispersed and then it says on or about  
24 May 28th, 2002?

1 A Yes.

2 Q Can you explain that to me, does that mean that the  
3 funds were going to be released on May 28th, 2002 or does that  
4 mean that they were due on May 28th, 2002?

5 A Oh, wait. I would say they would be due on May --  
6 no, I that doesn't make sense, does it?

7 Q No, it doesn't.

8 A They must have been distributed, then, on May 28th.

9 Q Can you tell us specifically what you recall Eric  
10 telling you about these loans, what they were for?

11 A I don't remember specifically, no.

12 Q Now, I don't find well, we'll come back to that.  
13 Let's make a mental note of April 1st of 2002 because I don't  
14 before I make a statement -- correct me if I'm wrong -- I  
15 don't find any corresponding minutes in Eric's, with respect  
16 to these loans. Is that -- did you have a meeting with Eric  
17 over these loans as well?

18 A Oh, I don't know.

19 Q Well, we'll get to that in February.

20 So let's look at Exhibit 39.

21 A Did you have a note on the second one? You just  
22 didn't have it on the first.

23 Q Let's see -- yeah, one that recently came in, okay?

24 A Okay.

1 Q All right. Exhibit 39, this appears that now you're  
2 giving Lynita \$20,000 on April 1st of 2002; is that right?

3 A Looks like it, yes.

4 Q And, again, this was done at Eric's behalf, he told  
5 you to issue a check to Lynita for \$20,000, did he not?

6 A I don't know. I don't recall.

7 Q Now, if we look at these so far, if we go to the  
8 minutes, you were authorized to give Lynita \$120,000, yet so  
9 far this year, we see that you've now given her \$135,000?

10 MR. SOLOMON: I'm going to object.

11 THE WITNESS: That's

12 MR. SOLOMON: Hold on. I object to the form of that  
13 question. That implies that she's limited to what.

14 MR. DICKERSON: That would be her answer to  
15 absolute

16 MR. SOLOMON: That is not her answer, Counsel.

17 MR. DICKERSON: I want her to answer it any way she  
18 wants to.

19 My simple was at this point in time she has given  
20 135.

21 MR. SOLOMON: Right.

22 MR. DICKERSON: My next question is why.

23 MR. SOLOMON: Question.

24 THE COURT: She's authorized

1 MR. DICKERSON: So what's wrong with the question?  
2 What's the objection to the question?

3 THE COURT: She's authorized distributions, I think  
4 that's clear. She signed them, so you authorized all of those  
5 distributions. You can follow up.

6 THE WITNESS: Well, that's what this form is for.

7 BY MR. DICKERSON:

8 Q I understand.

9 A So you can go above the amount that you've  
10 originally

11 Q So that's your understanding?

12 A Based on these, yes.

13 Q So when you issued the check for \$20,000 on April  
14 1st, that wasn't just

15 A It's in addition.

16 Q It's in addition to the \$120,000?

17 A Yes.

18 Q So far that year you're giving her \$255,000 so far,  
19 in April. So in the first four months you've given her  
20 \$255,000, right?

21 A According to this, yes.

22 Q Okay. And do you know what it was for?

23 A I don't know.

24 Q Do you know what she did with it?

1 A I don't know that either.

2 Q Okay. Then let's take a look at Exhibit 41. I see  
3 now the following month, so now we're into the fifth month of  
4 the year and you're giving her another check for \$200,000; is  
5 that right?

6 A Yes.

7 Q What was that for?

8 A I don't know. I wish I could tell you more. I  
9 don't remember.

10 Q Now, again, this \$200,000 that you issued to Lynita  
11 or purportedly issued to Lynita was because Eric told you to  
12 write a check for \$200,000; is that true?

13 A I don't remember.

14 Q Let's take a look at Exhibit 42. Now we're in the  
15 month of June, June 6th. It says June 6th, but for some  
16 reason you dated it June 4th, so I don't know where the  
17 mistake is.

18 A No, the payment was to be made on the 6th, but I  
19 dated it the 4th.

20 Q So now we have another \$10,000 going to her, in  
21 addition to everything that we've talked about so far, right?

22 A It looks like that, yes.

23 Q So do you understand it correctly, that if we look  
24 back at that first exhibit, that Exhibit 35 that authorized



1 the release of \$10,000 a month for 12 months, that was simply  
2 to allow Lynita to withdraw money herself without going to  
3 you; isn't that right?

4 A It would have been a monthly check that I was  
5 that we were issuing for her.

6 Q But it also allowed her to withdraw money herself  
7 without going to you?

8 A Correct.

9 Q Just as long as she did not withdraw more than  
10 \$120,000 a year on her own, correct?

11 A Correct.

12 Q Now, did you interpret that, that she could only  
13 withdraw \$10,000 a month or could she withdraw \$20,000 one  
14 month and nothing the next money?

15 A I usually interpreted it the second way.

16 Q So you would, then, have no problems as the  
17 distribution trustee, if she took the \$120,000 on January 1st  
18 and never took another dime?

19 A No.

20 Q Even though the minutes provide otherwise, right?

21 A Correct. Yeah.

22 Q So we see now that the \$10,000 -- we're back on  
23 Exhibit 42. This \$10,000 check that you wrote on June 6th,  
24 2002, was because Eric told you to write a check for \$10,000

1 out of Lynita's Trust; isn't that correct?

2 A I don't remember.

3 Q Take a look another Exhibit 43. We now go all the  
4 way to the month of December for that year and you give her  
5 another additional \$10,000; is that right? Or you issue  
6 another check?

7 A It looks like it, yes.

8 Q And, again, this was done because Eric told you to  
9 issue a check to Lynita for \$10,000; isn't that true?

10 A I don't recall.

11 Q Exhibit 45, now we are all the way into 2003 and I  
12 don't see any minutes or authorizations for monies to go to  
13 Lynita similar to our Exhibit 38.

14 So looking back at 38, I don't see you having a  
15 meeting with Lynita in 2003 authorizing any monies to go to  
16 her. Can you tell me when did the meeting occur? What did  
17 you authorize her to do?

18 A I don't recall. It could be missing. It could be  
19 I don't know. These were all in her book, so I can't tell  
20 you. I handed the book over and what was in it was in it.

21 Q You did not make a copy?

22 A No.

23 Q Okay. So when you say that you handed it over, when  
24 did you hand it over?

1           A     I gave it to Nola when she became distribution  
2 trustee in '07.

3           Q     So you handed everything over to Nola. Do you know  
4 what Nola did with it?

5           A     I don't know.

6           Q     So you didn't turn it over to Lynita?

7           A     No.

8           Q     I mean that's true, that you did not?

9           A     True. I'm thinking I had to think about that.

10          Q     Okay. So do you ever recall having a meeting with  
11 Lynita at any time during 2003 authorizing any monies to be  
12 released to her?

13          A     I don't recall that.

14          Q     So we see, then, all the way through until the month  
15 of July where you decided to release to her \$9,000; is that  
16 right?

17          A     There was probably more before that, but maybe it  
18 wasn't it's just not in here. I don't know.

19          Q     You have no recollection of what occurred?

20          A     I have no recollection.

21          Q     And this \$9,000 that you issued to Lynita's Trust to  
22 whomever it was Lynita or whomever that was because Eric told  
23 you to issue the check to her; is that correct?

24          A     I can't recall.

1 Q Okay. Take a look at Exhibit 46. Do you see, then,  
2 the following month, August of 2003, you issued another check  
3 for \$7,000 to Lynita; is that right?

4 A Yes.

5 Q This also, the \$7,000 authorization was made by you  
6 because Eric told you to write the check to Lynita, did he  
7 not?

8 A I don't recall.

9 Q Now let's get to Exhibit 47. Can you tell me who  
10 prepared these minutes?

11 A No.

12 Q This purports to say that on January 16th, 2004, at  
13 2:15 p.m., you and Lynita met you, Rochelle, and Lynita met  
14 at Jeff Burr's office?

15 A That's obviously incorrect.

16 Q Pardon me?

17 A I said, "That's obviously incorrect." Those aren't  
18 my minutes.

19 Q You didn't have this meeting that's reflected here,  
20 did you?

21 A No, I have no idea what this is.

22 Q In fact you have never had a meeting where it was  
23 you, Lynita and Rochelle McGowan present together to have a  
24 meeting; isn't that true?

1           A     Maybe not a formal meeting. We have gone to lunch  
2 and had lunches together in the office. I mean

3           Q     But you have never had a meeting, such as this,  
4 where the three of you were present discussing the affairs of  
5 the LSN Trust?

6           A     I can't tell you that. I don't recall that.

7           Q     Now, this one apparently says that you guys  
8 discussed -- this says that during this meeting -- it says  
9 that Lynita presided over it and she brought up these issues  
10 and all of you discussed matters revising Mississippi  
11 properties. As a result of the meeting, the trustees resolve  
12 the following: Resolve that 830 Arnold was purchased from EL  
13 and took over mortgage.

14                   Now, what's EL?

15          A     I have no idea. I don't recognize this so whatever  
16 however you want to take that -- I mean they're not signed.  
17 What do you want me to tell you?

18          Q     I don't. I'm just asking you if you recall.

19          A     It is foreign. I have nothing.

20          Q     You have no recollection of this ever occurring; is  
21 that right?

22          A     No, no clue.

23          Q     Now, let's take a look at -- and I also see that  
24 here we are in January and I don't see any resolution here

1 authorizing any monies to go to Lynita.

2 A Okay.

3 Q At least at this time, correct?

4 A Okay.

5 Q But I think we correct that in February, we get up  
6 to 48.

7 A Okay.

8 Q Now, 48 says that now again at Jeff Burr's office,  
9 Jeff Burr is present; Barbara, his legal assistant is present;  
10 Rochelle is present; you were present; Lynita is present; and  
11 Jeff Burr presided over this meeting. This all occurred at  
12 Jeff Burr's office on February 25th, 2004.

13 That meeting never occurred, did it?

14 A This one is interesting because she's never  
15 they're never done like this; that's why I'm confused.

16 Q This meeting never occurred, did it?

17 A I don't know. That's why I'm confused.

18 Q You have no recollection of being at Jeff Burr's  
19 office with Rochelle McGowan

20 A That's right. I have no recollection of it,  
21 correct.

22 Q Now, during this meeting you purportedly discussed  
23 distribution of principal and interest from the trust and it  
24 was resolved that to ensure that all trusts have properly been

1 transferred to the trust; that is what was supposed to be  
2 done, and then the distribution trustee was authorized to make  
3 distributions of trust income and principal to Lynita, not to  
4 exceed \$20,000 per month, including all personal expenses of  
5 the trust until the next meeting is held.

6           So you signed this --

7           A     And Lynita signed it, uh huh.

8           Q     So apparently at this point in time, whether you had  
9 the meeting or not, you were authorizing the release of  
10 \$240,000 a year to Lynita so that Lynita could pay her living  
11 expenses; is that correct?

12          A     Correct.

13          Q     Now, as I read this -- well, I'll ask you to read  
14 it. Does the \$20,000 a month, does that mean \$20,000 a month  
15 plus her personal living expenses or was the \$20,000 a month  
16 meaning that that was to cover her expenses?

17               MS. FORSBERG: Your Honor, objection. The document  
18 speaks for itself.

19               THE COURT: She signed it.

20               MS. FORSBERG: It says including.

21               MR. DICKERSON: She can answer a question.

22 BY MR. DICKERSON:

23           Q     It's a simple question: Does it? How do you  
24 interpret that?

1           A     It says including, so I would interpret it to income  
2 all personal expenses.

3           Q     Okay. So that would be, then, for her personal  
4 expenses?

5           A     Paid by the trust, yes.

6           Q     So we know at least at that time in 2004, Lynita's  
7 needs annual needs for her living expenses were \$240,000 a  
8 year; is that right?

9           A     That's right.

10          Q     Now, let's get to Exhibit 49. We see that  
11 purportedly on that exact same day that you were authorized to  
12 release \$20,000 a month to her, you do a distribution  
13 authorization of \$20,000 for 12 months. Is this simply to  
14 confirm what was purportedly done at the meeting?

15          A     Yeah, I'm sure it was.

16          Q     And this document was given to you by Eric, isn't  
17 that --

18          A     No, this was a form letter that was given to me by  
19 Burr that I just kept blank copies of and I filled out.

20          Q     But Eric told you to fill this out and fill it out  
21 this way?

22          A     No.

23          Q     No? You're certain of that?

24          A     No, I'm certain. I can think on my own, yes.



1 Q All right. Exhibit 50 this, purports to be a  
2 meeting at Eric's office on April 14th of 2004 indicating that  
3 you were present and Lynita was present and at this meeting  
4 that Lynita purportedly resided over, you guys had a  
5 discussion. Tell us what the discussion was that you had with  
6 Lynita -- not with anyone else, but the discussion that you  
7 had with Lynita on April 14th, 2004.

8 A Well, according to this, it was decided to loan  
9 money Wyoming Downs Rodeo Events for \$81,000.

10 Q Okay. Now; isn't that true? Ms. Martin, that on  
11 April 14th, 2004, you never had a meeting with Lynita at  
12 Eric's office where you discussed these issues?

13 A I don't recall.

14 Q Isn't it true that at no time in April, 2004 or at  
15 any time in 2004, after 2004, or before 2004, that you had a  
16 meeting with Lynita where you discussed anything about a loan  
17 from the LSN Trust to the Wyoming Downs Rodeo Events; isn't  
18 that true?

19 A No.

20 Q That's not true?

21 A I can't tell you if that's true. I don't recall.  
22 She signed it. I signed it.

23 Q Now, Wyoming Downs Rodeo Events, LLC, what is that?

24 A It was an LLC owned by the Eric L. Nelson Nevada

1 Trust.

2 Q This indicates that a promissory note was to be  
3 issued. Did you prepare that promissory note?

4 A I don't recall.

5 Was there one attached?

6 Q Do you know where one is?

7 A I don't know. I can look.

8 Q Is that your job, to prepare the promissory note or  
9 was that somebody else's job?

10 A It just varied depending on the transaction and who  
11 was involved.

12 Q Who would instruct you to prepare the promissory  
13 note?

14 A It could have been somebody with Wyoming Downs Rodeo  
15 Events. They could have needed money for a certain

16 Q Well, who's the somebody with rodeo -- that's  
17 Eric -- Eric owned it, correct?

18 A Correct, but it could have been anybody who was  
19 doing the bookkeeping or working for that company at the time.

20 Q Now, you were doing the books for the LN trust in  
21 2004?

22 A Yes, but not that particular

23 Q Not this one?

24 A No.

1 Q So you would have no way of knowing whether these  
2 principal -- these interest only --

3 A Let me narrow down -- bookkeeping, I was only doing  
4 the Nelson & Associates, which was the DBA of the Eric L.  
5 Nelson Nevada Trust, which was very limited.

6 Q This says that principal amount will be paid in full  
7 by October 15th unless other arrangements are agreed upon  
8 prior total maturity of the promissory note. Do you know if  
9 this note was ever paid back?

10 A I do not know.

11 Q All right. Exhibit 52, please. Exhibit 52 purports  
12 to be minutes of this purported meeting that occurred at  
13 Eric's office on May 20th of 2004 in which you and Lynita were  
14 purportedly present.

15 Is that how you read this?

16 A That's how I read that, yes.

17 Q Isn't it true, Ms. Martin, that you and Lynita did  
18 not have this meeting on May 20th, 2004, or at any time in  
19 2004 where the issues addressed in here were discussed?

20 A I can't tell you that. I don't recall.

21 Q Okay. So, can you tell us then when we look at  
22 this, Lynita is purportedly discussing with you how the LSN  
23 Trust, her trust, will no longer manage the hotel at Evanston,  
24 Wyoming, known as High Country Inn, for Grotta partnership.

1 So she's no longer -- she's telling you that she's no longer  
2 going to manage it; is that right?

3 A The trust will no longer manage it. She didn't do  
4 it.

5 Q Okay. So who managed it?

6 A I'm sure someone on behalf of the trust.

7 Q That was Eric, wasn't it?

8 A No.

9 Q Who was it, who managed the hotel?

10 A Whoever was doing the Wyoming properties at the  
11 time, which probably would have been Joan's group of people.

12 Q Now, do you know how -- at the time that you became  
13 involved in the trust when we talked about the High Country  
14 Inn back in that first one, Lynita

15 MR. DICKERSON: Court's indulgence, please.

16 (Pause.)

17 BY MR. DICKERSON:

18 Q Were you -- you got involved in these trusts in the  
19 year 2000, right?

20 A I believe so, yes -- well, 2001.

21 Q What, again, can you tell us about the High Country  
22 Inn, can you tell us about ownership and how ownership of that  
23 was transferred and who eventually ended up getting money when  
24 that was done?

1           A     No, I actually didn't handle that portion of it when  
2 it was sold, so I couldn't tell you exactly what -- how the  
3 documents were signed and -- I mean Lynita signed all of the  
4 documents and sold it, so maybe you should ask her.

5           Q     Okay. Now, the last sentence her says that for some  
6 reason you were purportedly discussing with Lynita that  
7 Wyoming Horseracing will lease the hotel from Grotta Financial  
8 Partnership and manage all operations.

9                     Now, Wyoming Horseracing was owned by which trust?

10          A     The Eric L. Nelson Nevada Trust.

11          Q     And Grotta Financial Partnership, what is that?

12          A     Is the partnership, the family partnership.

13          Q     That consists of all of Eric's brothers and sisters  
14 and Lynita; is that right?

15          A     Correct.

16          Q     Do you have any understanding as to how all of  
17 Eric's brothers and sisters somehow ended up with an ownership  
18 in the High Country Inn?

19          A     No. I mean I don't know all of the details, I  
20 couldn't tell you. It had to do with a 1031 exchange, I know.

21          Q     Now, according to this next resolution, it says that  
22 the Grotta Financial Partnership will begin paying interest on  
23 mortgage carried by LSN Nevada Trust of \$16,375 beginning  
24 January 1, 2004.

1           Now, what is that interest, is that monthly? Is  
2 that yearly? Is that lifetime?

3           A     That's a good question. I don't know.

4           Q     And what mortgage are we talking about?

5           A     It looks like the -- I don't know. I don't recall  
6 at that time what was going on with ownership and how it was  
7 structured.

8           Q     Did Lynita's Trust lend any money to Granada -- or  
9 Grotta Financial Partnership?

10          A     Grotta? I don't know that either.

11          Q     Take a look, then, at Exhibit 53. Fifty three  
12 purports to be minutes in which neither you nor Lynita have  
13 signed --

14          A     Uh huh.

15          Q     -- is that true?

16          A     It looks like it, yes.

17          Q     And in fact the reason that this was not signed by  
18 you or Lynita is because Lynita and you did not have a meeting  
19 at Eric's office on November 20th, 2004; isn't that correct?

20          A     Probably not.

21          Q     You've never had any discussion with Lynita about  
22 the purchase of snowmobiles for the Utah cabin, have you?

23          A     I can't say I haven't, no.

24          Q     You can't say you -- can you say --

1 Lynita, dated April 1st, 2002?

2 A Yes.

3 MR. SOLOMON: Offer, Your Honor.

4 MS. FORSBERG: No objection.

5 THE COURT: Hereby admitted as Intervenor's Exhibit  
6 39.

7 (Intervenor Exhibit Number 39 received in evidence.)

8 BY MR. SOLOMON:

9 Q Turn to 41.

10 A Uh-huh. Gosh.

11 (Witness reviews exhibits.)

12 Q Do you recognize your signature on that document?

13 A Yes.

14 Q And is this a distribution authorization by you as  
15 distribution trustee of the LSN Trust for \$20,000, to Lynita,  
16 dated May 20th, 2002?

17 A Yes.

18 MR. SOLOMON: Offer.

19 MS. FORSBERG: No objection.

20 THE COURT: Hereby admitted as Exhibit Number 41,  
21 intervenor's.

22 (Intervenor Exhibit Number 41 received in evidence.)

23 BY MR. SOLOMON:

24 Q Would you turn to 42.

1 A (Witness reviews exhibits.)  
2 Q Do you recognize your signature on that document?  
3 A Yes.  
4 Q Is this a distribution authorization from you as  
5 distribution trustee of the LSN Trust, for \$10,000, to Lynita,  
6 dated June 6th, 2002?  
7 A Yes.  
8 MR. SOLOMON: Offer, Your Honor.  
9 MS. FORSBERG: No objection.  
10 MR. DICKERSON: No objection.  
11 THE COURT: Hereby admitted as Intervenor Exhibit  
12 42.  
13 (Intervenor Exhibit Number 42 received in evidence.)  
14 BY MR. SOLOMON:  
15 Q 43.  
16 A (Witness reviews exhibits.)  
17 Q Do you recognize your signature?  
18 A Yes.  
19 Q Is this another distribution authorization for the  
20 LSN Trust for \$10,000, dated December 10, 2002?  
21 A Yes.  
22 MR. SOLOMON: Offer, Your Honor.  
23 MS. FORSBERG: No objection.  
24 MR. DICKERSON: No objection.



1 THE COURT: Hereby will be admitted as Intervenor's  
2 Exhibit 43.

3 (Intervenor Exhibit Number 43 received in evidence.)

4 BY MR. SOLOMON:

5 Q In your testimony earlier, you mentioned that Jeff  
6 Burr send annual letters, and you said you sent them to Eric,  
7 in that case, for his trust, and you would get them. Is this  
8 an example of an annual letter that he sent to Lynita?

9 A 44?

10 Q Yes.

11 A Yes.

12 MR. DICKERSON: Judge, I'd object. How does she  
13 know, unless they lay a foundation? This isn't to her. She's  
14 not even copied with it.

15 BY MR. SOLOMON:

16 Q Did you know whether Lynita got annual letters from  
17 Jeff Burr?

18 MR. DICKERSON: To which I object. Lay a  
19 foundation, please.

20 MR. SOLOMON: It's a yes or no, first. Then you  
21 find out how.

22 THE COURT: Do you know?

23 MR. SOLOMON: You say no.

24 THE WITNESS: Do I know what, if she got this

1 letter?

2 BY MR. SOLOMON:

3 Q Do you know, whether it's this letter or other  
4 annual letters from Jeff Burr?

5 A I would have gotten this by way of Lynita, which  
6 went to the house. So, if this was in my book, then I would  
7 say yes. Does that make sense?

8 Q Do you recognize the handwriting on there?

9 A Yeah, that's mine.

10 MR. SOLOMON: Okay. Offer 44.

11 MS. FORSBERG: No objection.

12 MR. DICKERSON: I object, Your Honor. I don't think  
13 a proper foundation has been laid for it.

14 THE COURT: Well, Mr. Burr can testify to what he  
15 sent out, if we need it. So I'm not going to admit it at this  
16 time, and Mr. Burr can say if it looks like the letter he  
17 sends out annually; not admitted at this time, subject to Mr.  
18 Burr testifying to it.

19 BY MR. SOLOMON:

20 Q Turn to 45, please.

21 A (Witness reviews exhibits.)

22 Q Do you recognize this as being a distribution  
23 authorization for Lynita's trust, in the amount of \$9,000,  
24 dated July 8, 2003?

1 A Yes.

2 Q Is your signature on there?

3 A Yes.

4 MR. SOLOMON: Offer.

5 MS. FORSBERG: No objection.

6 THE COURT: Any objections, mister --

7 MR. DICKERSON: No objection.

8 THE COURT: Exhibit Number 45, intervenor, hereby  
9 admitted without exception -- objection. I'm sorry.

10 (Intervenor Exhibit Number 45 received in evidence.)

11 BY MR. SOLOMON:

12 Q Would you turn to 46. Is this another distribution  
13 authorization, \$7,000, dated August 2nd, 2003, as distribution  
14 trustee, to Lynita?

15 A Yes.

16 MR. SOLOMON: Offer.

17 MS. FORSBERG: No objection.

18 THE COURT: Any objection?

19 MR. DICKERSON: No objection.

20 THE COURT: 46 is hereby admitted, as well.

21 (Intervenor Exhibit Number 46 received in evidence.)

22 BY MR. SOLOMON:

23 Q Would you turn to 47, please.

24 A (Witness reviews exhibits.)

1 Q Is this a -- it says it's a minutes of an annual  
2 trustees meeting of the LSN Nevada Trust, dated January 16,  
3 2004, at the hour of 2:15 p.m. Now it's not signed. Were  
4 there occasions where minutes would be made of meetings or --  
5 that occurred, but signatures were not secured from the  
6 trustees?

7 A (Witness reviews exhibit.)

8 I don't know. This -- I -- this isn't the same format as  
9 mine.

10 Q I'm not asking about --

11 A But the --

12 Q -- that specific document. Listen to the question.

13 A Okay. Uh-huh.

14 Q All right. Do you know --

15 MR. DICKERSON: You're talking about 47, right?

16 Talking about 47?

17 THE WITNESS: Uh-huh.

18 MR. SOLOMON: No.

19 MR. DICKERSON: Which exhibit?

20 BY MR. SOLOMON:

21 Q Do you know whether there were occasions where  
22 minutes were prepared, whether it's this document or other  
23 documents --

24 A Okay.

1 Q -- that were not signed, for whatever reason?

2 A Yes.

3 Q Is it true that, when such minutes were prepared, it  
4 was to record an event that occurred, whether or not it had  
5 been signed?

6 MR. DICKERSON: Object to the leading nature of the  
7 question, Your Honor.

8 THE COURT: Overruled. Can you answer the question?

9 THE WITNESS: Yes. Yes.

10 (Participants confer.)

11 BY MR. SOLOMON:

12 Q Would there be some occasions where Rochelle would  
13 prepare minutes, at your request?

14 A Yes.

15 Q On this minutes, it's talking about a resolution  
16 that 830 Arnold was purchased from EL, and took over mortgage.  
17 Do you know what that means?

18 A No. I'd have to look at accounting records to  
19 figure that one out.

20 MR. SOLOMON: We'd offer 47, Your Honor.

21 MR. DICKERSON: No objection.

22 MS. FORSBERG: No objection.

23 THE COURT: Hereby admitted, Intervenor's Exhibit  
24 47.

1 (Intervenor Exhibit Number 47 received in evidence.)

2 BY MR. SOLOMON:

3 Q Turning --

4 (Participants confer.)

5 Q If you'd turn to 48, Intervenor 48.

6 A (Witness reviews exhibits.)

7 Q Does this appear to be the minutes of an annual  
8 trustee meeting for Lynita -- the LSN Trust, dated February  
9 25, 2004, at 2:45 p.m.?

10 A Yes.

11 Q Is that your signature and Lynita's at the bottom?

12 A Yes.

13 Q And the second resolved indicates that authorization  
14 is made to distribute income or principal to Lynita, not to  
15 exceed \$20,000 per month, including personal expenses paid by  
16 the trust, until the next meeting is held. Is that correct?

17 A Yes.

18 MR. SOLOMON: Offer it, Your Honor.

19 MS. FORSBERG: No objection.

20 MR. DICKERSON: No objection.

21 THE COURT: Hereby be admitted as Intervenor's  
22 Exhibit 48.

23 (Intervenor Exhibit Number 48 received in evidence.)

24 BY MR. SOLOMON:

1 Q Turn to 49.

2 A (Witness reviews exhibits.)

3 Q Is this a distribution authorization that contains  
4 your signature, dated February 25, 2004, for a twenty-  
5 thousand-dollar distribution for each of the next 12 months?

6 A Yes.

7 MR. SOLOMON: Offered, Your Honor.

8 MS. FORSBERG: No objection.

9 MR. DICKERSON: No objection.

10 THE COURT: Hereby admitted as Intervenor's Exhibit  
11 49.

12 (Intervenor Exhibit Number 49 received in evidence.)

13 BY MR. SOLOMON:

14 Q 50.

15 A (Witness reviews exhibits.)

16 Q Is this a minutes of a special meeting of an -- LSN  
17 Trust, dated April 14, 2004, at 10 a.m.?

18 A Yes.

19 Q Do you see that it says a loan from the LSN Nevada  
20 Trust will be made to Wyoming Downs Rodeo Events, LLC, for  
21 \$81,000?

22 A Yes.

23 Q Do you recall that transaction?

24 A No.

1 Q Is that Lynita and your signature at the bottom?

2 A Yes.

3 MR. SOLOMON: Offered, Your Honor.

4 MS. FORSBERG: No objection.

5 MR. DICKERSON: No objection.

6 THE COURT: Hereby, it will be admitted as  
7 Intervenor's Exhibit 50.

8 (Intervenor Exhibit Number 50 received in evidence.)

9 BY MR. SOLOMON:

10 Q Would you turn to 52?

11 A (Witness reviews exhibits.)

12 Q Do you recognize that as minutes of a special  
13 meeting of the LSN Trust, dated May 20th, 2004, at 10:30 a.m.?

14 A Yes.

15 Q The first resolved indicates that the LSN Nevada  
16 Trust will no longer manage the hotel in Evanston, Wyoming  
17 known as "High Country."

18 A Yes.

19 Q The second resolution says that Grata Financial  
20 Partnership will begin paying interest on the mortgage carried  
21 by the LSN Trust of 16,000 plus dollars. Do you see that?

22 A Yes.

23 Q Do you recall either of those transactions?

24 A No.



1 Q Is that Lynita and your signature at the bottom?  
2 A Yes.  
3 MR. SOLOMON: Offered, Your Honor.  
4 MS. FORSBERG: No objection.  
5 MR. DICKERSON: No objection.  
6 THE COURT: Hereby admitted as Intervenor's 52.  
7 (Intervenor Exhibit Number 52 received in evidence.)  
8 BY MR. SOLOMON:  
9 Q Would you turn to 53?  
10 A (Witness reviews exhibits.)  
11 Q It appears to be minutes of a meeting dated November  
12 20th, 2004, at 1:35 p.m., where there is a resolution that the  
13 trust will be \$15,800 for snowmobiles to be used at a cabin in  
14 Utah. Do you recall that transaction?  
15 A No.  
16 MR. SOLOMON: Offer 53.  
17 MS. FORSBERG: No objection.  
18 (Pause in proceedings.)  
19 THE COURT: Any objection to 53, Mr. Dickerson?  
20 (Participants confer.)  
21 MR. DICKERSON: I have no objection.  
22 THE COURT: Hereby, it will be admitted as  
23 Intervenor's 53.  
24 (Intervenor Exhibit Number 53 received in evidence.)

1 BY MR. SOLOMON:

2 Q 54.

3 A (Witness reviews exhibits.)

4 Q It's a minutes of an annual trustee meeting for the  
5 LSN Trust, dated December 12th, 2004, indicating the trustees  
6 discussed matters revising Mississippi properties, and  
7 resolved that RV Park purchased from ELN Trust will be the  
8 owner of the park, but will conduct business as a d/b/a  
9 Paradise Bay RV Park. Do you recall that transaction?

10 A No.

11 MR. SOLOMON: Offer 54.

12 MS. FORSBERG: No objection.

13 MR. DICKERSON: No objection.

14 THE COURT: That will be objected as Intervenor's  
15 54.

16 (Intervenor Exhibit Number 54 received in evidence.)

17 BY MR. SOLOMON:

18 Q 55. It's the minutes of an annual trustee meeting  
19 of the LSN Trust, dated February '05, indicating that Gateway  
20 Acres in Arizona was purchased, 77 lots total, some jointly  
21 with other parties. Do you recall that transaction?

22 A No.

23 MR. SOLOMON: Offer 55.

24 MS. FORSBERG: No objection, Your Honor.

1 MR. DICKERSON: No objection.

2 THE COURT: Admitted as Intervenor's 55.

3 (Intervenor Exhibit Number 55 received in evidence.)

4 BY MR. SOLOMON:

5 Q 56. Minutes of an annual trustees meeting of the  
6 LSN Nevada Trust, held February 20th, 2005, at two o'clock  
7 p.m. Resolutions are made to ensure that all assets have been  
8 properly transferred to the trust; and, secondly, to make  
9 distributions to Lynita not to exceed \$20,000 per month,  
10 including all personal expenses paid by the trust, until the  
11 next meeting is held. Is that your and Lynita's signatures at  
12 the bottom?

13 A Yes.

14 MR. SOLOMON: Offer 56.

15 MS. FORSBERG: No objection.

16 MR. DICKERSON: No objection.

17 THE COURT: Hereby admitted as Intervenor's 56.

18 (Intervenor Exhibit Number 56 received in evidence.)

19 BY MR. SOLOMON:

20 Q 58.

21 A (Witness reviews exhibits.)

22 Q Minutes of an annual trustees meeting of the LSN  
23 Trust, dated May 25, 2005, indicating that a resolution for a  
24 purchase of 39 total lots, some jointly owned, in the Gateway

1 Arizona's -- Arizona. Do you recall that transaction?

2 A No.

3 MR. SOLOMON: Offer 58.

4 MS. FORSBERG: No objection.

5 MR. DICKERSON: No objection.

6 THE COURT: Admitted, Exhibit 58.

7 (Intervenor Exhibit Number 58 received in evidence.)

8 BY MR. SOLOMON:

9 Q 59 are minutes of an annual trustee meeting for the  
10 LSN Trust, dated June 15, 2005, indicating a resolution to  
11 purchase new "MS Land." Is that Mississippi?

12 A Yes.

13 Q Do you recall that?

14 A Not -- I'm guessing that's Mississippi. I don't  
15 recall that.

16 MR. SOLOMON: We'd offer 59.

17 MS. FORSBERG: No objection.

18 MR. DICKERSON: No objection, Your Honor.

19 THE COURT: Hereby admitted as Intervenor's 59.

20 (Intervenor Exhibit Number 59 received in evidence.)

21 BY MR. SOLOMON:

22 Q 60 would be minutes of an annual trustee meeting for  
23 the LSN Trust, dated August 3, 2005, resolving that all  
24 Mississippi property is destroyed in Hurricane Katrina, lost

1 all houses, only land remains. Do you recall that?

2 A The hurricane? No, I don't recall it.

3 MR. SOLOMON: Offer 60.

4 MS. FORSBERG: No objection.

5 MR. DICKERSON: No objection.

6 THE COURT: Hereby admitted, Intervenor Exhibit 60.

7 (Intervenor Exhibit Number 60 received in evidence.)

8 BY MR. SOLOMON:

9 Q All right. 61 appears to be minutes of an annual  
10 trustees meeting of the LSN Trust, dated August 12, 2005,  
11 resolving to sell Tierra del Sol Shopping Center in Arizona,  
12 along with all assets, for a 3.5-million-dollar note, carried  
13 back at five percent. Do you recall that transaction?

14 A No.

15 MR. SOLOMON: Offer 61.

16 MS. FORSBERG: No objection.

17 MR. DICKERSON: No objection.

18 THE COURT: Hereby admitted, Exhibit 61.

19 (Intervenor Exhibit Number 61 received in evidence.)

20 THE COURT: How many more of these do we got to go?  
21 Is there a way we can stipulate to these, instead of going one  
22 by one? I don't know how many more you have. I haven't  
23 looked at them, of course, because they're not before me. I  
24 don't know if you had another 20 or 30 or three.

1 MR. DICKERSON: I have no objection to any of them.

2 MR. SOLOMON: Oh. Then that's going to be easy.

3 MS. FORSBERG: Me, either.

4 MR. SOLOMON: Let me go through them --

5 THE COURT: Then why don't we do that, instead of  
6 going --

7 MR. SOLOMON: Yeah, absolutely. Appreciate it.

8 (Participants confer.)

9 MR. DICKERSON: When I say that, I just want to  
10 check the dates, if I have them.

11 THE COURT: Yeah.

12 MR. DICKERSON: So ...

13 THE COURT: We'll just go through them and make sure  
14 that --

15 (Participants confer.)

16 MR. SOLOMON: Well, I've got -- 62 would be next.

17 MR. DICKERSON: No objection.

18 MS. FORSBERG: No objection.

19 THE COURT: Okay.

20 (Intervenor Exhibit Number 62 received in evidence.)

21 MR. SOLOMON: 63 would be next -- actually, 63 is a  
22 little different. It's a -- let me do that, just because it's  
23 in order, if I can.

24 THE COURT: Okay.

1 (Participants confer.)

2 MR. SOLOMON: Oh, never mind. We're not doing that

3 with this witness; this is Rochelle.

4 (Participants confer.)

5 MR. SOLOMON: 64 is next.

6 MS. FORSBERG: No objection.

7 MR. DICKERSON: No objection.

8 (Intervenor Exhibit Number 64 received in evidence.)

9 MR. SOLOMON: 65.

10 MS. FORSBERG: No objection.

11 MR. DICKERSON: No objection.

12 (Intervenor Exhibit Number 65 received in evidence.)

13 MR. SOLOMON: 66.

14 MS. FORSBERG: No objection.

15 MR. DICKERSON: No objection.

16 (Intervenor Exhibit Number 66 received in evidence.)

17 MR. SOLOMON: 67.

18 MS. FORSBERG: No objection.

19 MR. DICKERSON: No objection.

20 (Intervenor Exhibit Number 67 received in evidence.)

21 MR. SOLOMON: 68.

22 MS. FORSBERG: No objection.

23 MR. DICKERSON: No objection.

24 (Intervenor Exhibit Number 68 received in evidence.)

1 MR. SOLOMON: 70.  
2 MS. FORSBERG: No objection.  
3 MR. DICKERSON: No objection.  
4 (Intervenor Exhibit Number 70 received in evidence.)  
5 MR. SOLOMON: 99.  
6 MS. FORSBERG: No objection.  
7 (Participants confer.)  
8 MR. DICKERSON: You want 99 -- I don't --  
9 (Participants confer.)  
10 MR. SOLOMON: Oh, I'm sorry. Apparently, we missed  
11 one. Well, let me go back. 71.  
12 MR. DICKERSON: No objection.  
13 MS. FORSBERG: Did you say 71? No objection.  
14 (Intervenor Exhibit Number 71 received in evidence.)  
15 (Participants confer.)  
16 MR. SOLOMON: Starting with 99, we're moving to  
17 minutes on Eric's, or the ELN Trust. Do you want --  
18 MR. DICKERSON: You can do the same thing, if you  
19 want to go -- I just want to check the dates. And I would  
20 point out, I have seen -- I have seen all of the minutes  
21 before. I have not seen all of those distributions before.  
22 And I just bring your attention, your Bates Stamp numbers, we  
23 have never received; we have only received up to ...  
24 (Participants confer.)



1 MR. SOLOMON: These are your Bates Stamp numbers,  
2 aren't they?

3 (Participants confer.)

4 MR. LUSZECK: The F's are yours.

5 MS. PROVOST: Then we produced them.

6 (Participants confer.)

7 MR. DICKERSON: Okay. All right.

8 MR. SOLOMON: All right. Starting with '99, June 1,  
9 it looks like 2001 -- it looks like 2000, and somebody wrote a  
10 "one" through it.

11 MS. FORSBERG: No objection.

12 THE COURT: And 99?

13 (Participants confer.)

14 MR. DICKERSON: This is June 1st of what?

15 MR. SOLOMON: 2001.

16 THE COURT: It looks like it was 2000, and it looks  
17 like someone wrote a "one" over it.

18 MR. SOLOMON: Makes sense, since the trust came into  
19 existence in the end of May 2001.

20 (Participants confer.)

21 MR. DICKERSON: No objection. Let me just find it  
22 here, though.

23 THE COURT: Counsel, can you -- you're right, on  
24 that, on our list, the index of -- this is called

1 intervenor's, shows 99 as a waiver and notice. I wonder if  
2 we're off on one of all of these.

3 MR. SOLOMON: No.

4 MR. LUSZECK: No. That's what it is. 99 is the  
5 waiver --

6 THE COURT: Is it the waiver?

7 MR. LUSZECK: -- but I think it's misstated on the  
8 index.

9 THE COURT: Okay. Okay.

10 MR. SOLOMON: On the index, it says the wrong date.

11 MR. LUSZECK: Yeah. It says "6/1/06," when I  
12 believe it should say --

13 MS. FORSBERG: It's sort of a type.

14 MR. SOLOMON: It should be 6/1/01.

15 THE COURT: Well, okay. So that's why the confusion  
16 with 88. And actually, that's supposed to be 6/1/01? All  
17 right. We'll just correct that on there. That was the  
18 confusion. Okay.

19 MR. DICKERSON: I have no objection.

20 THE COURT: 99 is okay?

21 (Intervenor Exhibit Number 99 received in evidence.)

22 MR. SOLOMON: 100.

23 MS. FORSBERG: No objection.

24 MR. DICKERSON: No objection.

1 (Intervenor Exhibit Number 100 received in evidence.)  
2 MR. SOLOMON: 101.  
3 MS. FORSBERG: No objection.  
4 MR. DICKERSON: No objection.  
5 (Intervenor Exhibit Number 101 received in evidence.)  
6 MR. SOLOMON: 103.  
7 MS. FORSBERG: No objection.  
8 MR. DICKERSON: No objection.  
9 (Intervenor Exhibit Number 103 received in evidence.)  
10 MR. SOLOMON: 105.  
11 MS. FORSBERG: No objection.  
12 MR. DICKERSON: No objection.  
13 (Intervenor Exhibit Number 105 received in evidence.)  
14 MR. SOLOMON: 106.  
15 MS. FORSBERG: No objection.  
16 MR. DICKERSON: No objection.  
17 (Intervenor Exhibit Number 106 received in evidence.)  
18 MR. SOLOMON: 107.  
19 MS. FORSBERG: No objection.  
20 MR. DICKERSON: No objection.  
21 (Intervenor Exhibit Number 107 received in evidence.)  
22 MR. SOLOMON: 108.  
23 MS. FORSBERG: No objection.  
24 MR. DICKERSON: No objection.

1 (Intervenor Exhibit Number 108 received in evidence.)  
2 MR. SOLOMON: 109.  
3 MS. FORSBERG: No objection.  
4 MR. DICKERSON: No objection.  
5 (Intervenor Exhibit Number 109 received in evidence.)  
6 MR. SOLOMON: 110.  
7 MS. FORSBERG: No objection.  
8 MR. DICKERSON: No objection.  
9 (Intervenor Exhibit Number 110 received in evidence.)  
10 MR. SOLOMON: 111.  
11 MS. FORSBERG: No objection.  
12 MR. DICKERSON: No objection.  
13 (Intervenor Exhibit Number 111 received in evidence.)  
14 MR. SOLOMON: 112.  
15 MS. FORSBERG: No objection.  
16 MR. DICKERSON: No objection.  
17 (Intervenor Exhibit Number 112 received in evidence.)  
18 MR. SOLOMON: Thirteen; 113.  
19 MS. FORSBERG: No objection.  
20 MR. DICKERSON: No objection.  
21 (Intervenor Exhibit Number 113 received in evidence.)  
22 MR. SOLOMON: 115.  
23 MS. FORSBERG: No objection.  
24 (Pause in proceedings.)

1 MR. DICKERSON: This is May 20th?  
2 MR. SOLOMON: 115?  
3 MR. DICKERSON: It says -- this is May 20th of 2002,  
4 right?  
5 MR. SOLOMON: That's what it says.  
6 (Participants confer.)  
7 MS. FORSBERG: Wait, 115 or 116?  
8 MR. DICKERSON: It's 115, I'm at.  
9 THE COURT: I think we've got 115.  
10 (Participants confer.)  
11 MR. DICKERSON: No objection.  
12 (Intervenor Exhibit Number 115 received in evidence.)  
13 MR. SOLOMON: 116.  
14 MS. FORSBERG: No objection.  
15 MR. DICKERSON: No objection.  
16 (Intervenor Exhibit Number 116 received in evidence.)  
17 MR. SOLOMON: 117.  
18 MS. FORSBERG: No objection.  
19 MR. DICKERSON: No objection.  
20 (Intervenor Exhibit Number 117 received in evidence.)  
21 MR. SOLOMON: 118.  
22 MS. FORSBERG: No objection.  
23 MR. DICKERSON: No objection.  
24 (Intervenor Exhibit Number 118 received in evidence.)

1 MR. SOLOMON: 119.  
2 MS. FORSBERG: No objection.  
3 MR. DICKERSON: No objection.  
4 (Intervenor Exhibit Number 119 received in evidence.)  
5 MR. SOLOMON: 120.  
6 MS. FORSBERG: No objection.  
7 MR. DICKERSON: No objection.  
8 (Intervenor Exhibit Number 120 received in evidence.)  
9 MR. SOLOMON: 121.  
10 MS. FORSBERG: No objection.  
11 MR. DICKERSON: No objection.  
12 (Intervenor Exhibit Number 121 received in evidence.)  
13 MR. SOLOMON: 123.  
14 MS. FORSBERG: No objection.  
15 MR. DICKERSON: No objection.  
16 (Intervenor Exhibit Number 123 received in evidence.)  
17 MR. SOLOMON: 124.  
18 MS. FORSBERG: No objection.  
19 MR. DICKERSON: No objection.  
20 (Intervenor Exhibit Number 124 received in evidence.)  
21 MR. SOLOMON: 125.  
22 MS. FORSBERG: No objection.  
23 MR. DICKERSON: No objection.  
24 (Intervenor Exhibit Number 125 received in evidence.)

1 MR. SOLOMON: 126.  
2 MS. FORSBERG: No objection.  
3 MR. DICKERSON: No objection.  
4 (Intervenor Exhibit Number 126 received in evidence.)  
5 MR. SOLOMON: 127.  
6 MS. FORSBERG: No objection.  
7 MR. DICKERSON: No objection.  
8 (Intervenor Exhibit Number 127 received in evidence.)  
9 MR. SOLOMON: 128.  
10 MS. FORSBERG: No objection.  
11 MR. DICKERSON: No objection.  
12 (Intervenor Exhibit Number 128 received in evidence.)  
13 MR. SOLOMON: 129.  
14 MS. FORSBERG: No objection.  
15 MR. DICKERSON: No objection.  
16 (Intervenor Exhibit Number 129 received in evidence.)  
17 MR. SOLOMON: 130.  
18 MS. FORSBERG: No objection.  
19 MR. DICKERSON: No objection.  
20 (Intervenor Exhibit Number 130 received in evidence.)  
21 MR. SOLOMON: 131.  
22 MS. FORSBERG: No objection.  
23 MR. DICKERSON: No objection.  
24 (Intervenor Exhibit Number 131 received in evidence.)

1 MR. SOLOMON: 133.  
2 MS. FORSBERG: No objection.  
3 MR. DICKERSON: Isn't the same -- let's see. Hold  
4 on one second, please.  
5 (Pause in proceedings.)  
6 MR. DICKERSON: Is this not the same as the one --  
7 is this not the same as 131? It just has Eric's signature  
8 different, probably because of the different timing? It's  
9 making reference to the same meeting, yet we see that we have  
10 different signatures for Eric, it looks like. I have no  
11 objection to both, but --  
12 MR. SOLOMON: Yeah, it looks like the --  
13 MR. DICKERSON: It's fine.  
14 MR. SOLOMON: Maybe they lost it once and redid it.  
15 I don't know.  
16 MR. DICKERSON: Well ...  
17 (Participants confer.)  
18 MR. DICKERSON: So that is -- that's --  
19 (Participants confer.)  
20 MR. DICKERSON: Hold up. That same one is 131 and  
21 133.  
22 (Participants confer.)  
23 (Intervenor Exhibit Number 133 received in evidence.)  
24 MR. SOLOMON: 134.



1 MS. FORSBERG: No objection.  
2 MR. DICKERSON: No objection.  
3 (Intervenor Exhibit Number 134 received in evidence.)  
4 MR. SOLOMON: 136.  
5 MS. FORSBERG: No objection.  
6 MR. DICKERSON: No objection.  
7 (Intervenor Exhibit Number 136 received in evidence.)  
8 MR. SOLOMON: 137.  
9 MS. FORSBERG: No objection.  
10 MR. DICKERSON: No objection.  
11 (Intervenor Exhibit Number 137 received in evidence.)  
12 MR. SOLOMON: 138.  
13 MS. FORSBERG: No objection.  
14 MR. DICKERSON: No objection.  
15 (Intervenor Exhibit Number 138 received in evidence.)  
16 MR. SOLOMON: 139.  
17 MS. FORSBERG: No objection.  
18 MR. DICKERSON: No objection.  
19 (Intervenor Exhibit Number 139 received in evidence.)  
20 MR. SOLOMON: 140.  
21 MS. FORSBERG: No objection.  
22 MR. DICKERSON: No objection.  
23 (Intervenor Exhibit Number 140 received in evidence.)  
24 MR. SOLOMON: 141.

1 MS. FORSBERG: No objection.  
2 MR. DICKERSON: No objection.  
3 (Intervenor Exhibit Number 141 received in evidence.)  
4 MR. SOLOMON: 142.  
5 MS. FORSBERG: No objection.  
6 MR. DICKERSON: No objection.  
7 (Intervenor Exhibit Number 142 received in evidence.)  
8 MR. SOLOMON: 143.  
9 MS. FORSBERG: No objection.  
10 (Pause in proceedings.)  
11 MR. DICKERSON: No objection.  
12 (Intervenor Exhibit Number 143 received in evidence.)  
13 MR. SOLOMON: 144.  
14 MS. FORSBERG: No objection.  
15 MR. DICKERSON: No objection.  
16 (Intervenor Exhibit Number 144 received in evidence.)  
17 MR. SOLOMON: 145.  
18 MS. FORSBERG: No objection.  
19 MR. DICKERSON: No objection.  
20 (Intervenor Exhibit Number 145 received in evidence.)  
21 MR. SOLOMON: 146.  
22 MS. FORSBERG: No objection.  
23 MR. DICKERSON: No objection.  
24 (Intervenor Exhibit Number 146 received in evidence.)

1 MR. SOLOMON: 147.  
2 MS. FORSBERG: No objection.  
3 MR. DICKERSON: No objection.  
4 (Intervenor Exhibit Number 147 received in evidence.)  
5 MR. SOLOMON: 148.  
6 MS. FORSBERG: No objection.  
7 MR. DICKERSON: No objection.  
8 (Intervenor Exhibit Number 148 received in evidence.)  
9 MR. SOLOMON: 163.  
10 MS. FORSBERG: No objection.  
11 MR. DICKERSON: No objection.  
12 (Intervenor Exhibit Number 163 received in evidence.)  
13 MR. SOLOMON: 164.  
14 MS. FORSBERG: No objection.  
15 (Pause in proceedings.)  
16 MR. DICKERSON: We're missing one. I have no  
17 objection to this one. I think you're missing the one for  
18 March 21st of 2007. I have no objection to this one, 164.  
19 There was one more marked, that we may have just passed over.  
20 (Intervenor Exhibit Number 164 received in evidence.)  
21 (Participants confer.)  
22 MR. SOLOMON: What's the date on it?  
23 MR. LUSZECK: What's the exhibit number?  
24 MR. DICKERSON: It's May -- March 21st of '07.

1 MS. PROVOST: 151.  
2 (Participants confer.)  
3 MS. FORSBERG: Oh, that's Nola, that's why.  
4 Different --  
5 MR. SOLOMON: Yeah, we were going to do that with  
6 Nola.  
7 MR. DICKERSON: I have that as -- hold on.  
8 MR. SOLOMON: Nola became the trustee then.  
9 MR. DICKERSON: 151?  
10 (Participants confer.)  
11 MR. DICKERSON: That's fine. I get you.  
12 (Participants confer.)  
13 MR. DICKERSON: That's fine. Sorry.  
14 MR. SOLOMON: We can do them all now.  
15 MR. DICKERSON: No, if you don't mind, I'll go  
16 through those -- that was about the most boring 10 minutes or  
17 15 minutes, I've ever ...  
18 MR. SOLOMON: I don't disagree with you.  
19 How about 165.  
20 MS. FORSBERG: No objection.  
21 MR. DICKERSON: No objection. Actually, don't you  
22 think that would more appropriately be done through Eric?  
23 MR. SOLOMON: I can ask her if she knows she got  
24 delayed [sic].

1 MR. DICKERSON: Well --

2 MR. SOLOMON: She's been acting in this litigation  
3 pursuant to that delegation, so --

4 MR. DICKERSON: I have no objection to it.

5 (Intervenor Exhibit Number 165 received in evidence.)

6 MR. SOLOMON: All right.

7 THE COURT: For the record, let me just check with  
8 my court clerk to make sure, when we started on that, and we  
9 went through. I got -- do you want to go through all of them  
10 or are you okay with all of it?

11 (Court and clerk confer.)

12 THE COURT: Everything okay?

13 THE CLERK: Uh-huh.

14 MS. FORSBERG: She's good.

15 THE COURT: All right. Does anybody -- do you want  
16 us to go through all those make sure, or do you feel  
17 comfortable we got them all covered?

18 MR. DICKERSON: I think we got them.

19 MR. SOLOMON: I think we got them.

20 MS. FORSBERG: We got them.

21 THE COURT: Okay.

22 MS. FORSBERG: Well, we know she got them.

23 THE COURT: Okay. As long as you feel we got all of  
24 them.

1 THE CLERK: I believe we did.

2 THE COURT: Okay. All right.

3 MR. SOLOMON: Your Honor, I'm done on my direct, but  
4 we -- I'm assuming I have Nola here, because I asked her to be  
5 here at 3.

6 THE COURT: Well --

7 MR. SOLOMON: Would there be any objection if we  
8 postpone his cross, to do Nola first?

9 MR. DICKERSON: No. No.

10 THE COURT: Are you okay with --

11 MR. DICKERSON: No, that's fine.

12 THE COURT: -- doing Nola in there. Okay. And then  
13 you okay with that, too, Ms. Forsberg?

14 MS. FORSBERG: That's fine.

15 THE COURT: Okay. Do you want to take five minutes  
16 to go out to talk to her and get everybody -- let's take a  
17 five-minute rest room break, and then let me know when Nola is  
18 ready, and then we'll --

19 (Recess taken at 3:28 p.m.)

20 \* \* \* \* \*

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

23 /s/ Coleen Rand  
24 Coleen Rand

1 TRANS

COPY

FILED

JUL 23 2014

*Alma J. Sullivan*  
CLERK OF COURT

2  
3  
4 EIGHTH JUDICIAL DISTRICT COURT  
FAMILY DIVISION  
5 CLARK COUNTY, NEVADA

6 ERIC L. NELSON, )

7 Plaintiff, )

8 vs. )

9 LYNITA NELSON, )

10 Defendant. )

CASE NO. D-09-411537-D

DEPT. L

(SEALED)

11  
12  
13 BEFORE FRANK P. SULLIVAN  
DISTRICT COURT JUDGE

14 TRANSCRIPT RE: TRIAL - VOL II

15 Monday, July 16, 2012  
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24

1 APPEARANCES:

2       Plaintiff:                   ERIC L. NELSON  
3       For the Plaintiff:       RHONDA K. FORSBERG, ESQ.  
4                                   Rhonda K. Forsberg, Chtd.  
5                                   64 N. Pecos Road, Suite 800  
6                                   Henderson, Nevada 89074  
7                                   (702) 990-6468

8       Defendant:               LYNITA NELSON  
9       For the Defendant:      ROBERT PAUL DICKERSON, ESQ.  
10                               JOSEF M. KARACSONYI, ESQ.  
11                               KATHERINE L. PROVOST, ESQ.  
12                               The Dickerson Law Group  
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14                               Las Vegas, Nevada 89134  
15                               (702) 388-89134

16       Intervenors:           LANA MARTIN, TRUSTEE, ET AL  
17       For the Intervenors:   MARK ALAN SOLOMON, ESQ.  
18                               JEFFREY P. LUSZECK, ESQ.  
19                               Solomon, Dwiggin & Freer, Ltd  
20                               9060 W. Cheyenne Avenue  
21                               Las Vegas, Nevada 89129  
22                               (702) 853-5483  
23  
24



1 (Proceedings resume at 3:37 p.m.)

2 THE COURT: This is going back on the record, the  
3 matter of Eric Nelson and Lynita Nelson, Case Number D-411537.  
4 We took a brief recess, so they could call their next witness.  
5 I do appreciate Mr. Dickerson and Ms. Forsberg accommodating  
6 the witnesses by taking them out of order like that; I do  
7 appreciate that.

8 So at this time, we'll have Ms. Harber come up.  
9 I'll have you get -- just watch your step up there. That  
10 first step is a loo-loo, so -- you got too many attorneys in  
11 here, if you fall off there, we'll have a lawsuit.

12 THE COURT OFFICER: Oh, stand up. Yes. Look at her  
13 and raise your right hand.

14 THE CLERK: Raise your right hand.

15 (Oath administered)

16 THE CLERK: You may be seated.

17 THE COURT OFFICER: Thanks.

18 THE WITNESS: Thank you.

19 THE COURT OFFICER: All right. Would you like some  
20 water?

21 THE WITNESS: I would love some water. Thank you.

22 THE COURT: All right. Proceed at your pleasure,  
23 Mr. Solomon.

24 NOLA HARBER

1 having been first duly sworn, was called as a witness herein  
2 and was examined and testified as follows:

3 DIRECT EXAMINATION

4 BY MR. SOLOMON:

5 Q Nola, would you give us your full name, please?

6 A Nola Ann Harber.

7 Q And where do you reside?

8 A 2840 South Pioneer Way, Las Vegas.

9 Q How long have you been a resident of Clark County,  
10 Nevada?

11 A All my life.

12 Q What is your relation to Eric Nelson?

13 A Eric is my little brother, and he's my friend. And  
14 we have a very close relationship; not just brother and  
15 sister, but -- but friends. We spend a lot of time together.

16 Q How long have you known Lynita?

17 A They started dating in '82, '83.

18 Q How would you describe your relationship with  
19 Lynita?

20 A Well, it's very complex, it's evolved. When they  
21 got married, I made the cake for their wedding. And when they  
22 brought the property almost down the street from where I live,  
23 or where I was building, and we -- we worked together. We  
24 took a landscaping class together. We were friends and

1 sisters and lived in the same neighborhood, went to the same  
2 church, had a lot of the same friends. We went on trips  
3 together, we went on girls' trips together.

4 Lynita, you know, her kids were a little younger than  
5 mine, but we were involved together, I am very involved in her  
6 children's lives, and we did a lot of things with them, went  
7 on a lot of trips and things together.

8 When Lynita needed stuff, or Eric, you know, I would  
9 pretty much drop everything, and I was there for them. I  
10 lived down the street, so it was easy for me. But I would  
11 come -- I -- when Lynita's nail appointment or hair  
12 appointment ran a little long, I'd pick up the kids, or take  
13 the kids to school. When they went on trips, I often watched  
14 the kids. The kids would come to my house, hang out with me  
15 all the time, when, you know, there was trouble at home or,  
16 you know, like kids would have, they would come to Nola --  
17 Aunt Nola's house.

18 When Lynita ran over her cat, she called me, and I helped  
19 her with that. When dogs were lost, puppies, I would -- my  
20 sons and I would go out looking for them. I was intimately  
21 involved in Lynita's life in every aspect. I would consider  
22 us to be good friends. We talked a lot, we worked together on  
23 a lot of projects and things together.

24 About when she decided she wanted to divorce Eric, she

1 started to withdraw from friends and from family and from  
2 church leaders and such. And so, you know, our relationship  
3 dissipated. But that was -- you know, she pulled away. I was  
4 still very respectful of her and -- and certainly of, you  
5 know, the relationship I have with the kids. I was very  
6 respectful to -- to not -- to say or do anything against  
7 Lynita.

8 I think the last time I really had a conversation with  
9 Lynita, she had started to attack Eric and attack my family.  
10 And then, the day of my son's wedding, she knew it was his  
11 wedding. Her son -- her daughter had come in for the wedding  
12 --

13 MR. DICKERSON: Is this really all relevant?

14 THE WITNESS: Yeah, it's very important because it  
15 was --

16 THE COURT: I think we need --

17 THE WITNESS: -- very involved.

18 MR. SOLOMON: I bet it is to you, I bet it's very  
19 important.

20 THE COURT: That's all right. I think they answered  
21 the question as far as the relationship. I don't think we  
22 need to get into all the family details.

23 THE WITNESS: Well, I was intimately involved.

24 MR. SOLOMON: Hold on. Hold on. Let me ask the

1 question, please. I wanted to lay enough foundation --

2 THE WITNESS: Okay.

3 MR. SOLOMON: -- so I can ask this next question,  
4 which is really --

5 THE WITNESS: Okay.

6 MR. SOLOMON: -- the important one. Let me do this.

7 BY MR. SOLOMON:

8 Q Did you -- based upon the close relationship that  
9 you've just talked about, while you had it, with Lynita --  
10 which was over many years, was it not?

11 A Yes. Uh-huh.

12 Q Can you please tell the Court about her nature?  
13 What kind of woman is she?

14 A Well --

15 MR. DICKERSON: Judge, I object. What is the  
16 relevance of her nature? I -- I'm --

17 MR. SOLOMON: Because --

18 MR. DICKERSON: -- kind of --

19 MR. SOLOMON: Because their story is it's this poor  
20 housewife who ran the house and with five kids, didn't look at  
21 anything she signed, over and over and over and over again --

22 MR. DICKERSON: Well, if --

23 MR. SOLOMON: -- didn't understand anything --

24 MR. DICKERSON: -- if the settlor of the --

1 MR. SOLOMON: -- didn't know the consequences of the  
2 acts that she was doing. And I want to show the Court exactly  
3 what she was really like.

4 MR. DICKERSON: The settlor of the LSN Trust has  
5 testified to that. The attorney that drafted the LSN Trust  
6 has testified.

7 MR. SOLOMON: And I disagree with those  
8 characterizations. I don't think they did that at all.

9 THE COURT: I remember I looked at the testimony,  
10 I'll look at it again, and decide if we've done it. But  
11 overruled, you can ask some of the questions.

12 BY MR. SOLOMON:

13 Q Do you recall the question?

14 A Yes. Well, I was involved with Lynita in many  
15 aspects of her life, so I think I know her character pretty  
16 well. Lynita at least can be positive or negative, depending  
17 on what situation it was in. She is a very aggressive woman,  
18 she is very opinionated, she is very determined. She's very  
19 talented and she's very smart. When she starts a project, she  
20 -- you know, she's all in.

21 She's not intimidated, nor does she care to be -- not --  
22 she doesn't get easily embarrassed. She -- for example, she'd  
23 pull up to a fast food restaurant, and when they would say --  
24 you know, how you make a big order, and they would ask you to

1 move forward because the guy behind you just has a drink?  
2 Lynita wouldn't because, you know, she felt like she was first  
3 there, that she should be served first. So it kind of shows  
4 you, she's just very tough.

5 Sometimes she could be very harsh. I often apologized to  
6 people for her because, for example, at church, she could  
7 clear out a gym of basketball players because she felt it was  
8 her time to set up for something. And you know, she -- she's  
9 very assertive. There's nothing doormat, there's nothing  
10 fragile, there's nothing shy or ignorant or naive about  
11 Lynita. She's very -- she can be very tough and very  
12 determined, very aggressive.

13 Q Do you find her to be an intelligent woman?

14 A She's very intelligent, sure.

15 Q Did you ever do the books for Nelson Auctioneering?

16 A Yes, I did.

17 Q Did you --

18 A I'm not an accountant. Steve Holdeman did the  
19 accounting, but I did the books, and we'd turn it over to him.

20 Q Did you ever do any bookkeeping for any of the  
21 trusts?

22 A No.

23 Q How did you work with -- what type of work did you  
24 do with Eric over the years?

1           A     Well -- are we talking about forever? We worked  
2 together at my dad's shop.

3           Q     Just -- no. Let's start after that, please. Let's  
4 ...

5           A     Okay. I worked -- I worked at Eric Nelson  
6 Auctioneering. Before that, I worked with Eric in rentals  
7 properties, I helped keep the books, and actually helped  
8 physically work on the rental properties with him. Then, with  
9 the auction business, I helped do the -- do the books, but  
10 also would -- you know, all aspects of the auction. We also  
11 did projects together, like our land up in Utah, we worked  
12 together a lot on those projects; a lot of family projects.

13           Our relationship isn't just a business relationship, it's  
14 -- it's a close relationship in every aspect of our lives.

15           Q     Well, as a result of what you just said, did you  
16 know what was going on in Eric's and Lynita's life as it was  
17 unfolding?

18           A     Oh, yeah, very much so.

19           Q     On a day-to-day basis?

20           A     Day-to-day basis, yes.

21           Q     Do you recall that there came -- do you recall  
22 whether there came a point in time that Eric was exploring  
23 investing in gaming and liquor businesses?

24           A     Yes.



1 Q Do you recall approximately when that was?

2 A I don't.

3 Q Did you ever discuss with Lynita how she felt about  
4 Eric going into gaming and liquor?

5 A Well, yeah. She was very verbal about it; she  
6 didn't agree with it.

7 Q Okay. Did she tell you why?

8 A Well, we don't -- in our religion, we don't gamble  
9 and we don't drink, and so she didn't want Eric to be  
10 associated with that, and she certainly didn't want to have  
11 anything to do with it.

12 Q Did you become aware that Eric and Lynita were going  
13 to do separate property trusts?

14 A Yes.

15 Q How did you become aware of that?

16 A Well, we went over things -- the -- we went -- Burr  
17 brought us in and kind of went over some things about the  
18 trusts. And Eric and I talked about his assets and how they  
19 were going to separate them, and Lynita and how -- what she  
20 wanted, and -- and we talked about that a lot; talked to  
21 Lynita about that a lot, as well.

22 Q Do you know if Lynita's aversion to gaming and  
23 liquor businesses had anything to do with the way they split  
24 up their assets?

1           A     Oh, yeah. She didn't want anything to do with them.  
2 And so she had things that were in her name, and there were  
3 things that were in Eric's name, and the gaming properties  
4 were in his name. She didn't want to have anything to do with  
5 them.

6           Q     Did there come a time when you learned that Eric and  
7 Lynita had converted their community property into separate  
8 property?

9           A     Yes.

10          Q     Were you aware of the separate property agreement  
11 that they entered into?

12          A     Yes, I was.

13          Q     Did you discuss that with Eric and/or Lynita?

14          A     With both of them, yeah.

15          Q     At the time they did that, were you aware of what  
16 assets they had?

17          A     Yes, I -- I think I had a pretty -- a very good  
18 knowledge of their assets.

19          Q     Was it your understanding that all of their assets  
20 were divided --

21          A     Yes.

22          Q     -- at that time?

23          A     Yes.

24          Q     Did you become aware that, after they -- or at the

1 time they did the separate property agreement, that they  
2 funded separate property trusts?

3 A Yes.

4 Q And do you know what those separate property trusts  
5 -- why they were done?

6 MR. DICKERSON: Objection, Your Honor. Hearsay.

7 THE COURT: Overruled.

8 MR. SOLOMON: Yes or no, and then I'll do  
9 foundation. That's --

10 THE COURT: If she knows.

11 MR. SOLOMON: The hat is there somewhere  
12 (indiscernible).

13 THE COURT: You can answer.

14 THE WITNESS: Would you repeat it? Sorry.

15 BY MR. SOLOMON:

16 Q Yes. Do you know why those separate property trusts  
17 were created?

18 A Yes. There were several reasons. One was Eric  
19 wanted to set -- they wanted -- they wanted to set the trusts  
20 up to protect their assets. They separated them the way they  
21 did because some things were -- were less risky, and Lynita  
22 wanted those in her trust. And the gaming and stuff were in  
23 Eric's trust, which, you know, she didn't want those. And  
24 they were -- you know, there was discussion about what things

1 should go where, and -- and why. They were agreed upon, those  
2 things.

3 Q Was -- to your knowledge, was Lynita active in that  
4 discussion --

5 A Oh, absolutely.

6 Q -- as to how the -- let me finish the question --

7 A Sorry.

8 Q -- before you answer it.

9 A Sorry.

10 Q Active in that discussion of how to divide the  
11 assets.

12 A Absolutely.

13 Q Now you indicated Eric had discussed the separate  
14 property trust with you. Did he tell you why he was doing  
15 that, discussing it with you?

16 A Well, we discussed, you know, a lot of the assets  
17 and -- and why he wanted the trust separate?

18 Q Did he tell you why he was discussing that issue  
19 with you?

20 A Oh, why he was discussing it with me. Yes. He very  
21 much wanted to -- if something happened to him, he very much  
22 wanted me to know the assets and the things that -- and how  
23 things were separated, and how -- what things were involved in  
24 it, so that Lynita would have somebody she trusted and

1 somebody that she knew to -- to bounce things off or to help  
2 her through it or whatever, you know. And in particular, for  
3 the children, you know, that I could -- could be, you know,  
4 there just to be a support. It was very important to him.

5 Q Did Eric discuss with you what he wanted done with  
6 the separate property -- his assets in his separate property  
7 trust --

8 A In his?

9 Q -- should -- yes -- should something happen to him?

10 A Yes. His -- there were things -- the way he wanted  
11 to give things to the children were quite different than the  
12 way Lynita wanted to give her -- the things in her trust to  
13 the children. His were a little bit sooner, and maybe a  
14 little bit more to the children, you know. But yeah, he would  
15 go over those things with me and how he wanted things  
16 disbursed.

17 Q Did Eric, Lynita, or anyone else, for that matter,  
18 ever advise you that the separate property trusts were only to  
19 be operative with respect to creditors, and would not control  
20 the disposition of their property between them, in the case of  
21 a divorce?

22 MR. DICKERSON: Object to the leading nature of the  
23 question.

24 THE COURT: Overruled.

1 MR. SOLOMON: It's not leading, it's a --

2 THE COURT: Overruled.

3 MR. DICKERSON: You can ask her what discussion she  
4 had, if any.

5 MR. SOLOMON: You can't negate a negative that way,  
6 Your Honor.

7 THE COURT: Overruled. She may say no. I don't --  
8 do you remember the question?

9 A No, nobody ever discussed anything other than what  
10 the trusts were proposed to be.

11 Q Did Lynita ever discuss with you any concerns that  
12 she had about the existence of the trusts and the separate  
13 property agreement?

14 A No.

15 Q Do you know how it came about that Eric and Lynita  
16 established their self-settled spendthrift trusts in May of  
17 2001?

18 A Yes. Their attorney, Burr, called and -- and  
19 discussed -- presented this kind of trust, that it was even  
20 more protective of their assets than the way they had them  
21 situated. And so they decided to go with that because it was  
22 supposed to be, you know, more protective and a better thing  
23 to do.

24 Q Were you in discussions with both Lynita and Eric

1 about that, at that time?

2 A Yes.

3 Q Did there come a point in time when you became the  
4 distribution trustee of both the ELN Trust and the LSN Trust?

5 A Yes.

6 Q Do you recall when that was?

7 A Not specifically. '07.

8 Q Do you have Exhibit 149 in front of you, tab -- go  
9 to Tab 149.

10 A (Witness reviews exhibits.)

11 This actually skips from 144 to 150 -- oh, no, I'm sorry.  
12 Yes, 149. Sorry, sorry, sorry. Yes.

13 Q All right. This appears to be a document dated  
14 February 22, 2007, called:

15 "Change of Distribution Trustee for the Eric L.  
16 Nelson Nevada Trust."

17 Do you recognize your signature on Page 2?

18 A Yes.

19 Q And in the second whereas, it indicates that Lana is  
20 going to cease to serve as the distribution trustee, and you  
21 will now serve. Does that -- does this refresh your  
22 recollection --

23 A Yes.

24 Q -- that you had commenced on February 22, 2007?

1 A 2007, yes.

2 MR. SOLOMON: All right. We'd offer 149.

3 MS. FORSBERG: No objection.

4 MR. DICKERSON: I have no objection.

5 THE COURT: Hereby admitted as Intervenor's 149.

6 (Intervenor Exhibit Number 149 received in evidence.)

7 BY MR. SOLOMON:

8 Q And do you recall when you -- at some point, did you  
9 cease being the distribution trustee for the ELN Trust?

10 A Yes, in 2011.

11 Q Okay. Do you recall the date? And if not, you can  
12 look at Exhibit 162.

13 MR. DICKERSON: Can we ask her to give the date  
14 first, before she attempts to rector -- refresh her  
15 recollection.

16 THE COURT: Do you recall when you stopped, about?

17 THE WITNESS: I do recall when that happened?

18 THE COURT: Do you recall when you ceased being the  
19 distribution trustee for the ELN Trust?

20 THE WITNESS: Yes. I was on my mission, and so it  
21 would have been in 2011.

22 BY MR. SOLOMON:

23 Q Do you recall the exact date, is the question.

24 A No.



1 Q Okay. Why don't you take a look at 162.  
2 A Yes. June 8th, 2011.  
3 Q All right. Well, let's get this in the record  
4 first. This is called, "Change of Trusteeship for the Eric L.  
5 Nelson Trust," dated June 8, 2011, indicating that Mr. Burr is  
6 removing you as the current distribution trustee, and Page 2,  
7 Lana is appointed to serve. Does that refresh your  
8 recollection of the date?  
9 A Yes.  
10 MR. SOLOMON: I would offer 162.  
11 MS. FORSBERG: No objection.  
12 MR. DICKERSON: No objection.  
13 THE COURT: It will hereby be admitted as  
14 Intervenor's 162.  
15 (Intervenor Exhibit Number 162 received in evidence.)  
16 BY MR. SOLOMON:  
17 Q Now do you recall when you became the of the LSN  
18 Trust?  
19 A 2007, same -- within the same time.  
20 Q Do you recall the exact date?  
21 A No.  
22 Q Would you turn to Exhibit 72.  
23 A I'm sorry. Which one?  
24 Q Seven two.

1 A (Witness reviews exhibits.)

2 Q This appears to be a copy of a change of  
3 distribution trustee for the LSN Trust, dated February 22,  
4 2007, in which Lana ceases to become the distribution trustee,  
5 and then you become it. And do you recognize your signature  
6 on Page 2?

7 A It -- I do.

8 MR. SOLOMON: Offer 72.

9 MS. FORSBERG: No objection.

10 MR. DICKERSON: No objection.

11 THE COURT: It will hereby be admitted as Exhibit  
12 72.

13 (Intervenor Exhibit Number 72 received in evidence.)

14 BY MR. SOLOMON:

15 Q And do you recall the date on which you ceased to be  
16 the distribution trustee for the LSN Trust?

17 A 2009, but specifically, no.

18 Q Would you turn to Exhibit 77.

19 A (Witness reviews exhibits.)

20 Q Exhibit 77 appears to be a change of distribution  
21 trustee for the LSN Trust dated January 27, 2009, substituting  
22 Connie Jan VanVorem in as successor distribution trustee.

23 A It actually says Lana on there, but ...

24 Q In fact, although that says that Lana was removed,

1 you were the one --

2 A I was, yes.

3 Q Okay. And you were aware that you were removed?

4 A Yes.

5 Q And why were you removed; do you -- what happened at  
6 this time?

7 A Well, at that -- at that -- Lynita was -- had  
8 removed herself from anything to do with family, so she, I'm  
9 sure, didn't want me on there anymore.

10 Q Now --

11 MR. DICKERSON: Are you going to move to admit that?

12 MR. SOLOMON: Oh, I'm sorry. Admit -- move to admit  
13 77. I apologize.

14 MS. FORSBERG: No objection.

15 MR. DICKERSON: No objection.

16 THE COURT: That will be admitted as 77, intervenor.

17 (Intervenor Exhibit Number 77 received in evidence.)

18 BY MR. SOLOMON:

19 Q All right. Going back to the initiation of your  
20 becoming the distribution trustee back in 2007, do you know  
21 why Eric and Lynita named you as such?

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

23 A Because they could trust me.

24 THE COURT: Overruled.

1 Q Did you have -- at that time, did you have intimate  
2 knowledge of them and their assets and their family situation?

3 A Absolutely.

4 MR. DICKERSON: Again --

5 A Absolutely.

6 MR. DICKERSON: -- object to the form of that  
7 question, the use of the word "intimate," because I don't know  
8 what that means.

9 THE COURT: Sustained. Can you ask her her  
10 familiarity, I guess, with their property or -- it basically  
11 was family at the time.

12 BY MR. SOLOMON:

13 Q Did you -- substituting the word "intimate" for  
14 "complete," did you have -- at that time, did you have  
15 complete knowledge of -- about them and their assets and their  
16 family situation?

17 A I was very involved in their lives, and yes, I had a  
18 lot of knowledge about those things.

19 Q Did you read the self-settled spendthrift trust when  
20 you were appointed as distribution trustee?

21 A Yes.

22 Q And what did you believe your responsibility -- or  
23 responsibilities were, as distribution trustee?

24 A To disburse funds as outlined in the trust.

1 Q Did you ever meet with -- Lana had been the prior  
2 distribution trustee up to your tenure, correct?

3 A Correct.

4 Q Did you ever meet with her to discuss your  
5 responsibilities?

6 A Yes.

7 Q Did you ever meet with Mr. Burr to discuss your  
8 responsibilities?

9 A Yes.

10 Q And did you understand whether you had any  
11 responsibilities other than to approve distributions?

12 A To protect the trust and the children's interests.

13 Q Let me ask that. Did you understand that you had  
14 the ability to deny any requests for distributions requested  
15 by the investment trustees of each trust?

16 A I did, yes.

17 Q Did Eric ever ask you to make a distribution that  
18 you disagreed with?

19 A No.

20 Q If he had, would you have denied his request?

21 MR. DICKERSON: Objection, form of the question.  
22 Speculative.

23 THE COURT: Sustained. You never denied any. Is  
24 that correct?

1 THE WITNESS: I didn't.

2 THE COURT: All right. We'll leave it at that.

3 BY MR. SOLOMON:

4 Q You understood you had the power to deny his  
5 requests, correct?

6 A Yes.

7 Q When you were distribution trustee of both of these  
8 self-settled spendthrift trusts, were there any requests to  
9 make distributions to anyone other than a beneficiary?

10 A No.

11 Q There's been some allegations by Lynita that there  
12 were distributions made out of the ELN Trust to his family.  
13 Is that true, for the time that you served as the distribution  
14 trustee?

15 A That's totally false.

16 Q Do you know if Eric's family received payment for  
17 work performed at any time for the ELN Trust or its entities  
18 that it owned?

19 A Yes.

20 Q Let's turn to the LSN Trust. While you were the  
21 distribution trustee of the LSN Trust, did you approve  
22 distributions that were made to Lynita?

23 A Yes.

24 Q Do you know who wrote the distribution checks to

1 Lynita while you were the distribution trustee?

2 A Rochelle.

3 Q To your knowledge, how did Rochelle know how much  
4 you had authorized?

5 A We'd discuss it.

6 Q Can you turn to Exhibit 71.

7 A (Witness reviews exhibits.)

8 Uh-huh.

9 Q Exhibit 71 appears to be minutes of an annual  
10 trustees meeting for the LSN Trust, dated February 22, 2007,  
11 reflecting that you had been selected to replace Lana as  
12 distribution trustee, and discussing matters of I guess  
13 revising that trustee. Do you -- who prepared the minutes for  
14 -- do you know who prepared these minutes?

15 A Who actually typed them? I -- I mean, I would --

16 Q Was --

17 A I did a lot of the minutes for the -- for -- you  
18 know, write the things out and -- like this one, I -- I think  
19 that maybe they then Lynita -- or Rochelle probably typed it  
20 out for us.

21 MR. SOLOMON: Offer 71.

22 MS. FORSBERG: No objection.

23 MR. DICKERSON: No objection.

24 THE COURT: It will hereby be admitted.

1 BY MR. SOLOMON:

2 Q Exhibit 73.

3 A (Witness reviews exhibits.)

4 Q These are minutes of an annual trustee meeting for  
5 LSN Nevada Trust, dated March 21, 2007, resolving deeds to  
6 Utah land were adjusted to reflect a 50/50 ownership by LSN  
7 Trust and Eric Nelson Trust, as well as redistribution of  
8 properties with Paula [sic] and Nola Harber. Deeds were  
9 recorded and attached to this document. Do you recall this  
10 meeting?

11 A Yes.

12 MR. SOLOMON: Offer 73.

13 MS. FORSBERG: No objection.

14 MR. DICKERSON: No objection.

15 THE COURT: Hereby be admitted.

16 (Intervenor Exhibit Number 73 received in evidence.)

17 BY MR. SOLOMON:

18 Q And do you recall having discussions with Lynita  
19 regarding the issues raised in these minutes?

20 A Yes.

21 Q Turn to 77.

22 A (Witness reviews exhibits.)

23 (Participants confer.)

24 Q Is it your recollection that you held annual



1 meetings, annually, while you were distribution trustee?

2 A For the LSN?

3 Q Yes.

4 MR. DICKERSON: Object to the leading nature of the  
5 question. She hasn't testified to that.

6 THE COURT: Overruled. You can answer it.

7 A I had -- I had several meetings with Lynita about  
8 the LSN. I'm not exactly sure of the dates. But I don't  
9 believe we had any in 2008.

10 Q All right. After you were replaced as the  
11 distribution trustee of the LSN Trust on January 27, 2009, do  
12 you know whether the books and records for that trust were  
13 turned over to Lynita?

14 A It was my understanding that they were, yes.

15 Q All right. Let's turn to Eric's, or the ELN Trust.  
16 Would you take a look at Exhibit 150.

17 A (Witness reviews exhibits.)

18 (Participants confer.)

19 MR. SOLOMON: This is going to be a bunch of them.  
20 Did you want to do them one at a time, or did you want to do  
21 them together?

22 MR. DICKERSON: (Verbal indication).

23 MR. SOLOMON: I mean, they're not as much as Lana,  
24 but ...

1 THE COURT: Yeah, why don't you --

2 MR. DICKERSON: Are these the ones that you just  
3 gave me last week? Are these the ones that we just got last  
4 week?

5 MR. SOLOMON: I believe so.

6 MR. DICKERSON: If we can just go through them. I  
7 don't think I have any objection. I just want to make sure  
8 that I have them on my list.

9 THE COURT: Okay.

10 (Participants confer.)

11 MR. DICKERSON: No objection to 50 [sic].

12 MR. SOLOMON: I think it's a mix here --

13 MR. DICKERSON: Yeah, 150.

14 MR. SOLOMON: -- of old and new, but right.

15 THE COURT: Ms. Forsberg, any objection to 150?

16 MS. FORSBERG: No objection.

17 (Intervenor Exhibit Number 150 received in evidence.)

18 THE COURT: Why don't we just go through them one at  
19 a time, like we did the other ones.

20 MR. DICKERSON: No objection to 151.

21 THE COURT: Were you going to submit that, Mr.  
22 Solomon, 151?

23 MR. DICKERSON: No objection to 151.

24 MR. SOLOMON: Yeah, 151 is offered.

1 MS. FORSBERG: No objection.

2 MR. SOLOMON: I'm sorry. I should have offered --

3 THE COURT: Okay. 151 will be admitted, as well.

4 (Intervenor Exhibit Number 151 received in evidence.)

5 MR. SOLOMON: 152.

6 MS. FORSBERG: No objection.

7 MR. DICKERSON: No objection.

8 THE COURT: 152 will be admitted, as well.

9 (Intervenor Exhibit Number 152 received in evidence.)

10 MR. SOLOMON: 155.

11 MR. DICKERSON: Don't you want 153?

12 MS. FORSBERG: No objection to one fifty --

13 (Participants confer.)

14 MR. SOLOMON: Okay. I'm going to -- I hadn't

15 divided it. I am going to back up.

16 MR. DICKERSON: Okay. So 155, no objection.

17 MS. FORSBERG: No objection.

18 (Intervenor Exhibit Number 155 received in evidence.)

19 MR. SOLOMON: 158.

20 MS. FORSBERG: No objection.

21 MR. DICKERSON: No objection.

22 (Intervenor Exhibit Number 158 received in evidence.)

23 MR. SOLOMON: 153.

24 MS. FORSBERG: No objection.

1 MR. DICKERSON: No objection.  
2 (Intervenor Exhibit Number 153 received in evidence.)  
3 MR. SOLOMON: 156.  
4 MR. DICKERSON: No objection.  
5 MS. FORSBERG: No objection.  
6 (Intervenor Exhibit Number 156 received in evidence.)  
7 MR. SOLOMON: And 159.  
8 MS. FORSBERG: No objection.  
9 MR. DICKERSON: No objection.  
10 (Intervenor Exhibit Number 159 received in evidence.)  
11 BY MR. SOLOMON:  
12 Q Nola, do you know who wrote distribution checks to  
13 Eric while you were the distribution trustee for the ELN  
14 Trust?  
15 A Rochelle.  
16 Q I misstated, that's the ELN -- boy.  
17 And to your knowledge, did Rochelle know how much you had  
18 authorized?  
19 A Yes.  
20 Q How do you know that?  
21 A We had discussions.  
22 (Participants confer.)  
23 A As well as these forms.  
24 Q Okay. Now in -- we already went through Exhibit

1 162, which is when you were replaced as the distribution  
2 trustee for Eric's trust. Do you recall why you were replaced  
3 at that time?

4 A I was on a mission for my church, I was out of the  
5 country.

6 Q Did Lynita ever tell you that she thought she was  
7 the owner of assets that were held or titled in the ELN Trust?

8 A No.

9 Q Did Eric ever tell you that he thought he was the  
10 owner of assets that were held or titled in the LSN Trust?

11 A No.

12 Q Did Eric, Lynita, or anyone else, for that matter,  
13 ever advise you that the ELN or LSN Trust would only apply as  
14 to third-party creditors, but would not govern the disposition  
15 of their assets in the case of a divorce?

16 A No.

17 MR. SOLOMON: I have no further questions.

18 THE COURT: Ms. Forsberg?

19 MS. FORSBERG: Your Honor, I'd like to retain her as  
20 a rebuttal witness, just on alimony issues. I have no other  
21 questions regarding these issues.

22 THE COURT: Okay.

23 CROSS-EXAMINATION

24 BY MR. DICKERSON:

1 Q And did you -- now you're Eric's sister. Is that  
2 correct?

3 A I am.

4 Q And when did you leave for your mission?

5 A I left in October of 2010.

6 Q And when did you return?

7 A April -- the end of April of 2012.

8 (Pause in proceedings.)

9 Q You're married to Paul Harber. Is that correct?

10 A I am.

11 Q Do you know why you're here today?

12 A My understanding is that Lynita has made allegations  
13 that I was dishonest in my services as a distribution trustee.

14 Q And who told you that?

15 A Well, there were court papers that I received while  
16 I was on my mission, for one.

17 Q Court papers. Okay. Who sent you those?

18 A You -- Lynita sued me.

19 Q And you received -- did Eric send those papers to  
20 you?

21 A No, they were sent by a court.

22 Q Where did you receive them?

23 A They were served to me.

24 Q Where?

1           A     At -- on my mission at the Polynesian Cultural  
2 Center.

3           Q     And have you had any discussions with Eric with  
4 respect to those allegations you just made?

5           A     No.

6           Q     You've not talked at all?

7           A     What do you mean? Have I talked to him about that -  
8 - that she was suing me? Yes.

9           Q     Did you talk to any -- Eric about the allegations  
10 made in the -- in that complaint?

11          A     Sure.

12          Q     What was the discussion?

13          A     How outraged I was.

14          Q     You were outraged?

15          A     Yeah.

16          Q     Now are you appearing here today pursuant to a  
17 subpoena?

18          A     I was called by the attorneys.

19          Q     Can you tell me then why would your husband Paul  
20 Harber write a letter to -- to Lynita a couple of weeks ago,  
21 and call her last night, threatening her because you had to  
22 appear here today.

23          A     She -- he didn't threaten her, I was right there.  
24 He simply asked her why she was doing this.

1 Q Tell us the discussion, as you heard it.

2 A He said, Lynita, this is Paul, I would like to talk  
3 to you about the fact that Nola has to go to court tomorrow  
4 and defend herself against allegations that you've made.

5 Q And who told you, you were coming here today to  
6 defend yourself against allegations that were made?

7 A Well, I was told by the attorneys that I --

8 MR. SOLOMON: Hold on. I --

9 MR. DICKERSON: There's no privilege.

10 MR. SOLOMON: (Indiscernible).

11 MS. FORSBERG: (Indiscernible).

12 MR. DICKERSON: And if he's going to stop her --  
13 Judge, this is legitimate questioning.

14 MR. SOLOMON: Can I make my objection --

15 THE COURT: Yes.

16 MR. SOLOMON: -- without Mr. Dickerson interrupting  
17 me?

18 THE COURT: Absolutely.

19 MR. SOLOMON: I guarantee I'll give him time to make  
20 his argument.

21 THE COURT: You can make it.

22 MR. DICKERSON: Is it going to be a speaking  
23 objection, so he can coach her?

24 MR. SOLOMON: I don't have to make a speaking



1 objection. I am her counsel, Your Honor. She was sued, I  
2 represented her. I filed a motion to dismiss on her behalf.  
3 And --

4 MR. DICKERSON: He represents the trust; he doesn't  
5 represent her.

6 MS. FORSBERG: He represents her.

7 MR. DICKERSON: He represents the trust.

8 MR. SOLOMON: She was sued individually and as  
9 trustee, and I represented her in both capacities, as such.  
10 And there is an attorney/client privilege.

11 THE COURT: As far as this one, this Court did not  
12 entertain the lawsuit against Ms. Harber, I said I thought  
13 that needed to be in another court, a civil court. And as far  
14 as I think you're saying it's going to her credibility here,  
15 if she has an ulterior motive, if she's angry about being sued  
16 (indiscernible) for her getting into testimony she had with  
17 Mr. Solomon, we always try to protect that at the far end.  
18 But I'll give you some leeway, without getting into specifics  
19 of conversations she had with counsel. You can explore that  
20 based on her conversation that her husband allegedly had, what  
21 she knows about that, and what her understanding is, being  
22 here today, without disclosing any conversations you had with  
23 your attorney. All right. There's going to be some  
24 questions, but I don't want you talk about what you talked

1 with Mr. Solomon about specifically --

2 THE WITNESS: Okay.

3 THE COURT: -- as I do want to protect that, even  
4 though it's kind of --

5 THE WITNESS: Okay.

6 BY MR. DICKERSON:

7 Q Who told you, you were coming her today to defend  
8 yourself against allegations being made against you by Lynita?

9 MR. SOLOMON: Object. It assumes facts not in  
10 evidence.

11 A Yeah, let --

12 MR. DICKERSON: Somebody told her, but she -- that  
13 was her testimony.

14 A I was asked -- I as asked to come to court because I  
15 was the distribution trustee, and to answer questions about  
16 how I handled my duties as a trustee.

17 Q And that wasn't your testimony earlier.

18 A And you're right. I misspoke.

19 Q You misspoke that time?

20 A No, I -- you --

21 Q You were told you were coming here to defend  
22 yourself against allegations made against you by Lynita.  
23 Isn't that correct?

24 A Yeah, I did say that. And I have to admit I kind of

1 assumed that, but I was never told that.

2 Q Well, tell me, why did your husband call and  
3 threaten her last night?

4 A He did not threaten her, sir.

5 Q What did he do --

6 A He simply called her --

7 Q What was the purpose of the call?

8 A To ask Lynita why she was challenging me, simply  
9 that.

10 Q And to tell her she's destroying the family?

11 A No, he --

12 Q You heard that, did you not?

13 A No, he never said that.

14 Q Did you hear him say your attorneys are destroying  
15 our family; did you hear that?

16 A I did not.

17 Q Did you hear her [sic] say that the attorneys are  
18 taking all your money?

19 A I didn't hear anything that she said.

20 Q Your husband, did you hear what your husband said?

21 A I didn't hear him say that.

22 Q Did you read the letter that your husband sent to  
23 her a couple of weeks ago?

24 A I did read that.

1 Q Okay. And what was the purpose of that letter?

2 A You have to understand the relationship that Paul  
3 and Lynita had.

4 Q What was the purpose of that letter?

5 A Well, I'm getting to that. He wrote that letter  
6 because he has had a relationship with Lynita, as have I, and  
7 he's very disappointed in her and -- and the things that she  
8 has been saying to -- about our family, about my children,  
9 about me and --

10 Q What has Lynita said about your children?

11 A My son is Chad Ramos, so you should be very familiar  
12 with what she has alleged against him in that suit.

13 Q Did your son receive money from Eric?

14 A He worked for Eric.

15 Q Did your son receive a loan from Eric?

16 A Eric invested in his -- in a business.

17 Q Did your son receive a loan from Eric?

18 A As an investment, yes.

19 Q Has that loan ever been paid back by your son?

20 A No, it has not. The business failed.

21 Q Now what allegations, untrue allegations, has Lynita  
22 made about your son?

23 A Well, she accused him of lying.

24 Q She accused your son of lying.

1           A     It was in the deposition.  She -- she brought him in  
2 and had him -- accused him of things.

3           Q     Lynita, in the deposition, accused him of lying?

4           A     Well, however you and lawyers say it.  You know what  
5 I mean.

6           Q     Did Lynita even open her mouth in his deposition?

7           A     Does she work for her -- do you work for her?

8           Q     Did Lynita even open -- did any lawyer in that room  
9 call your son a lawyer [sic] -- a liar?  Did any lawyer in  
10 that room call him a liar?

11          A     I wasn't in the room.

12          Q     Okay.  Of course you weren't.  Now --

13               THE WITNESS:  Can he talk to me like that?

14               THE COURT:  Sure.

15 BY MR. DICKERSON:

16          Q     Let's take a look --

17               THE COURT:  You came out here at the request.  I  
18 wouldn't have came in without a subpoena.  You guys put  
19 yourself in, so all the family ugly is going to go.  Everybody  
20 wants the ugly to come out, so it's coming out.  You put  
21 yourself in that position --

22               THE WITNESS:  I didn't -- I didn't --

23               THE COURT:  -- they can go after you on that.  You  
24 came in, at the beginning on that.

1 THE WITNESS: I'm sorry.

2 THE COURT: If you're going to address --

3 THE WITNESS: I didn't know.

4 THE COURT: -- about it being dishonestly, that was  
5 your thing, to defend yourself, because you got sued. I can  
6 understand that. So you put yourself there, so they can ask  
7 the questions. Is he being disrespectful? No. Is he being  
8 somewhat aggressive? Sure, that's what they do on cross-exam.

9 THE WITNESS: Okay.

10 THE COURT: But just answer the questions --

11 MR. DICKERSON: Now --

12 THE COURT: -- and we'll be done on that.

13 THE WITNESS: Okay.

14 BY MR. DICKERSON:

15 Q Ms. Harber, you indicated that in the year 2001,  
16 when Eric and Lynita entered into an agreement that Jeff Burr  
17 has already testified about, you were aware of all of their  
18 assets.

19 A I believe I was.

20 Q What are all their assets that they had in 2001?  
21 List them for us.

22 A I -- I couldn't do that.

23 Q Come on, ma'am. You said you knew them all. List  
24 all the assets they had in 2001.

1 MR. SOLOMON: It's been asked and answered and  
2 that's badgering.

3 THE COURT: Okay. What assets are you aware of.  
4 Can you -- do you have any recollection what assets? Because  
5 you did say you kind of had a complete thing at that time on  
6 it. Do you recall --

7 THE WITNESS: Well, they have --

8 THE COURT: -- some major things or anything?

9 THE WITNESS: -- a home on Palmyra.

10 BY MR. DICKERSON:

11 Q What else?

12 A And they have land up in Utah. And they had  
13 properties in Arizona. The dates of a lot of their dealings,  
14 I couldn't tell you if the Mississippi properties were -- I  
15 don't -- I don't know the dates of all their property assets  
16 and such.

17 Q What were the name of the businesses --

18 A There's land on -- there's an office in -- on  
19 Lindell. You know, they have lots of things.

20 Q What were the names of the businesses?

21 A Eric Nelson Auctioneering.

22 Q What else? What other businesses?

23 A They had properties and such, but --

24 Q Do you know of any LLC's?

1           A     I'm not -- I don't recall.

2           Q     Corporations?

3           A     I don't recall.

4           Q     And you also indicated that you were intimately  
5 familiar or completely, with a complete knowledge of all their  
6 assets that they had on February 22nd, 2007, when you became  
7 the distribution trustee. Do you recall that testimony?

8           A     Yes.

9           Q     Tell us the assets they had on February 22nd, 2007.

10          A     At the time that -- that I became --

11          Q     Yes.

12          A     -- the trustee, we were -- we went over those  
13 things, and so I --

14          Q     What assets did they have, ma'am?

15          A     I don't recall, but I did know at that time.

16          Q     Ma'am, were you at any meeting at Jeff Burr's office  
17 in the year 2001, when your brother Eric and Lynita were  
18 having discussions with him about these agreements entitled  
19 "separate property agreements," and the formation of their  
20 trusts?

21               MR. SOLOMON: (Indiscernible) 2001.

22               MR. DICKERSON: 2001.

23               MR. SOLOMON: It didn't happen --

24               MR. DICKERSON: I'm sorry. You're absolutely right.



1 Thank you, sir.

2 BY MR. DICKERSON:

3 Q In 1993, were you at Jeff Burr's office and  
4 overheard any discussion that occurred at that time with  
5 respect to what -- the documents that Jeff Burr was preparing  
6 for them?

7 A No.

8 Q Were you at Jeff Burr's office at any time in the  
9 year 2001, when Jeff Burr was preparing documents for them?

10 A I was in Jeff Burr's office when he asked me to come  
11 in and sign the -- being on the trustee, that's when --

12 Q That was in 2007. February --

13 A So that's when I was there, at Jeff Burr's office.

14 Q And that's the only time you were ever at Jeff  
15 Burr's office. Isn't that correct?

16 A I believe.

17 Q Now at Jeff Burr's office that day, on February  
18 22nd, 2007, it was only you, Eric, and Jeff Burr. Is that  
19 correct?

20 A I don't recall.

21 Q Lynita was not there, was she?

22 A I don't recall.

23 (Pause in proceedings.)

24 Q Please take exhibit -- a look at Exhibit 149.

1           A     (Witness reviews exhibits.)

2           Q     This is the change of distribution trustee for the

3 Eric L. Nelson Nevada Trust that was signed by you on February

4 22nd, 2007. Is that correct?

5           A     Yes.

6           Q     And then that is the only occasion at which you've

7 ever been at Jeff Burr's office. Isn't that correct?

8           A     No, I -- I was -- I've been there a few times, I

9 just can't recall exactly when.

10          Q     Any time prior to --

11          A     Not prior to.

12          Q     Okay. Not prior to this date.

13          Now, as I mentioned, you went over to the office, or you

14 met your brother Eric at Jeff Burr's office. Is that correct?

15          A     I don't recall. I just remember I was there --

16          Q     Do you recall --

17          A     -- at Jeff's office and signed these papers.

18          Q     Do you recall Eric being present?

19          A     I don't recall.

20          Q     Do you recall Mr. Burr being present?

21          A     Yes, sir.

22          Q     So Mr. Burr was present.

23          A     Yes.

24          Q     But you don't recall Lynita being present, and you

1 don't recall Eric being present. Is that correct?

2 A That's correct.

3 Q Now you signed an almost identical document to this.

4 MR. DICKERSON: What exhibit is that, Counsel?

5 (Participants confer.)

6 BY MR. DICKERSON:

7 Q 72. Exhibit 72. Would you take a look at Exhibit  
8 72, please.

9 A (Witness reviews exhibits.)

10 Q I look at Exhibit 72, and it appears, for all  
11 practical purposes, as I read it, almost identical, if not  
12 identical, to Exhibit 149, with the exception of the trust it  
13 relates to. Is that correct? Is that your understanding?

14 A Correct.

15 Q Is that your understanding?

16 A Correct.

17 Q And again, you signed this document at Jeff Burr's  
18 office on February 22nd, 2007.

19 A What was the date difference?

20 Q No. February 22nd, 2007 was the date, correct?

21 A Yes.

22 Q Now isn't it true, at no time prior to you signing  
23 this document, on February 22nd, 2007, did you ever have a  
24 conversation with Lynita, wherein she requested you to be her

1 distribution trustee? Isn't that true?

2 A Did I have a discussion with Lynita that she asked  
3 me to be on her trust?

4 Q To be her distribution trustee, at any time prior to  
5 February 22nd, 2007.

6 A Yes, I believe we did.

7 Q Tell us, where did that conversation occur with  
8 Lynita?

9 A I believe that happened in her house.

10 Q And do you know what date?

11 A No.

12 Q And who was present?

13 A No, I don't remember.

14 Q You don't recall who was present?

15 A No.

16 Q Can you tell us specifically what she said to you?

17 A Well, we just -- I -- I believe we discussed having  
18 me being on her trust.

19 Q But you don't recall anyone else being present?

20 A No.

21 Q Just the two of you.

22 A I suppose, yeah.

23 Q When did Eric ask you to be his distribution  
24 trustee?

1 A I don't know specifically.

2 Q But he did come to you and asked you to be his  
3 distribution trustee --

4 A Yes.

5 Q -- did he not?

6 A Yes.

7 (Pause in proceedings.)

8 Q Now let's take a -- let's start with the minutes  
9 relating to Lynita. I believe those start at 71.

10 A (Witness reviews exhibits.)

11 Q Actually, I take that back. It looks like Exhibit  
12 70.

13 MR. DICKERSON: Was 70 admitted?

14 THE COURT: Yes.

15 THE CLERK: Yes.

16 (Participants confer.)

17 MR. DICKERSON: I'm looking for the very first one.  
18 That was dated February 22nd of 2007.

19 THE CLERK: 71.

20 (Pause in proceedings.)

21 MR. DICKERSON: Yeah, 71.

22 BY MR. DICKERSON:

23 Q All right. If you'd take a look at Exhibit 71,  
24 please.

1 A Yes.

2 Q Now that is dated the exact same day that you were  
3 at Jeff Burr's office and signed both those documents that  
4 we've just gone over, making you the distribution trustee of  
5 both trusts.

6 A Yes.

7 Q Do you recall? Do you know who drafted this?

8 A No.

9 Q Do you know that it was prepared by Jeff Burr?

10 A I don't.

11 Q Now isn't it true that you did not meet with Lynita  
12 on February 22nd, 2007, at any time, and discuss what is set  
13 out in here?

14 A I believe we did.

15 Q When did you meet with her?

16 A I think we had a discussion at her house.

17 Q At her house. On February 22nd, the day you were at  
18 Jeff Burr's office and signed the documents?

19 A As far as I can recall.

20 Q So you immediately left Jeff Burr's office and then  
21 went and had this annual meeting?

22 A I actually think we talked about it before I went to  
23 Jeff Burr's office.

24 Q Let's take a look at Exhibit 73.

1 A (Witness reviews exhibits.)  
2 Q Now I notice that you didn't sign the minutes --  
3 going back to 71. You didn't sign these, did you?  
4 A No, it doesn't have my signature.  
5 Q And Lynita didn't sign them, did they?  
6 A No.  
7 Q Is that true?  
8 A That's true.  
9 Q And you never gave these to Lynita, did you?  
10 A This document that's not signed?  
11 Q Yes.  
12 A Not that I recall.  
13 Q Now this document that is not signed was produced to  
14 me --  
15 MR. SOLOMON: I think you produced it to us,  
16 Counsel.  
17 MR. DICKERSON: No, I'm on the wrong one. I'm on  
18 the one -- sorry.  
19 (Participants confer.)  
20 BY MR. DICKERSON:  
21 Q So you never -- you never signed that, and you never  
22 had Lynita sign it. Is that correct?  
23 A It's not signed.  
24 Q Now let's take a look at -- I believe it is the only

1 other meeting you had with Lynita then the one that's  
2 evidenced by Exhibit 73?

3 A (Witness reviews exhibit.)

4 We definitely discussed this.

5 Q Well, now this indicates that, on March 22nd of  
6 2007, at 1:15 -- at 2:15, at -- on South Pacos -- now that's  
7 Jeff Burr's office.

8 A Uh-huh.

9 Q Now I believe if we take a look at the other one, I  
10 think it says Jeff Burr's office, but we've already  
11 established that Lynita wasn't there that day.

12 Yeah, if we take a look at 71, it says that you had this  
13 meeting with Lynita on the same day you signed it, but you  
14 have no recollection of Lynita being there.

15 A That's true.

16 Q Now isn't it true, also, with the Exhibit 73, that  
17 you never had this meeting that was represented in this  
18 document that neither you, nor Lynita signed? Isn't it true,  
19 you never had that meeting?

20 A I can't say that.

21 Q And isn't it true that it was Eric that told you  
22 that the deeds are to be drawn up, reflecting a 50/50  
23 ownership in LSN Trust and Eric L. Nelson Trust; isn't that  
24 true?



1 A No.

2 Q Tell me, as the distribution trustee of the LSN  
3 Trust, can you tell me, what compensation did Lynita Nelson  
4 make for conveying a 50 percent interest in that cabin to the  
5 ELN Trust; what compensation did she receive for that, ma'am?

6 A I just -- they just split the -- she -- 50 percent  
7 went in hers, and 50 percent went in his.

8 Q Did she receive one dime from that transaction?

9 A She received 50 percent of the cabin.

10 Q She had a hundred percent before she signed that  
11 deed you reference here, 100 percent. Did she receive  
12 anything when she gave to Eric's trust that 50 percent  
13 interest?

14 A I don't recall.

15 Q Yet again, you didn't have Lynita sign these  
16 minutes, did you?

17 A I know we discussed this, though.

18 Q And you didn't sign it, did you?

19 A I didn't. This particular --

20 Q That was your job, as the distribution trustee, was  
21 it not?

22 MR. SOLOMON: Object. That --

23 BY MR. DICKERSON:

24 Q Was it not your job to --

1 MR. SOLOMON: To sign minutes?

2 Q -- to authorize distributions, and to handle this  
3 type of transaction? Wasn't that your job?

4 MR. SOLOMON: Hold on. It calls for a legal  
5 conclusion, number one. The trust speaks for itself.

6 MR. DICKERSON: You can make it to the Judge, not  
7 me.

8 MR. SOLOMON: I am making the objection to the  
9 Judge, not you. Thank you.

10 THE COURT: What her understanding -- what her --

11 MR. SOLOMON: Calls for a legal conclusion, and it's  
12 --

13 THE COURT: What her understanding of her role was,  
14 she testified what she thought her role was, and you can  
15 follow up with that, as far as what your role on -- you didn't  
16 sign the minutes, though, for this one.

17 THE WITNESS: No, I didn't.

18 THE COURT: All right.

19 BY MR. DICKERSON:

20 Q Now, as the distribution trustee in 2008, you did  
21 not have one meeting with Lynita, did you?

22 A She never called for a meeting.

23 Q But you -- did you ever authorize any distribution  
24 to Lynita in 2008?

1 A Just the things that were actually already set up.

2 Q Did you -- where is the authorization that you  
3 signed for any distribution to Lynita in 2007 or 2008; where  
4 are they?

5 A The office, as far as I know.

6 Q Now if we take a look at exhibit -- I believe  
7 starting with 150.

8 A (Witness reviews exhibits.)

9 Q Now Exhibit 150 purports -- represented that there  
10 was a meeting at Jeff Burr's office on February 23rd, 2007, at  
11 1 p.m., and both you and Eric were there, and you signed this  
12 document. That's totally false, isn't it? You were not at  
13 Jeff Burr's office on February 23rd, 2007, and had this  
14 discussion, did you?

15 A Well, why do you say that?

16 Q Can you confirm, ma'am, were you there on that date?

17 A Do you have evidence I wasn't?

18 Q Ma'am, I'm -- ma'am, I ask the questions.

19 THE COURT: He's just asking you questions. Just  
20 answer the question.

21 Q Were you there on that day?

22 A It just sounds like he's being -- as far as I know,  
23 yes, I was.

24 Q Now how many times were you at Jeff Burr's office?

1 I think I --

2 A I told you, I -- I believed I was there several  
3 times.

4 Q All right. Well, isn't it true, ma'am, that this  
5 document was handed to you by Eric in some location other than  
6 Jeff Burr's office --

7 A No, I don't believe so.

8 Q -- and he simply asked you to sign it?

9 A No, I don't believe so.

10 Q Okay. Take a look at Exhibit 51.

11 MR. SOLOMON: Five one?

12 MR. DICKERSON: Yeah -- or one five one. Thank you.

13 BY MR. DICKERSON:

14 Q This, again, reflects that you were at Jeff Burr's  
15 office on March 21st, 2007, and purportedly had a transaction  
16 there; yet, you chose not to sign this one. Is that correct?

17 A It's not signed.

18 Q You were not at Jeff Burr's office on February 21st  
19 -- or March 21st of 2007, and had any discussion that is  
20 reflected in there, did you?

21 A I don't recall.

22 Q Take a look at 153, ma'am. Excuse me. 152.

23 A (Witness reviews exhibits.)

24 Q Now this one indicates that you had a meeting with

1 Eric --

2 MR. SOLOMON: What number are you on?

3 MR. DICKERSON: I'm on 152.

4 BY MR. DICKERSON:

5 Q 152 reflects that you had a meeting with Eric on

6 January 3rd, 2008, at 3611 South Lindell Road, Suite 201.

7 That's Eric's office, is it not?

8 A Yes.

9 Q Now can you tell me, why is the date -- there's  
10 something that is whited out there, and that the -- that date  
11 is written in?

12 A It was probably a standard form, and I corrected it.

13 Q Is that your handwriting?

14 A Yes, it is.

15 Q When did you sign this, ma'am?

16 A January 3rd, 2008.

17 Q And you're certain of that.

18 A As far as I can recall.

19 Q And you were at Eric's office?

20 A Yes, I was.

21 Q And you had the discussion that's set forth here. Is  
22 that right?

23 A Yes.

24 Q And it's my understanding, ma'am, that, for the year

1 2008, you did not authorize any distributions to Eric in  
2 excess of \$480,000. Isn't that true?

3 A That's true.

4 (Pause in proceedings.)

5 Q Now if you'd take a look at Exhibit 158. And  
6 correct me if I'm wrong, but Exhibit 158 appears to be  
7 identical to Exhibit 152, with the exception of the white-out  
8 of the date and a new date put in there. Is that correct?

9 A Well, it was kind of a form letter, and I would  
10 correct it, when it needed to be.

11 Q So it was just customary that you were going to make  
12 sure that your brother got the 480,000 that he requested each  
13 year. Is that right?

14 A It was -- it was I -- that I would do the meeting --  
15 meetings, as according to the trust.

16 Q And did you -- now is there a -- are there minutes,  
17 ma'am, for -- there are. So we'll take a look at Exhibit 155.  
18 That is the one for 2009, which just happens to be on January  
19 6th, also. Is that right?

20 A That's what it says.

21 Q Now, in each of those years that we're looking at  
22 then, 2008 -- you became the distribution trustee in 2008?

23 A '7.

24 Q 2007. But the first meeting -- okay. I'm sorry.

1 You're right. 2007.

2 And each of those years, 2007, 2008, 2009, and 2010, the  
3 only distributions that you authorized to be made from the ELN  
4 Trust to your brother Eric was \$480,000 a year. Is that  
5 correct?

6 A Was --

7 Q Isn't that true, ma'am?

8 A It's what I recall.

9 Q Okay.

10 (Participants confer.)

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

12 REDIRECT EXAMINATION

13 BY MR. SOLOMON:

14 Q Let's go to that last question. Is your answer that  
15 you only recall the four eighty based upon having seen these  
16 documents?

17 A Yes.

18 Q Each specific distribution, say for payment of  
19 taxes, if brought --

20 A Oh.

21 Q -- to your attention, would that refresh your  
22 recollection?

23 A Yes, absolutely. Sorry about that.

24 Q And I don't know that there are any more, but if --

1           A     I would discerned them as being taxes are to be paid  
2 within the trust, correct? Things that have to do within the  
3 trust.

4           Q     So you considered distributions to pay personal  
5 expenses like taxes to be distributions of the trust?

6           A     Well, no. You were saying if they were the things  
7 that were moved -- I am not sure of the question. Sorry.

8           Q     Okay. Let me rephrase it.

9           When you answered Mr. Dickerson's questions that you had  
10 not authorized expenses -- or distributions in excess of  
11 \$480,000, that was based upon what?

12          A     That would have been disbursed to Eric. I wouldn't  
13 have considered that the same thing as taxes, disbursing money  
14 for taxes as a disbursement to Eric.

15          Q     As you're sitting here today, you don't recall, one  
16 way or the other, if there were additional distributions,  
17 beyond what was written. Is that true?

18          A     I don't recall.

19               MR. DICKERSON: Nothing, Your Honor.

20               THE COURT: Thank you, Ms. Harber. I know it's an  
21 uncomfortable situation, you probably feel you were treated  
22 harsh on the stand. Family court gets ugly. Family steps in  
23 to try to help out, and no good deed goes unpunished. I mean,  
24 it's a shame when the family goes on that way, but it gets



1 ugly and causes hard feelings for many, many years.  
2 Unfortunately you were put there, but it is what it is, so I  
3 do apologize you had to be put through that, but that's the  
4 nature of litigation. Thank you, Ms. Nola [sic].

5 (Witness excused.)

6 THE COURT: It's about a quarter to 5. Is it a good  
7 time to break? I don't know how long you're going to take  
8 with the cross-exam.

9 MR. SOLOMON: I was actually, I think, done --

10 THE COURT: Yeah, with Lana.

11 MR. SOLOMON: -- and he wants to do his cross of --

12 THE COURT: It's up to you.

13 MR. DICKERSON: Do you mind if we start tomorrow  
14 morning?

15 THE COURT: I'm fine. I got -- I'm fine tomorrow  
16 morning, if you want to do that. I don't have a life, anyway,  
17 so I'm okay either way, sooner, later, earlier, it doesn't  
18 matter.

19 (Participants confer.)

20 THE COURT: And we can leave everything where it's  
21 at, and we'll lock the door, so you can bring anything or make  
22 sure no one disturbs anything, so I'll leave it up to you.  
23 But you can leave everything, we'll lock all the doors up.

24 MR. SOLOMON: And we'll start at what time tomorrow?

1 THE COURT: 9:30, because sometimes I might have a  
2 PC to cover, which I start right at 9:30 and go through and  
3 ...

4 (Proceedings adjourned to 7/17/12 at 9:30 a.m.)

5 (Concluded at 4:41 p.m.)

6 \* \* \* \* \*

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

10

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12

/s/ Coleen Rand  
Coleen Rand

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1 TRANS

FILED

JUL 23 2014

*Anna D. Sullivan*  
CLERK OF COURT

2 **COPY**

3  
4 EIGHTH JUDICIAL DISTRICT COURT

5 FAMILY DIVISION

6 CLARK COUNTY, NEVADA

7 ERIC L. NELSON,

8 Plaintiff,

9 vs.

10 LYNITA NELSON,

11 Defendant.

)  
)  
)  
) CASE NO. D-09-411537-D

)  
) DEPT. L

)  
) (SEALED)

12  
13 BEFORE THE HONORABLE FRANK P. SULLIVAN  
14 DISTRICT COURT JUDGE

15 TRANSCRIPT RE: NON-JURY TRIAL

16 TUESDAY, JULY 17, 2012  
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APPEARANCES:

THE PLAINTIFF:  
FOR THE PLAINTIFF:

ERIC L. NELSON  
RHONDA K. FORSBERG, ESQ.  
64 North Pecos Road  
Suite 800  
Henderson, Nevada 89074  
(702) 990-6468

THE DEFENDANT:  
FOR THE DEFENDANT:

LYNITA NELSON  
ROBERT P. DICKERSON, ESQ.  
KATHERINE L. PROVOST, ESQ.  
JOSEF M. KARACSONYI, ESQ.  
1745 Village Center  
Las Vegas, Nevada 89134  
(702) 388-8600

THE INTERVENOR:  
FOR THE INTERVENORS:

LANA MARTIN  
MARK A. SOLOMON, ESQ.  
JEFFREY P. LUSZECK, ESQ.  
9060 West Cheyenne Avenue  
Las Vegas, Nevada 89129  
(702) 853-5483

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I N D E X

W I T N E S S E S

	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
<u>FOR THE INTERVENORS:</u>				
Lana Martin	--	6,88,143	169,191	183
Shelley Newell	105	126	--	--
Lynita Nelson	193,217	--	--	--

E X H I B I T S

<u>FOR THE DEFENDANT:</u>	<u>ADMITTED</u>
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1 LAS VEGAS, NEVADA

TUESDAY, JULY 17, 2012

2 P R O C E E D I N G S

3 (THE PROCEEDINGS BEGAN AT 09:44:49)

4  
5 THE COURT: This is the time set in the matter of  
6 Eric Nelson and Lynita Nelson, case number D-411537.

7 Can we have everybody's appearances for the record.  
8 Let's start with Mr. Solomon.

9 MR. SOLOMON: Yes, Mark Solomon, bar number 418, on  
10 behalf of Lana Martin, distribution trustee.

11 THE COURT: Thank you.

12 MR. LUSZECK: Jeff Luszeck, bar number 9619, on  
13 behalf of Lana Martin, distribution trustee.

14 MS. FORSBERG: Good morning, Your Honor.

15 Rhonda Forsberg, 9577, on behalf of Eric Nelson, who  
16 is present to my right.

17 THE COURT: It's good to see you, Mr. Eric and  
18 Ms. Lana, it's good to see you as well.

19 Mr. Dickerson?

20 MR. DICKERSON: Bob Dickerson, bar number 0845,  
21 along with Katherine Provost, bar number

22 MS. PROVOST: 8414.

23 MR. DICKERSON: -- and Joseph Karacsonyi.

24 MR. KARACSONYI: 10634.

1 MR. DICKERSON: And we're present with Mrs. Nelson.

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

3 We left off I think -- did you want to pick up at  
4 the cross examination of Ms. Lana? Is that where we're at, I  
5 think.

6 MR. DICKERSON: Yes. Is the

7 Are you through your direct examination of  
8 Ms. Martin?

9 MR. SOLOMON: Yes, Your Honor. Please.

10 THE COURT: Ms. Lana, we'll have you come on up.  
11 We'll swear you in again even though you were sworn in  
12 yesterday.

13 THE CLERK: You do solemnly swear the testimony  
14 you're about to give in this action to be the truth, the whole  
15 truth, and nothing but the truth, so help you God?

16 THE WITNESS: Yes.

17 THE COURT: Mike, can we get a bottle of water up  
18 there? There's one -- thanks.

19 Okay. Mr. Dickerson, did you want to start?

20 MR. DICKERSON: Thank you.

21 THE COURT: And Ms. Forsberg, I don't know if you  
22 had questions or not, but --

23 MS. FORSBERG: No, I'll do them in my case in chief,  
24 Your Honor.

1 THE COURT: Okay. Mr. Dickerson?

2 LANA MARTIN,

3 called as a witness on behalf of the Plaintiff, testified as  
4 follows on:

5 CROSS EXAMINATION

6 BY MR. DICKERSON:

7 Q Good morning, Ms. Martin. How are you?

8 A Good morning, fine, thank you.

9 Q Ms. Martin, you and your husband have been close  
10 friends with Eric Nelson for a number of years; is that  
11 correct?

12 A Yes.

13 Q When did -- did the friendship start -- were you  
14 married to your husband at the time -- did he have a  
15 relationship with Eric before you got married to your husband?

16 A Yes.

17 Q So Eric Nelson and your husband were close friends  
18 even before you got married?

19 A Uh huh.

20 Q Is that a yes?

21 A Yes, since high school believe.

22 Q Pardon me?

23 A Since high school, I believe.

24 Q Oh, they go back to high school.



1 Now your husband is Bob Martin; is that correct?

2 A That's correct.

3 Q And he is an executive with Mellon Bank?

4 A Yes.

5 Q What is his position there?

6 A I don't know if he's the regional president of the  
7 bank here in Las Vegas.

8 Q So he's the regional president and he's been until  
9 the banking business for years?

10 A Yes.

11 Q And what other banks has he been in before this?

12 A Valley Bank of Nevada, Bank of America, Wells Fargo,  
13 FIB.

14 Q Now, how did you first meet Eric Nelson?

15 A It had to have been through my husband. I don't  
16 know specifically how.

17 Q So when you first met Eric Nelson, you were not  
18 employed by Eric, correct?

19 A Correct.

20 Q When did you become employed by Eric?

21 A I don't know the exact date, but I want to say it  
22 was November of 2000. It may have been earlier.

23 Q In what capacity, what was your job?

24 A I started as doing marketing for one of the card

1 rooms Washington state.

2 Q A card room, what card room is that?

3 A The Wild Goose.

4 Q Explain to the Court -- The Wild Goose is no longer  
5 in existence, is it?

6 A No.

7 Q So what is The Wild Goose?

8 A It was a card room in Ellensburg, Washington.

9 Q Now, you did not move up to Washington to work  
10 there?

11 A No, it was -- everything was handled in Las Vegas.

12 Q Now, what did you do, were you an employee of The  
13 Wild Goose?

14 A I believe so, yeah.

15 Q So you were paid by the

16 A I believe it didn't open yet, so I'm not sure where  
17 I was being paid from at the time, but when it opened I was  
18 probably being paid from there, if that matters.

19 Q Where was your office?

20 A On Lindell.

21 Q So you worked out of the same office space that Eric  
22 Nelson works; is that correct?

23 A Uh huh.

24 Q Is that a yes?

1           Now, what is that interest, is that monthly? Is  
2 that yearly? Is that lifetime?

3           A     That's a good question. I don't know.

4           Q     And what mortgage are we talking about?

5           A     It looks like the -- I don't know. I don't recall  
6 at that time what was going on with ownership and how it was  
7 structured.

8           Q     Did Lynita's Trust lend any money to Granada -- or  
9 Grotta Financial Partnership?

10          A     Grotta? I don't know that either.

11          Q     Take a look, then, at Exhibit 53. Fifty three  
12 purports to be minutes in which neither you nor Lynita have  
13 signed --

14          A     Uh huh.

15          Q     -- is that true?

16          A     It looks like it, yes.

17          Q     And in fact the reason that this was not signed by  
18 you or Lynita is because Lynita and you did not have a meeting  
19 at Eric's office on November 20th, 2004; isn't that correct?

20          A     Probably not.

21          Q     You've never had any discussion with Lynita about  
22 the purchase of snowmobiles for the Utah cabin, have you?

23          A     I can't say I haven't, no.

24          Q     You can't say you -- can you say --

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

MATT KLABACKA, Distribution Trustee  
of the Eric L. Nelson Nevada Trust dated  
May30, 2001,

Appellant/Cross Respondent.

vs.

LYNITA SUE NELSON, Individually and in  
her capacity as Investment Trustee of the  
LSN NEVADA TRUST dated May 30,  
2001; and ERIC L. NELSON, Individually  
and in his capacity as Investment Trustee of  
the ELN NEVADA TRUST dated May 30,  
2001;

Respondents/Cross-Appellants.

MATT KLABACKA, as Distribution  
Trustee of the Eric L. Nelson Nevada Trust  
dated May30, 2001,

Appellants,

vs.

ERIC L. NELSON; LYNITA SUE  
NELSON, INDIVIDUALLY; AND LSN  
NEVADA TRUST DATED MAY 30, 2001,

Respondents.

**Supreme Court Case No. 66772**

**District Court Case No. D-09-**

**411537**

Electronically Filed  
Dec 01 2015 10:33 a.m.  
Tracie K. Lindeman  
Clerk of Supreme Court

**Consolidated With:**

**Supreme Court Case No. 68292**

**RECORD ON APPEAL  
VOLUME 13**

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

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19, 20	08/31/2012	Notice of Entry of Order from February 23, 2012 Hearing Partially Granting ELN Trust's Motion to Dismiss Third-Party Complaint Without Prejudice.	4540 – 4550
23	09/22/2014	Notice of Entry of Order from July 22, 2013 Hearing on Lynita Nelson's Motion to Amend or Alter Judgment for Declaration and Related Relief	5562 – 5575
21, 22	09/30/2013	Notice of Entry of Order from September 4, 2013 Hearing Regarding Payment of Lindell Professional Plaza Income	5247 – 5254
19	08/29/2012	Notice of Entry Of Order Granting Motion for Relief from Automatic Stay and Denying Motion to Dismiss Without Prejudice	4521 – 4527
12	06/05/2011	Notice of Entry of Order regarding Findings of Fact and Order dated June 5, 2012	2771 – 2782
7	08/09/2011	Notice of Entry of Stipulation and Order	1742 - 1746
8	09/14/2011	Notice of Filing a Summary Appraisal Report of a Two- Story Office Building (3611 Lindell Road, Las Vegas, NV )	1789 - 1801
10	02/27/2012	Notice of Filing Amendment to Source and Application of Duns for Lynita Nelson	2249 – 2460
10	01/27/2012	Notice of Filing Amendment to Source and Application of Funds for Emerald Bay Mississippi, LLC Filed December 8, 2011	2257 – 2263
10	02/27/2012	Notice of Filing Amendment to Source and Application of Funds for Eric L. Nelson Nevada Trust	2425 – 2248
7	07/05/2011	Notice of Filing Asset Schedule and Notes to Asset Schedule	1662 - 1683
9	12/23/2011	Notice of Filing Corrected Asset Schedule by Ownership	2186 - 2189
7	07/15/2011	Notice of Filing Income and Expense Reports for Banone-AZ LLC	1713 -1724

8	08/15/2011	Notice of Filing Income and Expense Reports for Emerald Bay Resorts, LLC	1762 – 1769
7	07/19/2011	Notice of Filing Income and Expense Reports for Eric L. Nelson Nevada Trust	1725 - 1741
7, 8	08/15/2011	Notice of Filing Income and Expense Reports for Eric Nelson Auctioneering	1747 - 1761
9, 10	01/26/2012	Notice of Filing Income and Expense Reports for Eric Nelson Auctioneering	2225 -2256
8	09/28/2011	Notice of Filing Income and Expense Reports for Lynita Nelson	1806 - 1817
7	07/11/2011	Notice of Filing Income and Expense Reports for: (1) Banone, LLC and (2) Dynasty Development Group	1684 - 1712
10	02/16/2012	Notice of Filing Source and Application of Funds for Banone-AZ, LLC	2362 – 2389
11	04/11/2012	Notice of Filing Source and Application of Funds for Dynasty Development Group, LLC	2645 – 2677
9	12/08/2011	Notice of Filing Source and Application of Funds for Eric L. Nelson Nevada Trust	2060 - 2095
11	04/23/2012	Notice of Filing Source and Application of Funds Pursuant to April 10, 2012 Hearing	2678 – 2709
8	10/03/2011	Notice of Filing Summary Appraisal Report of +202.50 Acres of Agricultural/Residential Land (Uinta County, Wyoming)	1854 - 1859
8	10/06/2011	Notice of Submission of First Billing for Fees and Expenses of Forensic Accountants	1860 -1884
11	04/09/2012	Opposition to Countermotion for Receiver, Additional Injunction and Fees and Costs	2630 – 2642
21	08/23/2013	Opposition to Imposition of Charging Order and Appointment of Receiver	5043 – 5066
10, 11	03/26/2012	Opposition to Motion for Payment of Attorneys' Fees and Costs, and Countermotion for Receiver, Additional Injunction, and Fees and Costs	2495 – 2594
20	06/18/2013	Opposition to Motion for Payment of Funds Belonging to Defendant Pursuant to Court's Decree to Ensure Receipt of the Same, and for Immediate Payment of Court Appointed Expert; and Countermotion to Stay Payments and Transfer Property Pending Appeal and/or Resolution to the Nevada Supreme Court for an Extraordinary Writ	4799 – 4812
16	07/20/2012	Opposition to Motion in Limine to Exclude to Exclude from Trial the Testimony and Report of Daniel T. Gerety, CPA, Layne T. Rushforth, Esq. and Any Purported Experts Testimony Regarding the Interpretation of Law, and Application of Facts to Law; to Strike the Eric L. Nelson Nevada Trusts' Pre-Trial Memorandum; and Counter-Motion to Continue Trial and for Attorneys' Fees and Costs	3803 – 3838

8, 9	12/01/2011	Opposition to Motion to Dismiss and Countermotion for an Award of Attorneys' Fees and Costs	2000 - 2040
9	12/07/2011	Opposition to Motion to Dissolve Injunction and Countermotion for an Aware of Attorneys' Fees and Costs	2041 - 2059
30	07/11/2012	Order entered in Case D-09-411537-D	7471 - 7479
20	06/19/2013	Order for Payment of Funds Pursuant to June 3, 2013 Decree of Divorce	4847 - 4850
30	08/09/2011	Order in Case No. D-09-411537-D	7400 - 7402
6	11/17/2010	Partial Transcript, Non-Jury Trial, November 17, 2010	1256 - 1435
6	11/22/2010	Partial Transcript, Non-Jury Trial, November 22, 2010	1436 - 1499
6, 7	11/22/2010	Partial Transcript, Non-Jury Trial, November 22, 2010	1500 - 1605
21	09/27/2013	Plaintiff Eric Nelson's Response to Lynita's Response to Court Ordered Accountings Provided by Eric Nelson	5242 - 5246
19	08/31/2012	Post-Trial Brief of Eric L. Nelson Nevada Trust Dated May 30, 2001	4551 - 4610
30	01/28/2005	Promissory Note in favor of Lana Martin	7488
30	01/28/2005	Promissory Note in favor of Robert A. Martin	7489
29	09/25/1999	Real Estate Records for 5220 E. Russell Road, Las Vegas, Nevada (UUUU)	7017 - 7049
	06/06/2013	Receipt of Copy regarding Motion for Payment of Funds Belonging to Defendant Pursuant to Court's Decree to Ensure Receipt of the Same, and for Immediate Payment of Court Appointed Expert	4753 - 4754
8	09/19/2011	Reply to Counterclaim and Answer to Cross - Claim	1802 - 1805
24, 25	01/14/2015	Reply to ELN Trust's Opposition to Defendant's Motion to Enforce the June 3, 2013 Decree of Divorce, Address Issues Relating to Property Awarded to Defendant in the Divorce, and for Related Relief and Eric Nelson's Opposition to Defendants Motion to Enforce June 3, 2013 Decree of Divorce, Address Issues Relating to Property Awarded to Defendant in the Divorce, and for Related Relief and Opposition to Eric Nelson's Countermotion	5941 - 6076
11	05/22/2012	Reply to Limited Objection to Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses for the period from April 4, 2011 through March 31, 2012 filed by the Eric L. Nelson Nevada Trust and Reply to Limited Objection to Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses for the period from April 4, 2011 through March 31, 2012 filed by Eric Nelson	2713 - 2738
22	10/14/2013	Reply to Opposition to Countermotion/Petition for Appointment of Authorized Trustee and for Fees and Costs	5255 - 5265

20	07/11/2013	Reply to Opposition to Defendant's Motion to Amend or Alter Judgement, for Declaratory and Related Relief and Joinder to Opposition	4851 – 4869
21	08/30/2013	Reply to Opposition to Imposition of Charging Order and Appointment of Receiver and Requests for Injunction and Fees and Costs	5067 – 5087
11	04/04/2012	Reply to Opposition to Motion for Payment of Attorneys' Fees and Costs	2595 – 2623
9	12/09/2011	Reply to Opposition to Motion to Dismiss and Countermotion for An Aware of Attorneys' Fees and Costs	2096 - 2123
9	12/09/2011	Reply to Opposition to Motion to Dissolve Injunction and Opposition to Countermotion for an Aware of Attorneys Fees and Costs	2124 -2139
22	10/15/2013	Reply to Plaintiff Eric Nelson's Response to Court Order Accountings	5266 - 5287
27, 28, 29	07/05/2012	Report of Gerety & Associates (Admitted as Intervenor Trial Exhibit 168)	6550 – 7014
21	08/30/2013	Response to Court Order Accountings Provided by Eric Nelson	5088 – 5147
19	09/28/2012	Response to Defendant Lynita S. Nelson's Post-Trial Memorandum on Trust Issues	4628 – 4657
29	01/21/2002	Soris Original Mortgage – (Wyoming Property) – (Admitted as Nelson Exhibit 41C)	7050 – 7068
8	08/24/2011	Summons directed to Eric Nelson	1779 -1782
8	08/24/2011	Summons directed to Lynita Sue Nelson	1783 -1786
11	04/05/2012	Supplement to Opposition to Motion for Payment of Attorneys' Fees and Costs, and Countermotion for Receiver, Additional Injunction, and Fees and Costs	2624 – 2629
	10/08/2012	Supplement to Verified Memorandum of Attorneys' Fees and Costs	4658 – 4682
26, 27	05/30/2001	The Eric L. Nelson Nevada Trust (Admitted as Intervenor Trial Exhibit 86)	6475 – 6508
12	07/06/2012	The Eric L. Nelson Nevada Trust's Pretrial Memorandum	2783 – 2849
26	07/13/1993	The Eric L. Nelson Separate Property Trust (Admitted as Intervenor Trial Exhibit 7)	6313 – 6341
26	05/30/2001	The LSN Nevada Trust (Admitted as Intervenor Trial Exhibit 25)	6395 - 6433
26	07/13/1993	The Nelson Trust (Admitted as Intervenor Trial Exhibit 5)	6283 - 6311
20, 21	08/01/2013	Transcript Re: All Pending Motions	4991 – 5039
21	09/05/2013	Transcript Re: All Pending Motions	5154 – 5229
22	10/21/2013	Transcript Re: All Pending Motions	5288 – 5347
25	01/26/2015	Transcript RE: All Pending Motions	6077 – 6225
22, 23	06/04/2014	Transcript RE: Decisions	5495 – 5552

20	06/19/2013	Transcript Re: Motion	4813 – 4846
20	07/22/2013	Transcript Re: Motion	4876 – 4990
10	02/23/2012	Transcript regarding Decision	2390 – 2424
10	01/31/2012	Transcript relating to Motion	2273 – 2361
4	10/19/2010	Transcript, Non-Jury Trial, October 19, 2010	849 – 990
4, 5, 6	10/20/2010	Transcript, Non-Jury Trial, October 20, 2010	991 – 1255
1, 2	08/30/2010	Transcript, Non-Jury Trial, Volume 1 from August 30, 2010	40 – 258
2	08/31/2010	Transcript, Non-Jury Trial, Volume 2 from August 31, 2010	259 - 441
2, 3	08/31/2010	Transcript, Non-Jury Trial, Volume 3 from August 31, 2010	442 – 659
3,4	09/01/2010	Transcript, Non-Jury Trial, Volume 4 from September 1, 2010	660 –848
13, 14	07/17/2012	Trial Transcript Re: Non-Jury Trial	3181 – 3406
14, 15	07/18/2012	Trial Transcript Re: Non-Jury Trial	3407 – 3584
22	05/30/2014	Trial Transcript RE: Non-Jury Trial	5348 – 5494
15	07/19/2012	Trial Transcript Re: Non-Jury Trial – Vol. I	3585 – 3714
16	07/23/2012	Trial Transcript Re: Non-Jury Trial – Vol. I	3839 – 3943
17	07/24/2012	Trial Transcript Re: Non-Jury Trial – Vol. I	4050 – 4187
18	07/25/2012	Trial Transcript Re: Non-Jury Trial – Vol. I	4279 – 4447
15, 16	07/19/2012	Trial Transcript Re: Non-Jury Trial – Vol. II	3715 – 3802
16, 17	07/23/2012	Trial Transcript Re: Non-Jury Trial – Vol. II	3494 -4049
17, 18	07/24/2013	Trial Transcript Re: Non-Jury Trial – Vol. II	4188 – 4278
18, 19	07/25/2012	Trial Transcript Re: Non-Jury Trial – Vol. II	4448 -4514
12, 13	07/16/2012	Trial Transcript Volume I	2930 – 3120
13	07/16/2012	Trial Transcript Volume II	3121 – 3180
26	02/17/2009	Trust Agreement of the Total Amendment and Restatement of the Nelson Trust (Admitted as Intervenor Trial Exhibit 14)	6351 – 6381
30	03/31/2011	Trust Ownership-Distribution Report of Larry Bertsch (Admitted as Exhibit GGGGG at Tab 9)	7397 – 7399
19	09/28/2012	Verified Memorandum of Attorneys' Fees and Costs	4611 – 4627

1 my goal for the first six days. It didn't work out. I  
2 thought, by doing that, doing some additional preliminaries,  
3 we'd get it settled, and six days went down the drain after  
4 that; six days down the drain, we just didn't get it resolved.  
5 But that was my purpose on that. So I have a doubt if that's  
6 going to happen at the close. So I'll probably have to give  
7 you more time to put on your case-in-chief. But let's see  
8 what happens at the end of --

9 MS. FORSBERG: Okay. So we're --

10 THE COURT: -- close, but I'm --

11 MS. FORSBERG: -- just going to separate into two  
12 parts. It will be that, and you'll try to rule if you  
13 can, and then we'll move forward.

14 THE COURT: My gut feeling is we're probably going  
15 to not be able to get a ruling on the trust because I think  
16 that's so commingled with the other issues on that, I just  
17 don't know if we're going to be able to get that clean. I'd  
18 like to get the whole record and everything together. So  
19 that's probably not going to happen. I'd like it, for that to  
20 happen, but --

21 MS. FORSBERG: Yeah.

22 THE COURT: -- with the history of this case,  
23 probably not. But we'll rule on it as soon as they're done,  
24 and let you know for sure, but -- and how many -- how much



1 days do you think you'll need, Mr. Solomon, for your  
2 witnesses? I'm just -- and then I'll --

3 MR. SOLOMON: We'll probably be able to do it  
4 Monday, Tuesday, and Wednesday.

5 THE COURT: So maybe through Thursday? Do you think  
6 it might be by the close of Thursday, if Mr. Garrity is  
7 available.

8 MR. SOLOMON: Yeah, we'd need Thursday now.

9 THE COURT: Okay.

10 MR. SOLOMON: And I believe -- I think Dan is going  
11 to be a very long witness.

12 MR. DICKERSON: I believe he is, too.

13 MR. SOLOMON: But I think the others --

14 MR. DICKERSON: And I believe he goes two days.

15 MR. SOLOMON: -- will be very short.

16 MR. DICKERSON: Two days last week.

17 THE COURT: And I got more days next wee, if I have  
18 to, because Ms. Forsberg is going to need time, depending on  
19 what happens, and her case my grow dramatically, as well,  
20 depending what happens at the close then. How --

21 MR. SOLOMON: Frankly, it may be a little -- we may  
22 have to split time because I may be out of witnesses  
23 Wednesday, so with her here, and then put on Garrity, so I  
24 would have no objections if we just fill up times with each

1 other's witnesses.

2 THE COURT: I would say, I'll let you guys work that  
3 out, but every time I do that, I end up regretting that.

4 MR. SOLOMON: Yeah.

5 MS. FORSBERG: Yeah.

6 MR. DICKERSON: Well, I don't know whether the  
7 plaintiff has completed the case, what the plaintiff wants to  
8 do.

9 MS. FORSBERG: No.

10 THE COURT: I think they're going to probably have  
11 to pick up where they left off, as far as we kind of limited  
12 that because we were hoping to try to just resolve an issue to  
13 get settlement, so we kind of --

14 MS. FORSBERG: We did, for settlement, and it didn't  
15 work.

16 MR. DICKERSON: Oh, yeah, that's --

17 MS. FORSBERG: And we're back to basically square  
18 one --

19 MR. DICKERSON: Correct.

20 MS. FORSBERG: -- on a lot of that.

21 MR. DICKERSON: We do have this issue with Mr.  
22 Birch. I believe -- and Mr. Birch can represent for himself.  
23 I believe we would like to -- you appointed both Mr. Birch and  
24 Nick Miller.

1 THE COURT: His associate, yeah.

2 MR. DICKERSON: And so I -- Mr. Miller, I believe,  
3 is leaving town Friday.

4 (Participants confer.)

5 MR. DICKERSON: So if we can get him in this week.  
6 And then Mr. Birch, I believe, is leaving town next week.

7 (Participants confer.)

8 MR. DICKERSON: Okay. So we can get him next week.

9 THE COURT: Can we get Mr. Miller in by --

10 MR. DICKERSON: He's leaving on Friday, correct? If  
11 we can get him in on Thursday, it would great.

12 THE COURT: If that's -- if Mr. Solomon finishes his  
13 case by Wednesday or --

14 MR. SOLOMON: No, it's the Garrity issue. If he's  
15 starting on Thursday, again, you know, he'll take up --

16 THE COURT: He's going to take all day, I imagine.

17 MR. DICKERSON: Well, let's you and I talk. Maybe I  
18 can -- I'll work and be ready by Wednesday for Garrity. Okay?

19 THE COURT: All right. All right. At this time,  
20 did you want opening statements, before we break for lunch or  
21 -- since it's about ten of 11? Do you want opening  
22 statements, are you going to waive opening statements?

23 MR. DICKERSON: Could I take a short break and use  
24 the rest room --

1 THE COURT: Sure, we can take a break.

2 MR. DICKERSON: -- and then -- and we can do an  
3 opening.

4 THE COURT: Then there will be opening before we get  
5 them -- I want to take a ten-minute break, come back at 11:15,  
6 and at least try and get opening. Then we'll take a lunch  
7 break, come back at 1:30, because I have a meeting. That  
8 would be 1:30 sharp. We'll be in recess for 10 minutes.  
9 Thanks.

10 (Recess taken at 11:03 a.m.)

11 (Proceedings resume at 11:21 a.m.)

12 THE COURT: This is going back on the record, the  
13 matter of Eric Nelson and Lynita Nelson, Case Number D -- what  
14 is our case number?

15 (Participants confer.)

16 THE COURT: D-411537. We took a brief recess. The  
17 Court will now entertain opening statements. Do you prefer  
18 which order we're to go in, or as I said, what we can is --

19 MR. DICKERSON: Mr. Solomon.

20 THE COURT: Okay.

21 MR. DICKERSON: You're first, Mr. Solomon.

22 MR. SOLOMON: We're going to be arguing a lot about  
23 who has the burden of proof about what issue, so ...

24 THE COURT: Is it -- is there --

1 MR. SOLOMON: Mr. Dickerson is trying to say I get  
2 to go first, and I have the burden, but that's okay. I'll  
3 take the burden to some degree.

4 Your Honor, I never had the pleasure of trying a  
5 case in front of you before, but --

6 THE COURT: Afterwards --

7 MR. SOLOMON: -- my file --

8 THE COURT: Afterwards, we can see if it's a  
9 pleasure or not.

10 MR. SOLOMON: It will be a pleasure no matter how  
11 the Court rules, I assure you. You've been a gentlemen in  
12 everything.

13 What I usually do in opening argument is sort of  
14 give you a preview of what I'm going to call, and why I'm  
15 calling it, and how it fits into our case. And I think that  
16 may be particularly appropriate in this case because of what  
17 just happened. And I'm going to have to start changing some  
18 order of witnesses.

19 If I had control over all these witnesses I want to  
20 call, and could put them in order, then I would have done it  
21 differently than I'm going to have to do it because of their  
22 vacation schedules, et cetera, and that's quite common, as we  
23 all know. But let me start the argument as if I were calling  
24 them in order, because I think it helps to understand this

1 case chronologically. And I think it's always easier a case -  
2 - to follow a case chronologically.

3 And this case starts with the fact that, I don't  
4 think there's any argument that it's a long marriage; and  
5 that, prior to 1993, the parties had community property. They  
6 did -- the evidence will show from Mr. Burr, when we get him  
7 here again, that they started their estate planning, I  
8 believe, in 1991, with a family trust, which did nothing to  
9 deal with the character of that property. And presumptively,  
10 I think it was community because I think it was acquired  
11 during their marriage.

12 But all of that changed, and there's two witnesses  
13 on that -- well, there's going to be more than two witnesses.  
14 There will be Mr. Burr, who you already know, and another  
15 lawyer by the name of Mr. Coch, C-o-c-k -- C-o-c-h, I'm sorry.

16 (Participants confer.)

17 THE COURT: K-o-c-h, I think it is.

18 MR. SOLOMON: Oh, K-o-c-h. Thank you. Did I  
19 misspell -- thank you.

20 Who will testify along with the parties that there  
21 was a desire in 1993 to branch out into some business areas  
22 involving gaming and liquor. Although there will be some  
23 dispute in the testimony, I believe, as to what aversions  
24 Lynita had with respect to which of those, I think it's going

1 to be uncontroverted that, because she at least had an  
2 aversion to being involved in liquor businesses, and had a  
3 risk aversion, and the ventures that were going to be entered  
4 into were of a risky nature, they went to consult Jeff Burr  
5 about how to deal with this. And Jeff Burr came up with an  
6 estate plan, asset protection plan, that was in vogue at that  
7 time period, in 1993.

8           There weren't many tools in Nevada's arsenal at that  
9 time for asset protection planning, but one of them was the  
10 use of a separate property agreement. And Your Honor  
11 understands that, I know. Under Nevada law, of course, the  
12 separate property of Lynita would not be liable for the  
13 separate debts of Eric. So we're going to create separate  
14 property, and we're going to let Eric have the separate  
15 property that Lynita has aversion to and which is risky, and  
16 we're going to let Lynita have an equal value of property in  
17 less risky assets. And that's what Burr explained to them,  
18 that's a -- this is one way of tackling this, but there's  
19 risks and there's benefits in doing this, and I can't  
20 represent you both in this, so you're going to have to have  
21 separate counsel.

22           Nevertheless, we'll hear Mr. Burr explain that he  
23 did, in fact, explain the risks and benefits of this plan, and  
24 that he insisted that, in order to do a separate property

1 agreement, that they're going to have to have, again, separate  
2 counsel. And so, through a process you'll hear about, Lynita  
3 ended up with (indiscernible).

4           Now the other part of the plan, in order to make  
5 this work, although it's not an absolute requirement, but it's  
6 a convenience, is to create separate property trusts to hold  
7 the newly divided separate property. And you'll hear that the  
8 obvious reason to do that is because it's just a vehicle to  
9 keep them un-commingled. It doesn't help if you create pools  
10 of separate property, and then commingle it all back together,  
11 it doesn't achieve the desired result. So you create these  
12 separate property trusts, and you transfer your property in  
13 there. The evidence will show that's exactly what happened in  
14 this case. And Lynita was a part of this process, and  
15 understood it, understood it, as far as the law requires her  
16 to understand it.

17           The evidence will show that, for the next -- 1993 to  
18 2001 -- eight years, approximately, the parties made a  
19 concerted effort to keep their assets separate and to follow  
20 the plan that Mr. Burr had set up; a plan which Mr. Koch  
21 signed off on a document, indicating that he had discussed  
22 with Lynita, and that she acknowledged to him that she fully  
23 understood it and its legal consequences.

24           We will present testimony, primarily through a



1 person named Shelly Knowel, who is a CPA, who happens to be a  
2 senior auditor, currently at the Gaming Control Board, but  
3 who, at the appropriate time or applicable time, was the  
4 bookkeeper for the two separate property trusts. And she will  
5 testify about the fact that it was her duty and her charge  
6 that she fulfilled to keep the assets and liabilities  
7 separate, and separately accounted for on the books.

8           You heard testimony before from Mr. Burr that there  
9 was some intent in this plan to try and periodically look at  
10 the trusts, and maybe determine whether to adjust them. But  
11 either he has testified or will testify that that's a lot  
12 different than an agreement to do so. Because you can't have  
13 -- to make this plan work, make an agreement to do so. It has  
14 to be done, if at all, un-gifting, and that that was explained  
15 to the parties by him. And they understood it, to the best of  
16 his knowledge.

17           And in fact, during that time period between 1993  
18 and 2001, we'll see that there were some transfers that had  
19 been made from Eric's separate property trust to Lynita's  
20 separate property trust, and I think that occurred in about  
21 1995. And there's nothing wrong with that, Mr. Burr will  
22 testify. It doesn't vilify or negate the validity of the  
23 plan.

24           Then we intend to show that Nevada, in 1999, passed

1 the Self-Settled Spendthrift Trust Act. And Mr. Burr will  
2 explain, because he's a good businessman, that he sent out  
3 flyers to his clients, said, hey, guys, you might want to come  
4 in and take advantage of this one with the law. And Eric bit,  
5 he came in to see him.

6 And Mr. Burr will explain that he recommended that  
7 Eric and Lynita consider creating these self-settled  
8 spendthrift trusts because it would supercharge the asset  
9 protection that they had already achieved through their  
10 separate property trusts in a lot of ways.

11 Perhaps most significantly, now, not only is the  
12 assets -- in this case, we can go either way. Not only are  
13 the assets in Lynita's trust protected from the creditors of  
14 Eric, now, if you do a self-settled spendthrift trust, her  
15 assets are protected from her own creditors, because that's  
16 what the act allowed.

17 Moreover, the Self-Settled Spendthrift Trust Act,  
18 even when it was enacted in 1999, and certainly as it's been  
19 modified over the years, severely restricts the ability of  
20 "creditors," broadly defined, to attack a transfer -- either  
21 the existence of the trust or the transfer of assets to it.  
22 There are severe restrictions, which makes it a good thing, or  
23 a -- depending on what side of the fence you're sitting on, I  
24 guess. But from an estate planner's perspective, Mr. Burr's

1 perspective, a very easy thing to recommend in this case.

2           And he did. And he met with the parties again, not  
3 just Eric, and he explained these things to them. And they  
4 understood it, on a fundamental level at least, in his  
5 opinion, he will testify, sufficient to understand the  
6 concepts, and agreed to go along that route. And therefore,  
7 in 2001, both Lynita and Eric created their own self-settled  
8 spendthrift trusts -- that's a heck of a phrase.

9           And the evidence is going to show that they funded  
10 those from their own separate property trusts. And there will  
11 be testimony, I suspect, from Lynita herself, Eric, Lana  
12 Martin, Rochelle McGowan, and perhaps others, that that's  
13 exactly what happened. And since I've mentioned them, let me  
14 tell you who they are.

15           Lana Martin was selected by the parties to be a  
16 distribution trustee of each of their trusts. And the  
17 evidence will show that the sole role of a distribution  
18 trustee, under the terms of these trusts, and as required --  
19 one requirement of Nevada law, is that they approve  
20 distributions out, if those distributions are going to the  
21 settlor.

22           Here, Lana was well aware of the assets of both the  
23 separate property trusts because part of her role, starting  
24 about that time -- Shelly had done it up to in the 2000/2001,

1 but Lana was the one who took over the bookkeeping at the end  
2 of those, and at the transition period. And she's going to be  
3 able to testify exactly how these 2001 trusts were funded.

4 She also is the one who continued to do the  
5 bookkeeping, probably all the way up to 2011, I believe, for  
6 Eric's trust. But in about 2007, 2008, I think it actually  
7 was, because of these proceedings, Your Honor will hear that  
8 Lynita decided to pull her records away from the office, her  
9 trust records away from the office, and have them administered  
10 somewhere else.

11 You're also going to hear from Rochelle McGowan,  
12 another person who has a long relationship working with the  
13 Nelsons and their entities, who was charged recently with some  
14 bookkeeping activity, and also has a lot of -- had a lot of  
15 role, especially while the 2001 trusts were being administered  
16 in their office, in -- well, this word -- "interfacing" with  
17 Lynita, getting her documents signed, write checks out to her  
18 for distributions, and otherwise help administer or help  
19 Lynita administer her trust.

20 Both of these trusts, both the 2001 trusts,  
21 explicitly allow the investment trustee to use just about  
22 anybody they want to, to help them administer the trust. And  
23 there was certainly nothing wrong with Eric and Lynita  
24 allowing their office staffs to provide those services, which,

1 in fact, occurred.

2 And you're going to hear that, just like with the  
3 separate property trusts, there was a concerted effort,  
4 reminded -- by which the parties were reminded, at least on an  
5 annual basis by Mr. Burr's office, to follow the terms of  
6 these trusts, respect them as real entities, and keep the  
7 assets separate, which they did.

8 The evidence is going to show through these  
9 bookkeepers and officer personnel, and through our expert  
10 testimony, Mr. Garrity, that all of the separate property  
11 flowed through the separate property agreement into the  
12 separate property trust into the self-settled spendthrift  
13 trust, where they have been preserved and maintained as such.

14 Now that -- something happens under the law, Your  
15 Honor, that is significant. When you have these separate  
16 property trusts, those are revocable and amendable by the  
17 settlors. And the law treats those, for a lot of purposes, as  
18 if they're the parties' property. I mean, it's a state law  
19 entity, but for a lot of purposes, because there's so much  
20 power in the settlors, that they reserve the right to revoke  
21 and amend.

22 The law treats those different than an irrevocable  
23 trust. And perhaps most significant in this case would be  
24 Eric's creditors could reach Eric's assets in his own trust;

1 Lynita's creditors could reach her assets in her revocable  
2 trust.

3 But that concept dramatically changes when you  
4 create a self-settled spendthrift trust under Nevada law  
5 because that's an irrevocable trust. And the statutes are  
6 pretty clear that the parties, once they contribute their  
7 assets to that, don't own those assets anymore; and,  
8 therefore, their creditors can't reach them. You still have  
9 to comply with the other statutory requirements, of course.

10 But that's significant in this case because you're  
11 here, obviously, to divide community property. And we  
12 obviously can deal with parties' separate property, to confirm  
13 it, and award alimony out of it, and do all sorts of things.  
14 But you have to decide here whether or not the party that --  
15 the property that belongs to the trust, number one, does it  
16 belong to the trust; and, if it does, how does that fit into  
17 this divorce.

18 Your going to see evidence that, even after the 2001  
19 trusts were created and funded, there was some amount of  
20 leveling done and trades done of assets, and loans back and  
21 forth between two trusts. And you're going to hear evidence  
22 as to why that was done, that it was authorized by the terms  
23 of the trusts, that it was accounted for as it was happening,  
24 and that there were two trusts dealing with each other, which

1 is totally permissible, and is not commingling, and is not a  
2 recognition that the trusts are alter egos, or that they don't  
3 own the property.

4           Mr. Burr will testify it's very common in family  
5 estate and asset protection planning to allow the provisions  
6 of the trusts to enable the parties to do deals with each  
7 other. It happens all the time. It happened in this case.

8           Was there perfect accounting? No, there never is.  
9 Things were posted to wrong accounts on occasion. I've never  
10 seen a business, and I don't think Your Honor will ever see a  
11 business that doesn't have -- or an entity that has perfect  
12 bookkeeping. But that doesn't change the fact that it's a  
13 valid entity. It doesn't change the ability to fix the books  
14 and correct them and re-post them as necessary, if that needs  
15 to be done, and to settle accounts.

16           Our case is really that simple, Your Honor, and I'm  
17 not going to take any more time. We intend to present through  
18 the witnesses that there has been, for the reasons you largely  
19 know, an intention and an execution of an estate plan that  
20 resulted in the parties separating their property, and that  
21 that separation applies for all purposes; and that they lost  
22 ownership of this property that was funded into that trust,  
23 and which is the rents, issues, and proceeds of what was  
24 funded into their trusts, in 2001.

1           And Lynita has no rights, nor does -- no rights as a  
2 person outside the trust. She is a beneficiary of the trust,  
3 Your Honor, so I don't mean to overstate that. She has no  
4 rights as a former owner of this property or its predecessor  
5 property in 1993, to come in and try and take this property  
6 for herself. And that would be our case. Thank you.

7           THE COURT: Thank you.

8           Ms. Forsberg, did you want --

9           MS. FORSBERG: I don't know -- I don't care.  
10          Whichever way you want to go is fine.

11           Of course, Your Honor, since my case, of course, has  
12 a lot to do with things that don't have to do with that part  
13 of that all is resolved with the trust when we're done with  
14 this matter, a couple of just things that I'd like to tell the  
15 Court about it is the previous trial appeared to me to be --  
16 primarily, it morphed into a settlement conference. And as  
17 you know, since they didn't reach a settlement, that's why you  
18 had to reset the whole trial. And I guess for Mr. Dickerson  
19 to say, have we rested our case-in-chief, that would be kind  
20 of comical, since that's where you ended up at the end of all  
21 those six days, Your Honor.

22           But the interesting things that the case moving  
23 forward is going to show, a couple of things. It's going to  
24 show that, out of the thousands and thousands of transactions



1 that everybody has agreed, because it's been a lot of entities  
2 -- you've gone through so many entities; they're huge, and  
3 they're -- you know, we know that, out of those thousands and  
4 thousands, what's came out so far, and which will be  
5 reiterated, is that there were only a handful of questions  
6 that Mr. Dickerson had for Mr. Nelson, if you recall: A  
7 volleyball donation, a donation for books for abuse children -  
8 - books.

9 I mean, there was a handful, besides the question he  
10 had that you ordered Mr. Birch to do research on, the issues  
11 of family members being involved. So, out of all the  
12 testimony, we'll hear a lot about that.

13 And the other thing we heard from him is they didn't  
14 like some of the BanOne investments, they didn't like Bella  
15 Catherine. It's an investment on one of the companies, just  
16 like any other investment. So the testimony is going to show  
17 all of that, Your Honor; that there's thousands and thousands  
18 of transactions, buying multiple, multiple properties over the  
19 decades of this marriage.

20 So, clearly, for them to have a handful of  
21 objections, I think that's pretty good. That's pretty good,  
22 that we can say that, from what they found so far, that's all  
23 we got, out of all the cross-examination done by Mr. Dickerson  
24 to Mr. Nelson. That's what we got, Your Honor; it was boiled

1 down to that.

2           Then we had Lynita, Your Honor. A couple of things  
3 that the testimony will bring out. If you recall, they didn't  
4 finish her. You stopped her because they had to have other  
5 parties take the stand.

6           MR. DICKERSON: May I clarify?

7           MS. FORSBERG: Mr. (indiscernible).

8           MR. DICKERSON: We never called her.

9           MS. FORSBERG: She was on the stand.

10          MR. DICKERSON: But we never called her, we haven't  
11 even started our case.

12          THE COURT: Yeah, they --

13          MS. FORSBERG: Well, Mr. Jimmerson did put her on  
14 the stand.

15          THE COURT: Yeah.

16          MS. FORSBERG: And -- because you wanted to stop  
17 that, so she did testify, Your Honor, so -- but what did we  
18 learn from that? We learned about the 1993 separate property  
19 agreement. I believe that the was the first the Court  
20 probably really got a taste of all of that. Because really,  
21 what it was before Ms. Lynita took the stand was Eric trying  
22 to resolve the case, to be done, to try to help have a  
23 settlement in this case.

24          So Your Honor, we got to that, and I mean, you even

1 heard testimony about why that was created. And now that will  
2 be brought forth more, I believe, from the deposition I heard  
3 with Mr. Burr, about why they entered that separate property  
4 agreement, and from Lynita. At the end of that, we finally  
5 heard that she had an aversion to liquor and gaming, and even  
6 met with their bishop, Bishop Earl. So I think that's where  
7 we were, and that the testimony is going to further flesh that  
8 out, Your Honor, which are important issues for us, of course.

9           We also know, since that time, and the evidence will  
10 show, that Mr. Birch's report shows that Lynita's self-settled  
11 spendthrift trust contains \$5,250,000 in property, in its own.  
12 We're not talking anything, when we're talking about this  
13 case, that, even if they -- the Court rules that they will --  
14 his trust will stay a separate, owned by the trust; her trust  
15 will stay separate, owned by the trust. But that's what hers  
16 ends up with in it, Your Honor, and that's on Mr. Birch's  
17 reports that we've already seen. Certainly, the testimony  
18 will show that out more.

19           So that brings up the issue of alimony, Your Honor.  
20 We'll certainly have to deal with that issue. But clearly,  
21 with \$5,250,000 worth of property, even if we go through all  
22 the factors in the alimony statute, 125.150, we're going to  
23 find that -- I think that, since the -- both of her property  
24 is unencumbered, including her home, Your Honor, and it's a

1 lot of income -- you heard a lot of testimony about it being  
2 income-generating property -- there's no need for alimony  
3 here, Your Honor.

4           And that's why this Court never ordered it all  
5 along. This has been a very long trial; long, drawn-out  
6 action. I mean, it started in oh -- the beginning of '09,  
7 Your Honor, and we're here at the end getting towards the end  
8 of '12. So, clearly, there is no need for her to have  
9 alimony, Your Honor. You have to have a need component, and  
10 you have to look at what property each one is going to  
11 receive.

12           And by Larry Birch's report, on his self -- her  
13 self-settled spendthrift trust has \$5,250,000 in it, Your  
14 Honor. So, clearly -- and that's just in the property. That  
15 -- you know, we're stuck -- I mean, you know, there's a lot  
16 there. So this isn't a woman who's going to starve. And I  
17 know this Court gets concerned about it being fair, and that's  
18 your job. And in this, even that is fair, Your Honor.

19           The other testimony, of course, is going to be --  
20 you're going to hear is going to revolve, like I said, around  
21 all those waste issues that they allege. But like I said, it  
22 boiled down to a handful, we ended up with a handful of those,  
23 which were, like I said, donation stuff, prior to the joint  
24 preliminary injunction.

1           So that's the other testimony you'll hear, Your  
2 Honor, other than, in addition to what Mr. Solomon said. I  
3 won't reiterate the things that apply to Mr. Nelson, in the  
4 interest of time, Your Honor.

5           THE COURT: Thank you.

6           MR. KARACSONYI: It's interesting, Your Honor, to  
7 see one party, who's been here for six days of trial, been  
8 here since 2009, when he instituted this action, and another  
9 purported separate party coming in here and telling you what  
10 evidence will show and testimony will show, when the testimony  
11 has already been established. It's already happened; that  
12 ship has sailed.

13           Eric Nelson and the ELN trust -- who I refer to  
14 interchangeably, because there is no distinction between the  
15 two; and sometimes separately, just for convenience -- seek to  
16 have this Court administer neither law, nor equity. Instead,  
17 they seek to make a mockery of this Court, the laws of this  
18 state, and the judicial system as a whole.

19           For six full days in 2010, Eric individually, as  
20 trustor -- and as trustor, and investment trustee of the ELN  
21 Trust -- and by the way, the investment trustee, pursuant to  
22 12.1; Section 12.1 of the trust agreement, is the only person  
23 authorized to represent and bind the trust in legal  
24 proceedings, and does so to the same extent as any absolute

1 owner of property could bind him or herself in such legal  
2 proceedings.

3 For six full days, represented by Jim Jimmerson, one  
4 of the most respected attorneys in Nevada, presented evidence  
5 to this Court conclusively confirming that all property held  
6 in the name of the ELN and LSN Trusts is and at all times was,  
7 during the parties' nearly thirty-year marriage, managed,  
8 controlled, treated, held, and owned by the parties as  
9 community property.

10 He, in his own case-in-chief, elicited the testimony  
11 of Jeff Burr that the ELN Trust, LSN Trust, and purported  
12 separate property agreements signed by the parties in 1993,  
13 were never created or entered into for the purposes of  
14 dividing the parties' property, in the event of divorce, but  
15 simply for estate planning purposes, to protect from outside  
16 creditors and asset protection. Mr. Burr was the same  
17 attorney who prepared and advised the parties with respect to  
18 all of those documents.

19 Then what happened? Following the six days of  
20 trial, and while the Court and Lynita were preparing to  
21 reconvene, to bring this case to a conclusion, Eric  
22 perpetrated one of the most outrageous abuses of a judicial  
23 process that could be conceived. He knew that this Court,  
24 after presenting various options to this Court, not settlement

1 options, sworn testimony on what he would like to see this  
2 Court do -- in fact, looked back at his pretrial memo. Was he  
3 attaching settlement negotiations to his pretrial memo, or  
4 were those his -- or was that his position?

5           Knowing that you weren't going to grant the division  
6 of property he sought, he reversed course, and basically  
7 sought to erase everything that had happened, so for -- so  
8 far, and caused the ELN Trust to become a named party to this  
9 action, purportedly for the first time. Yet, Mr. Nelson sat  
10 here, as the investment trustee of the ELN Trust for two  
11 years, prosecuting this action.

12           Interestingly, in the ELN Trust, he can name  
13 property -- he can own property without even reference to the  
14 fact that he's holding it as trustee of the trust. Similarly,  
15 he could be here as investment trustee representing the  
16 interests of the trust. In fact, a trust can only act through  
17 its trustees. At all times, he represents the interests of  
18 the trust. He sat here, he caused them to become a party to  
19 this action for the first time, a named party, and to assert  
20 that neither of the parties possess an interest in any of the  
21 property held by the ELN Trust.

22           I would like the Court, as we go through this -- I  
23 would ask the Court to ask itself two questions:

24           One, if Eric Nelson truly has no interest in any of

1 the property held by the ELN Trust, and has no ability to  
2 control distributions from the trust, and all of the assets he  
3 told you were community assets are placed in that trust, then  
4 why would he, throughout this proceeding, since the ELN Trust  
5 has become involved, join, lock, stock, and barrel, in every  
6 single motion, position, assertion?

7 No rational person would come in here and argue that  
8 all their property doesn't belong to them, leaving themselves  
9 penniless, and at the mercy of somebody else. But that's not  
10 the case. He's not at the mercy of somebody else. He  
11 controls all that property. He told Your Honor he controls  
12 all that property.

13 Second question that I think the Court should ask  
14 is: If the LSN Trust held more property of greater value than  
15 the ELN Trust today, would Mr. Solomon be sitting in the  
16 courtroom; would Mr. Luszeck be sitting in the courtroom?

17 MR. SOLOMON: Your Honor, is this closing argument  
18 or opening argument.

19 MR. KARACSONYI: Well, we've already had six days of  
20 trial, Counsel.

21 THE COURT: Overruled. You can continue with this.  
22 Let's get it done.

23 MR. KARACSONYI: Just summarizing. A lot of the  
24 stuff I'm discussing, Your Honor, has already been proven;



1 it's not conjecture or speculation. Okay.

2           On August 9th, 2011, a stip and order was entered to  
3 join the ELN Trust and LSN Trust. And then, on August 19,  
4 2011, the ELN Trust voluntarily appeared in this action, by  
5 filing an answer to Eric's complaint for divorce and  
6 counterclaims and cross-claims, submitting to the jurisdiction  
7 of the Court.

8           As a practical matter, under the terms of the trust,  
9 the trust has the right to submit to the jurisdiction of the  
10 Court for a decision regarding its internal affairs. They are  
11 voluntarily here today, asking Your Honor to make a decision  
12 regarding the status of their property and their internal  
13 affairs.

14           The continuation of the trial was scheduled for  
15 today. In the -- in their opening, they basically argue, and  
16 in their pretrial memorandum, that the law requires this Court  
17 to defeat the majority of the community property rights  
18 acquired by Lynita to her nearly thirty-year marriage to Eric,  
19 and basically the entirety of her adult life. She's been  
20 married to Eric since approximately 20 years old.

21           The application of law that they advocate is, quite  
22 frankly, an insult to the Nevada Constitution, to this Court,  
23 and the administration of justice. Neither law, nor equity  
24 supports the positions they've advanced.

1           Now probably the first point in time that is  
2 relevant to the instant proceeding is 1993. As Mr. Solomon  
3 stated, in the early 1990's, Eric decided to invest the  
4 parties' assets in several speculative and risky gaming  
5 ventures. And due to the concern over the parties' potential  
6 financial exposure, the parties consulted with Mr. Burr in  
7 1993, to formulate an estate plan; an estate plan that would  
8 insulate the parties' significant wealth from potential  
9 creditors.

10           Mr. Burr represented both Eric and Lynita; in fact,  
11 he had previously represented both Eric and Lynita in 1991, in  
12 the preparation of a joint family trust. And he advised them  
13 that the way to protect their assets was to enter into a  
14 separate property agreement and create separate, revocable  
15 trusts.

16           Lynita had little to no involvement in the decision.  
17 As with all decisions concerning the parties' business and  
18 wealth accumulation and investment strategies, these decisions  
19 were made by Eric. At the eleventh hour, Lynita was called to  
20 Mr. Burr's office to discuss the strategy formulated by Mr.  
21 Burr and agreed to by Eric.

22           She was told that this was an estate planning  
23 measure that would protect them from creditors. She was also  
24 told that, in the event Eric lost all of his assets in this

1 trust, either to an investment gone bad or to outside  
2 creditors, the assets held in her trust would be safe from  
3 outside attack and preserved for the community. These things  
4 have been testified to.

5 To ensure that the parties each had one-half of the  
6 assets, Mr. Burr advised the parties to level the assets held  
7 in their individual trusts periodically, and the parties  
8 agreed to do it. Mr. Burr prearranged for Richard Koch --  
9 Koch?

10 (Participants confer.)

11 MR. KARACSONYI: Koch. Who was, up until just a few  
12 weeks prior to the separate property agreement, a co-tenant of  
13 Mr. Burr, to meet with Lynita and to represent her. Lynita  
14 was never given the opportunity to consult with independent  
15 counsel of her own choosing, and to ever determine the full  
16 legal effect of the separate property agreement that she was  
17 being told to enter into.

18 In fact, Mr. Burr admits he met with both the  
19 parties and advised them as to what the separate property  
20 agreement would provide, or would do; what rights it would  
21 affect. Interestingly, he purports to only represent Eric in  
22 the separate property agreement. Basically, she was there,  
23 she was advised by two fiduciaries, her attorney and her  
24 husband, on the effects of this agreement.

1 Nevada law provides that spouses may contract with  
2 each other, subject to the rule that they must always adhere  
3 to the duty owed between one another. This is the Nevada  
4 Revised Statutes. It is clear, and if it hasn't already been  
5 made clear to this Court by the testimony that was already  
6 presented by Mr. Nelson, that the separate property agreement  
7 entered into between the parties is completely, completely  
8 invalid. In fact, Mr. Burr testified that there was really no  
9 discussion about the separate property agreement and what it  
10 would do in the event of divorce, no discussion. This is in  
11 the trial testimony. He's already established this.

12 Now they say, well, you can't look at parol  
13 evidence, Your Honor. First of all, you can always look at  
14 parol evidence to analyze matters affecting the validity or  
15 invalidity of the -- of an agreement.

16 Secondly, they say, well, you can't look at the  
17 intent. The evidence is already in, not by our doing, and a  
18 proper objection and timely objection, but by Eric Nelson's  
19 doing. Eric Nelson had the ability to do that. He, through  
20 his counsel, asked Mr. Burr what the intent was.

21 In fact, November 22nd, 2010, by Mr. Jimmerson:

22 "Now what was the purpose of the separate property  
23 agreement, which I'll show you here?"

24 He asked it three times. He was the first one to

1 ask it, and he was the reason that this evidence came in. The  
2 Court has already found it its order that the testimony  
3 elicited by Eric of Mr. Burr and Eric's testimony established  
4 the intent of the parties in entering into the agreement.

5           And by the way -- I'll get to it a little -- soon --  
6 a little -- in a minute -- the ELN Trust, again, wasn't  
7 privity -- wasn't in privity with the parties, and wasn't a  
8 third party -- intended third-party beneficiary in 1993. And  
9 although the say they can protect their property interests,  
10 they can't invalidate an agreement they're not a party to.  
11 So, certainly, they're not going to present evidence to try to  
12 invalidate an agreement that's going to be considered by the  
13 Court, that they're not even a party to.

14           The Court found in its order, prepared by the Court  
15 January 31st, 2012, that it has presided over six days of  
16 trial in 2010:

17           "-- wherein Jeffrey Burr, Esquire, the attorney who  
18 drafted the ELN and LSN Trusts, testified" --  
19           "respectively, testified that Mr. Nelson and Ms.  
20 Nelson intended that the ELN Trust and the LSN Trust  
21 were formed for purposes of asset protection, and  
22 were not meant to alter the rights of the parties in  
23 the event of dissolution of marriage."

24           The Court further found that:

1           "-- while Mr. Nelson's opinion as to whether  
2           property is community or separate is not  
3           controlling, Mr. Nelson testified that the property  
4           held by the ELN Trust was community property; and,  
5           as such, supports Attorney Burr's testimony that the  
6           trusts were formed for purposes of asset protection,  
7           and not intended as a distribution of the marital  
8           estate."

9           There is no doubt, as we stand here today, that the  
10          evidence that has been put -- that the evidence that has been  
11          presented to the Court by Eric conclusively establishes and  
12          cannot be rebutted that the 1993 separate property agreement  
13          was invalid, and even if valid, was never intended by either  
14          party to affect the parties' rights in the event of divorce,  
15          the terms of the agreement on its face support this  
16          conclusion, as well as the testimony.

17          So then what happens? Well, after 1993, the parties  
18          accumulate a lot of property, valuable property. Of course,  
19          there were no other agreements to divide property. We've  
20          heard several times, and I've seen in the papers presented by  
21          the ELN Trust and heard today, that the ELN Trust believes  
22          that the burden to prove any community property after the  
23          purported separate property agreement is ours. That's not the  
24          burden. The burden is a stringent one, but it's their burden.

1           The burden, under Forrest v. Forrest, and a long  
2 line of Nevada cases, is that any property acquired during  
3 marriage is presumed to be community property unless a party  
4 can show by clear and convincing evidence that the party is  
5 separate property.

6           Every piece of property acquired after 1993 is, as  
7 of right now, community property, unless and until they can  
8 prove by clear and convincing evidence otherwise. Clear and  
9 convincing evidence is -- has been compared to the beyond a  
10 reasonable doubt standard, in the criminal context.

11           Of note, one particular property -- while I'm not  
12 going to go through every property, but one particular  
13 property that was acquired by the parties after '93, that's  
14 highly relevant to the instant action, is the Wyoming Downs  
15 property. Wyoming Downs was purchased by the parties in 1998,  
16 through Eric, and sold on September 15, 2006, for 11.214  
17 million. The offtrack betting rights for the property were  
18 also sold for approximately 760,000. The Wyoming property --  
19 the Wyoming Downs property, since it was acquired after 1993,  
20 is presumed to be community property.

21           And here's the kicker. They have no proof that it  
22 is anything but. They've admitted this, they're going to  
23 admit this. Dan Garrity is going to tell you that they cannot  
24 trace the source of funds used to purchase the Wyoming Downs

1 property. In fact, even if they could trace the source of  
2 funds used, the Court should completely disregard such  
3 evidence, based on not only the 1993 separate property  
4 agreement, but Eric's management of the parties' purported  
5 separate property throughout the course of the parties'  
6 marriage.

7           You're also going to see that, other than the  
8 Palmyra residence, there isn't another property mentioned in  
9 the 1993 agreement that's held today. Every property held  
10 today was acquired after the separate property agreement, and  
11 is not mentioned therein. So we can start with the  
12 presumption that every single piece of property the parties  
13 owned that were transferred into trusts or otherwise are  
14 community property, unless they can prove otherwise by clear  
15 and convincing evidence, except for the Palmyra residence. If  
16 you find the separate property agreement to be valid, that's  
17 Lynita's.

18           Now, in 2001, as they say, Jeffrey Burr solicited  
19 Eric to create the Nevada self-settled spendthrift trust.  
20 That we agree with. He testified that he reached out to Eric  
21 because Eric handled these matters; Lynita didn't handle these  
22 matters. As he put it, you really have to understand his  
23 relationship with the parties, that Eric was more the go-to  
24 guy. Eric told him he'd take care of the funding of the trust



1 when they discussed it; he'll take care of it.

2           Like with the 1993 agreement, Mr. Burr testified  
3 countless times -- and remember, this testimony was elicited  
4 by Eric, through his counsel, that the separate property  
5 agreement or the -- excuse me -- the 2001 trusts were never  
6 intended to affect the parties' rights in the event of  
7 dissolution; that they didn't even discuss it; that Lynita was  
8 told that this would just be another layer of protection.

9           In fact, not only was Lynita not told what rights  
10 this could -- these agreements could affect, but she was  
11 specifically advised by Mr. Burr, regardless of what they may  
12 try to have him say otherwise, that neither party could rely  
13 on these trusts in the event of dissolution. Again, he told  
14 them to level off the properties every once in a while, and  
15 they agreed. Those facts are conclusively established.  
16 Again, intent, it's in; it's already been established.

17           You can also tell by viewing the terms of the trust  
18 what their intent was, by the fact that they're each  
19 reciprocal beneficiaries of one another's trust, that they're  
20 going to be -- that they're going to be successor investment  
21 trustees in the event of the death of the other party. These  
22 things are clear.

23           Now, through -- after the 2001 agreements, Eric  
24 failed to follow the formalities with regards to the separate

1 property trusts. For example, the -- there were several  
2 changes during this divorce proceeding, and in 2007, to the  
3 trustees of said trust, that Eric directed through a trust  
4 consultant that was, at all times, acting at his sole  
5 direction, Jeffrey Burr, to change the trustees. And Mr.  
6 Burr, in violation of the terms of the agreement, did as Eric  
7 directed. That will be shown.

8           We also see that Eric exercised -- excuse me. You  
9 have also heard, and it's been established, that Eric  
10 exercised complete dominion and control over assets held in  
11 both trusts, the LSN Trust and the ELN Trust. But what's  
12 interesting is that Eric is neither trustor, investment  
13 trustee, nor distribution trustee of the LSN Trust.  
14 Nonetheless, since the inception of the LSN Trust, he managed  
15 all property contained in such trust, and he constantly had  
16 his hand in the cookie jar.

17           For them to say that they respected the separate  
18 property, when you look back at their assertion that these  
19 parties respected the separate property nature of their  
20 individual properties, you will have no doubt in your mind  
21 that that is not true.

22           Lynita was never given her right under her trust to  
23 veto distributions out of the trust because the investment  
24 trustee of her trust was Eric's employee, and acted at Eric's

1 sole direction.

2 (Participants confer.)

3 MR. KARACSONYI: Or the distribution trustee.

4 Excuse me.

5 You will also hear that Lynita was just presented  
6 with documents to sign, all the time. Rochelle McGowan admits  
7 that she notarized these documents, sometimes with Lynita even  
8 present. Eric would just bring them back. In fact, she  
9 doesn't even have a notary entry for Lynita, despite  
10 notarizing her signature on numerous occasions, past, I  
11 believe, 2003 or '4.

12 The most damning thing you're going to hear is that  
13 Eric and the ELN Trust converted millions of dollars of Ms.  
14 Nelson's separate property over the last decade, and prior to  
15 coming here to court, to tell you that it's all theirs.

16 You're going to hear about Tierra del Sol, a  
17 property that the parties' 50 percent ownership in was listed  
18 as Lynita's separate property in the purported 1993 separate  
19 property agreement. It was transferred into her revocable  
20 1993 trust, concurrently with the execution of the separate  
21 property agreement. The parties acquired the remaining 50  
22 percent interest in Tierra del Sol, which was also transferred  
23 to Lynita's revocable trust in 1994. And in 2001, it was  
24 transferred -- Tierra del Sol was transferred into the LSN

1 Trust.

2           The LSN Trust sold Tierra del Sol for 4.8 million.  
3 The first installment of 1.275 million was received in 2005;  
4 and, from such installment, Eric had Rochelle McGowan issue a  
5 check from the LSN Trust, payable to Wells Fargo, in the  
6 amount of \$677,717.48, and a second check in the amount of  
7 150,000 to Irwin Bank, to pay off a letter of credit in the  
8 name of Grata Financial Partnership, which, by the way, the  
9 LSN Trust only held a 16.66 percent interest in. The other  
10 83.34 percent interest is owned by Eric's brothers and  
11 sisters.

12           To make matters worse, the final installment was  
13 received in 2006. Lynita's -- the LSN Trust BNY Mellon  
14 account received \$2 million. That same day, the ELN Trust  
15 received a wire of \$1.46 million. The ELN Trust had no  
16 ownership interest, titled ownership interest, in Tierra del  
17 Sol at the time of sale.

18           You're going to hear about the Wyoming assets that  
19 we discussed earlier, and a -- and a property called High  
20 Country Inn. High Country Inn was initially purchased by  
21 Lynita's revocable 1993 trust on January 11th, 2000. From  
22 2000 until 2007, the LSN Trust owned the High Country Inn.  
23 And on January 18th, 2007, Eric caused the LSN Trust to  
24 transfer the High Country Inn to the ELN Trust without

1 consideration. Until this transfer, the ELN Trust had no  
2 interest in the High Country Inn. The next day, the very next  
3 day, the ELN Trust sold High Country Inn for \$1.24 million.  
4 The LSN Trust got zero.

5 Tropicana Albertson's land, here in Las Vegas, was  
6 purchased on May 29th, 2002, by Paul and -- Paul Nelson and  
7 the ELN Trust as equal 50 percent owners. But then, on  
8 October 9th, 2003, Eric, with his hands in the cookie jar,  
9 takes \$700,000 from Lynita's trust and issues her a promissory  
10 note. Do you know what the promissory note is secured by?  
11 The Tropicana Albertson's land.

12 Eventually, instead of paying off the promissory  
13 note, he transfers the Tropicana Albertson's -- his interest  
14 in the Tropicana Albertson's land to Lynita's trust. However,  
15 on November 28th, 2006, he has her sign a quit claim deed,  
16 transferring the interest right back to the ELN Trust, without  
17 consideration.

18 The deed was never recorded until it --  
19 approximately a year later, when Eric and Paul Nelson sold the  
20 Tropicana Albertson's land to Las Vegas Center Limited, LLC,  
21 for 1.457 million. The LSN Trust never received repayment of  
22 the note, nor one cent for the interest in the Albertson's  
23 Tropicana land.

24 CJE&L and Russell Road. This has been an area -- a

1 property of much contention. On November 23rd, 1999, Lynita's  
2 revocable 1993 trust acquired sole ownership of the property.  
3 On June 14, 2001, at Eric's direction, title to Russell Road  
4 was transferred to CJE&L, LLC, a new formed -- newly formed  
5 corporation, whose membership consisted of the LSN Trust and  
6 the Nelson Nevada Trust, which was the trust of Eric's brother  
7 and sister-in-law. Of course, the LSN Trust did not receive  
8 any consideration for the transfer.

9           And then, five years later, January 1, 2005, Eric  
10 directs that the LSN Trust assign its 50 percent membership  
11 interest, what interest it has left, in CJE&L, to his brother  
12 and sister-in-law, the Nelson Nevada Trust. In 2005, a K-1  
13 was issued to the LSN Trust for its interest in CJE&L in the  
14 amount of \$739,709; however, the LSN Trust never received one  
15 penny. Larry Birch confirms that the forfeiture of the  
16 partnership interest was transferred to the capital account of  
17 Cal Nelson, there being no cash attached to this transaction.

18           On February 3rd, 2010, CJE&L sells its 50 percent  
19 interest in Russell Road to Eric Nelson Auctioneering for \$4  
20 million. Meaning that, at one point, if the LSN Trust had  
21 continued to hold the property to that day, the interest would  
22 have been worth \$8 million. On May 27th, Russell property was  
23 sold to Asis Baptist Church for 6.5 million. The LSN Trust is  
24 still awaiting its payment.

1 Lindell Professional Plaza, Brian Head Cabin,  
2 Flamingo Road property. I won't go through all of the details  
3 of all of them. But needless to say, when you add it up,  
4 either Eric was telling the truth, and Mr. Burr were telling  
5 the truth that there was no way they were going to treat these  
6 properties as separate property, and this was all just  
7 community property, and the trust is really just illusory,  
8 either that, or he's stolen over \$10 million from her. Either  
9 way, he should be made to pay. In fact, if their theory of  
10 the case is right, he should probably also be criminally  
11 prosecuted.

12 Now, although they'd like to forget it -- and I  
13 noticed absent from the opening statement was any mention of  
14 what Eric will testify to. Eric has already testified. He's  
15 told you all the facts in this case that you need to know.  
16 This case is already decided. If you heard no other evidence  
17 today, you have what you need before you to render a decision  
18 in Lynita's favor.

19 Eric went on at length, at length during multiple  
20 days, telling you that it's all community property. It's all  
21 community property, it's mine, I own it all. When did he tell  
22 you, oh, this isn't my property, I can't -- you know, I have  
23 to ask permission? That doesn't have to happen, he didn't  
24 mention it. He told you how he can do what he wants. He

1 said, Judge, if you take my proposals, I'll make it happen.  
2 He didn't need any -- he didn't need any outside -- he didn't  
3 need to consult with any third parties. He was just going to  
4 make it happen. He talked about how he did transactions for  
5 the benefit of Lynita and the community. Now the tragedy of  
6 this case is the way it's been litigated.

7           As I stated when we started, you have two parties,  
8 one in the same, standing up today as though they're getting a  
9 reset button, as though we're going to redo everything, we're  
10 going to rewrite history. Maybe they're going to put Eric up  
11 on the stand and tell you that's not Eric, that's a different  
12 person, this is Eric representative of the trustee, the Eric  
13 that testified before isn't Eric Nelson. It's shocking what's  
14 going on here.

15           Fortunately, the law has something to prevent this  
16 type of injustice.

17           "Under the doctrine of judicial estoppel, a party  
18 may be estopped merely by the fact of having alleged  
19 or admitted in his pleadings in a former proceeding  
20 the contrary of the assertion sought to be made.  
21 The courts recognize that this doctrine applies with  
22 particular force to admissions or statements made in  
23 the pleadings under the sanction of an oath and it  
24 has been held that the statement in the prior



1 proceeding must have been made under oath. In  
2 accordance with this requirement it is stated that,  
3 under the doctrine of judicial estoppel, a party who  
4 has stated on oath in former litigation, as in a  
5 pleading, a given fact as true, will not be  
6 permitted to deny that fact in subsequent  
7 litigation. It has been said that the purpose of  
8 the doctrine of judicial estoppel is to suppress  
9 fraud and to prohibit the deliberate shifting of  
10 position to suit exigencies of each particular case  
11 that may arise concerning the subject matter in  
12 controversy. But at least insofar as this doctrine  
13 is applied to statements under oath, its distinctive  
14 feature has been said to be the expressed purpose of  
15 the Court on broad grounds of public policy to  
16 uphold the sanctity of an oath, and to eliminate the  
17 prejudice that would result to the administration of  
18 the justice if a litigant were to swear one way one  
19 time, and a different way another time."

20 Quoting Sterling Builders, Incorporated v. Fuhrman

21 (1964).

22 Southern California Edison v. First Judicial  
23 District, 255 P.3d 231:

24 "Judicial estoppel applies to protect the

1           judiciary's integrity and prevents a party from  
2           taking inconsistent positions by intentional  
3           wrongdoing, or an attempt to obtain an unfair  
4           advantage. The Court may invoke the doctrine at its  
5           own discretion to guard the judiciary's integrity."

6           This is exactly what's happened here. Six days of  
7   trial, now you have parties standing here as though it never  
8   happened. They want to give opening statements? We had  
9   opening statements, we had them in 2010. Sure, I'm giving one  
10   today, but that's only because everyone else is giving one.  
11   The Court should invoke the doctrine and ensure that this --  
12   the integrity of this Court is protected, and that people  
13   don't start taking the stand and taking positions which are  
14   inconsistent with those that were taken in 2010.

15           Like I had mentioned earlier in some earlier  
16   argument, the ELN Trust seeks to inject itself into its  
17   lawsuit, into a dispute that doesn't even concern it. It's  
18   axiomatic that a party does not have standing to sue on a  
19   contract or to dispute the validity of a contract he or she is  
20   not a party to, or not an intended third-party beneficiary.

21           "To obtain third-party beneficiary status, there  
22           must clearly intend a promissory intent to benefit  
23           the third party; and ultimately, it must be shown  
24           that the third party's is foreseeable."

1 First of all, the separate -- 1993 separate property  
2 agreement foresees only a revocable trust.

3 Second, it would have been impossible to foresee  
4 such a trust because, by their own admission, such trust was  
5 not even a possibility until 1999. They have no ability to  
6 attack, to criticize, to rebut any of the testimony that has  
7 occurred surrounding the 1993 agreement.

8 In addition, the ELN Trust cannot negate Eric's and  
9 Mr. Burr's prior testimony on any issue. It is well settled -  
10 - and they were so apt to point this out, Judge, when they  
11 said they needed to be named a party. It is well settled that  
12 a trust is not a distinct legal entity, and can only act by  
13 and through its trustees. A party to litigation is either a  
14 natural or artificial person. It is the trustee or trustees,  
15 rather than the trust itself, that is entitled to bring suit.

16 Under NRS 163.120, it provides that, trustees may  
17 contract on behalf of a trust in a capacity of representative.  
18 Under 163.023, a trustee has the powers provided in the trust  
19 instrument or expressed by law.

20 The investment trustee under the ELN Trust is the  
21 only person authorized to act in judicial proceedings to  
22 maintain or defend actions. The investment trustee has all  
23 the rights, powers, and privileges afforded to those who own -  
24 - absolutely own title to property. When he took the stand

1 and testified, he forever bound them to that testimony. He  
2 sat there, as Eric Nelson, as Eric Nelson as investment  
3 trustee; as Eric Nelson, husband; as Eric Nelson, settlor of  
4 the trust. He doesn't get to wear different hats. His  
5 testimony is done.

6 Now you also have NRS 47.240, which talks about  
7 conclusive presumptions. Like judicial estoppel, this statute  
8 prevents parties from working in manifest injustice. NRS  
9 47.240 provides:

10 "Conclusive Presumptions. The following  
11 presumptions, and no others, are conclusive:  
12 "(3) Whenever a party has, by his or her own  
13 declaration, act, or omission, intentionally and  
14 deliberately led another to believe a particular  
15 thing true, and to act upon such belief, the party  
16 cannot, in any litigation arising out of such  
17 declaration, act, or omission, be permitted to  
18 falsify."

19 Eric Nelson cannot tell his wife, for 10 years, that  
20 everything we have is community property, and then come in  
21 here and abuse this process to have it deemed a nullity. He's  
22 told you that's how he treated the property, he told you  
23 that's how he represented the party -- the property, or how he  
24 presented the property, and that's it.

1 Now you have several methods of getting the property  
2 out. This is a court of equity. There are endless cases in  
3 Nevada talking about the equitable powers of this Court to  
4 effectuate justice. One of those equitable remedies is a  
5 constructive trust. A constructive trust is an equitable  
6 remedy to acquire property that belongs to an innocent party,  
7 that's held in the name of a third party.

8 You also have the trust, the terms of the trust.  
9 You can order Eric to just go ahead and transfer it out. In  
10 fact, what objection will they have to you ordering property  
11 out of the trust when it's they who came here voluntarily,  
12 submitted for a binding decision, pursuant to the terms of  
13 their trust, from you, concerning whether the property is  
14 theirs or not.

15 They're here voluntarily. They asked you for a  
16 decision. Surely, they're not going to -- they're not going  
17 to argue again, as the did before one time, that, oh, Judge,  
18 you don't have -- you don't have jurisdiction over our  
19 internal affairs, even though we were never served a summons  
20 and complaint, but came in here and filed a declaratory action  
21 with Your Honor.

22 You have other remedies. What they have tried to do  
23 in this case is confuse the issues, to use Nevada law and try  
24 to find it -- find some way to use it as a sword. They asked

1 for protections afforded to valid self-settled spendthrift  
2 trusts, when they don't respect trust formalities, when they  
3 don't treat property --

4 MR. SOLOMON: Your Honor --

5 MR. KARACSONYI: I'm almost done.

6 MR. SOLOMON: -- aren't we way over the bounds? I  
7 mean, 90 percent of this has been a closing argument, not  
8 anything to do --

9 MR. KARACSONYI: I'm almost done.

10 MR. SOLOMON: -- with what he intends to show.

11 THE COURT: I tend to agree, but we'll --

12 MR. KARACSONYI: I'm done with --

13 THE COURT: We've gone so long, what's another five  
14 minutes?

15 MR. KARACSONYI: Yeah. All right. So you have  
16 several remedies available to you. I don't think you ever  
17 have to even reach the trust issues, but once you -- once  
18 those facts are established, if this isn't an alter ego trust,  
19 then never one will exist. If these aren't alter ego trusts,  
20 then there's no such thing. The legislature shouldn't have  
21 even passed the statute. You could also terminate the trust,  
22 and have numerous options available to you. Alimony, of  
23 course, you'll decide after determining how much property each  
24 party will receive. Child support needs to be established.

1           And then the final thing is we are entitled to  
2 attorneys' fees. Pick a point in time. We know we're  
3 entitled to at least the attorneys' fees for before or after,  
4 because you turned around, you changed position, pulled an  
5 about-face. And then, under Sargeant, Lynita is entitled to  
6 all of her attorneys' fees because she hasn't shown the  
7 earning ability that Mr. Nelson has. And with his property,  
8 Mr. Nelson will be able to earn significantly more property,  
9 while Ms. Nelson will probably live off whatever property she  
10 receives, use the -- deplete the property she receives over  
11 the remainder of her life. Thanks, Judge.

12           THE COURT: Thank you. We'll be in recess until  
13 1:30. Will that give you enough time, or do you want to -- we  
14 can come back at 2. I don't care, I'm going to be here, so  
15 I'll be up in my chambers, so ...

16           MR. DICKERSON: Can we have until 1:45?

17           THE COURT: All right. 1:45? Okay.

18           (Luncheon recess taken at 12:34 p.m.)

19                           AFTERNOON SESSION

20           (Proceedings resume at 2:01 p.m.)

21           THE COURT: This is recalling the matter of Eric  
22 Nelson v. Lynita Nelson, Case Number D-411537. Again, we'll  
23 get everybody's appearances for the record. And we took a  
24 lunch recess, after opening statements, and we're ready to get

1 this show on the road. We'll start with counsel for the  
2 trust.

3 MR. SOLOMON: Thank you.

4 MR. DICKERSON: The only thing I would inquire, Your  
5 Honor, is we noticed that Rochelle McGowan is outside. If  
6 she's going to testify today, Joe is going to stay here  
7 because he's handling her examination. If not, Joe is going  
8 to go back and get some sleep.

9 MR. KARACSONYI: Please, give me some sleep.

10 THE COURT: Do you expect --

11 MR. SOLOMON: It's my intent not to call her today,  
12 but I was going to start with Lana Martin, and then ask maybe  
13 to interrupt, since Lana is a party. We have Nola Harber  
14 coming at 3, she was able to come today. So I'll put those  
15 two on, and I think they'll fill the day.

16 MR. DICKERSON: Okay. Great.

17 THE COURT: All right.

18 MR. DICKERSON: Thank you.

19 THE COURT: Thanks, Counsel.

20 (Participants confer.)

21 THE COURT: Counsel, let them know on that, then  
22 we'll ...

23 MR. SOLOMON: So Lana will go ahead and take the  
24 stand.



1 MS. FORSBERG: Well, I think wanted appearances,  
2 first.

3 MR. SOLOMON: Oh, I'm sorry.

4 THE COURT: Yeah, I guess we probably should get the  
5 appearances first, just to keep it clean, since there's been a  
6 big break in the lunch break. We'll start with Mr. Solomon.

7 MR. SOLOMON: Yes. Mark Solomon on behalf of Lana  
8 Martin, Distribution Trustee of the ELN SST.

9 MS. FORSBERG: Rhonda Forsberg, 9557, on behalf of  
10 Eric Nelson. There is also Jeff Luszeck, who just went out to  
11 tell a witness that she's not going to appear today.

12 MR. DICKERSON: And Bob Dickerson and Katherine  
13 Provost on behalf of Lynita Nelson.

14 MR. SOLOMON: Would you like my bar number?

15 THE CLERK: Yes, please.

16 MR. SOLOMON: 418.

17 THE CLERK: Thank you.

18 THE COURT: Jeff's last name is L-u-s-z-e-c-k,  
19 right? That way, we have it for the record.

20 Why don't we sit down and get comfortable, and we'll  
21 get our first witness in here and get this -- call her right  
22 up there and get her sworn in, and get this show on the road.

23 THE COURT OFFICER: Remain standing, face the clerk,  
24 and raise your right hand.

1 (Oath administered)

2 (Participants confer.)

3 THE COURT: Do we have water up there for her?

4 We'll get you a bottle of water --

5 THE WITNESS: Thank you.

6 THE COURT: -- so you can have ...

7 (Participants confer.)

8 THE COURT: And why don't you grab several of them,  
9 and we'll keep him out there, so we have a plethora of water,  
10 because I plan on charging the attorneys \$15 a bottle, I  
11 think, economics -- this is supply and demand, and I thought  
12 I'd try to run that by you.

13 MR. SOLOMON: This will settle quickly, right?

14 THE COURT: Okay. We'll get you all set up, so that  
15 you can ...

16 (Participants confer.)

17 THE COURT: Okay. You can start, and we'll get some  
18 water for you, as soon as he gets it set up.

19 (Participants confer.)

20 LANA MARTIN

21 having been first duly sworn, was called as a witness herein  
22 and was examined and testified as follows:

23 DIRECT EXAMINATION

24 BY MR. SOLOMON:

1 Q Will you give us your full name for the record,  
2 please?

3 A Lana Renee Martin.

4 Q And where do you reside, Lana?

5 A 2012 Slow Wind Street, Las Vegas, Nevada.

6 Q How long have you been a resident of Clark County,  
7 Nevada?

8 A You ask me hard questions. About 35 years.

9 Q What's the extent of your education?

10 A High school and some college.

11 Q What kind of college courses did you take?

12 A Banking, business administration, accounting.

13 Q And when did you -- well, first of all, do you now  
14 Eric and Lynita Nelson?

15 A Yes.

16 Q When did you first meet either of them?

17 A (Verbal indication) it probably -- it would have to  
18 be in the late '80s, '88, '89.

19 Q Did there come a time that you started working for  
20 either of them or any of the entities in which they were  
21 principals?

22 A Yes. And I can't remember the exact date, but I  
23 think it was November of 2000.

24 Q And when you first started doing --

1 MR. DICKERSON: What was that date again? I'm  
2 sorry, I missed it.

3 THE WITNESS: November of 2000, I think. It might  
4 have been '99. That's why I didn't ...

5 MR. DICKERSON: Okay.

6 BY MR. SOLOMON:

7 Q When you first started working with them or their  
8 entities, what type of work did you do?

9 A I was -- I worked marketing for one of the big  
10 casinos in Washington State.

11 Q I'm not asking for year-by-year or anything like  
12 this. But what type of work, generally, had you done in your  
13 career, prior to that, from the time that you finished your  
14 schooling?

15 A Prior to that, I was actually mostly in banking.  
16 Right out of high school, I went into banking and worked my  
17 way up through corporate banking and took commercial banking,  
18 and then took some time off to have kids, and then went back  
19 and worked at a travel agency and then did their accounting  
20 work, and then came over to work for ...

21 MR. DICKERSON: I'm sorry. I missed that last part.

22 THE WITNESS: Came over at -- in 2000 or '99, to  
23 work for the Nelsons.

24 BY MR. SOLOMON:

1 Q At the time that you -- let me ask it this way. At  
2 any point in time, did you start doing any bookkeeping for  
3 Eric or Lynita or their trusts or their entities?

4 A Yes.

5 Q When did that start?

6 A I want to say about -- probably right at 2001, right  
7 before the trusts were formed.

8 Q Okay. Do you know a person by the name of Shelly  
9 Knowel?

10 A Yes.

11 Q All right. And who is that?

12 A She was working there when I worked there. She had  
13 worked with Eric and Lynita before that, for some time.

14 Q Had she done the bookkeeping --

15 A Yes.

16 Q -- to your knowledge?

17 A Uh-huh.

18 Q And at some point in time, did she cease doing that?

19 A Yes, and she trained me to take over -- actually,  
20 she -- I took over, I believe, the -- the Nelson Professional  
21 Plaza, collecting rents, and making -- paying bills on that  
22 property, was the first thing I did.

23 Q Okay.

24 A So ...

1 Q Was Shelly doing the bookkeeping for the separate  
2 property trusts that had been created for Lynita and for Eric?

3 A Yes.

4 MR. DICKERSON: Object to the form of the question,  
5 calls for speculation.

6 BY MR. SOLOMON:

7 Q How do you know that?

8 A I saw her every day doing it.

9 Q And at some point in time, she ceased doing the  
10 bookkeeping, and you took it over. Is that correct?

11 A Yes.

12 Q And was that -- I think you already indicated that  
13 was right before they did the 2001 self-settled spendthrift  
14 trusts --

15 A Yes.

16 Q -- in this case?

17 A Uh-huh.

18 Q So you actually worked a little bit on the books for  
19 the two separate property trusts for a period of time before  
20 the 2001 trust came into existence. Is that correct?

21 A Yes. Yes.

22 Q Do you know it came about that Eric and Lynita  
23 established the self-settled spendthrift trusts in May of  
24 2001?

1 MR. DICKERSON: Object to the form of the question  
2 without laying a foundation.

3 MR. SOLOMON: I'm asking her if she knows; that is  
4 the foundation start.

5 THE COURT: Ask her if she knows, and expand.  
6 Overruled.

7 A No, I don't know. I believe it was a letter, but I  
8 mean, I don't know exactly.

9 Q After those trusts were established, you indicated  
10 you did the bookkeeping for them. Maybe we'll take those  
11 separately.

12 For -- I want to know what time period that covered, that  
13 you handled the bookkeeping for each trust. So let's start  
14 with Eric's.

15 A Eric --

16 Q That would be the ELN SST.

17 A ELN Nevada Trust. I started after, I want to say  
18 June 2001, through current. I actually -- but I left for a  
19 little bit. So say through January 2011.

20 Q Okay.

21 A And then I left for about six months, and then came  
22 back and oversee it now.

23 Q Okay. And during that six-month hiatus, do you have  
24 any knowledge of who handled the bookkeeping for the ELN Self-

1 Settled Spendthrift Trust during that six-month period?

2 A That would have been primarily Rochelle McGowan.

3 Q And now let's turn to the LSN Self-Settled  
4 Spendthrift Trust. When did you start doing the bookkeeping  
5 on that?

6 A 2001, May 2001, through -- I would say through 2011,  
7 although Rochelle did the majority of the rents and things on  
8 that, so I just oversaw.

9 (Participants confer.)

10 Q Do you remember, at some point in time, in or about  
11 2009, a new distribution trustee had been appointed for the  
12 LSN Trust?

13 A I believe -- I did see a document, yes.

14 Q Do you have any knowledge or recollection of whether  
15 Lynita caused her books and records to be taken at or about  
16 the same time?

17 A Yes. I know that the accounts were closed, and she  
18 basically took all -- took the Lindell account and closed it.

19 Q Were you doing any direct bookkeeping for the LSN  
20 Trust after that date?

21 A No.

22 Q Do you recall that you were named as the  
23 distribution trustee initially, in both trusts?

24 MR. DICKERSON: Objection to the form of the



1 question; it's leading.

2 THE COURT: Overruled. You can answer it. You can  
3 answer if you can.

4 A Yes.

5 Q To your knowledge, why did Eric and Lynita name you  
6 as the distribution trustee?

7 MR. DICKERSON: Object to the form of the question  
8 without laying a foundation.

9 MR. SOLOMON: I asked to her knowledge.

10 THE COURT: Go ahead.

11 THE WITNESS: To my --

12 THE COURT: What's your understanding --

13 THE WITNESS: To my knowledge?

14 THE COURT: -- and knowledge, what you have. And  
15 then I guess some further foundation if they need it.

16 THE WITNESS: Probably because I was doing the  
17 bookkeeping, it made sense to ...

18 MR. DICKERSON: Move to strike, Your Honor, as  
19 nonresponsive.

20 BY MR. SOLOMON:

21 Q Did you have any discussions with anyone as to why  
22 you were being named or why --

23 A Well, I --

24 Q -- they wanted you to do this?

1 A I probably -- no. I would say no.

2 Q At the time you were appointed the distribution  
3 trustee for Lynita's -- or the LSN Trust, what was your  
4 relationship with her like?

5 A We were friends.

6 Q And how long had that gone on?

7 A Well, since I -- since I knew her, so 1989; '88,  
8 '89.

9 Q And how did you know her?

10 A I knew her through, actually, my husband now is good  
11 friends with Eric, so we met that way.

12 Q And you said that was in the '80s?

13 A Uh-huh.

14 Q The 1980s?

15 A Uh-huh. Like '89, I think, '88.

16 Q In connection with your appointment as distribution  
17 trustee, did you have any meetings with Jeff Burr?

18 A I'm sorry. Say that again. I'm sorry. Repeat it.  
19 I missed it.

20 Q Oh, I'm sorry. Yes. In connection with your  
21 appointment as the distribution trustee, did you have any  
22 meetings with Jeff Burr?

23 A Yes.

24 MR. DICKERSON: Can we establish a time frame or the

1 time that happened?

2 MR. SOLOMON: I'll do it one at a time, Mr.  
3 Dickerson.

4 THE COURT: Overruled. You can go ahead.

5 BY MR. SOLOMON:

6 Q Do you recall how many meetings you had with him?

7 A I remember two.

8 Q And do you recall --

9 A At least two.

10 Q Do you recall when the first one was? Your best  
11 estimate, if you don't know the date.

12 A Probably the month prior to the trust being formed,  
13 so maybe April of '01.

14 Q Who was present?

15 A Eric, Lynita, Joan Ramos, I don't know if Rochelle  
16 was there. Me -- it was the office staff at the time, Shelly.

17 Q Jeff Burr?

18 A That was it. Oh, Jeff Burr, and then his assistant,  
19 yeah.

20 Q What was generally discussed in that first meeting?

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

23 THE COURT: What --

24 MR. SOLOMON: Not necessarily. Not if -- did -- it

1 sets the stage of what was discussed. It's not hearsay --

2 THE COURT: Overruled, as far as not necessarily  
3 being admitted for the truth contained therein, but her  
4 understanding of what the nature of the meeting was about.

5 A I don't specifically remember. I remember it was  
6 basically how the trust worked, and what role -- how it would  
7 change the -- how everybody worked in the office, and what  
8 needed to be done, basically.

9 Q And you said Lynita was a participant in that  
10 meeting and heard that?

11 A Yes.

12 Q Do you recall whether it was discussed at that point  
13 that you would serve as distribution trustee?

14 A I don't recall that.

15 Q All right. You indicated there was a second meeting  
16 that you recall at Jeff Burr's. Do you recall approximately  
17 or exactly when that was?

18 A I believe that was when the trust was formed, so  
19 probably the next -- the following month.

20 Q Can you say who was present at that meeting?

21 A I believe the same people.

22 Q And that included Lynita?

23 A Yes.

24 Q Do you recall what occurred at that meeting?

1           A     I can't remember if documents were signed there, if  
2 I was appointed at that time. But it was just basically the -  
3 - how the minutes -- the annual minutes -- it was the same,  
4 basically, of what we did before, who was -- it was being  
5 finalized and what -- who was doing what.

6           Q     Do you recall whether the trust documents were gone  
7 over by Mr. Burr?

8           A     Yes.

9           Q     And do you recall if he went through them with  
10 detail?

11          A     (Verbal indication) I don't remember exactly.  
12               (Participants confer.)

13          Q     Now did you read the trusts when you were appointed  
14 as distribution trustee?

15          A     Yes.

16          Q     And what did you understand your role would be as  
17 the distribution trustee?

18          A     To approve distributions to the trustor.

19          Q     So, in Lynita's trust, it would be to what?

20          A     To Lynita Nelson.

21          Q     And Eric's or the ELN Trust?

22          A     It would be Eric Nelson.

23          Q     Did you understand whether you had any other  
24 responsibilities, other than to make distributions to the

1 trustor and the respective trusts?

2 MR. DICKERSON: Object to the -- it mischaracterizes  
3 her testimony. She did not say that she would make  
4 distributions. It was to approve distributions.

5 MR. SOLOMON: I'll amend my question to add that.  
6 Thank you, Mr. Dickerson.

7 A No.

8 Q Now let's talk about the LSN Nevada Trust. After  
9 you became the distribution trustee, did you speak or meet  
10 with Lynita on a periodic basis?

11 A Yes.

12 Q Who did you understand to be ultimately in control  
13 of Lynita's trust when you were the bookkeeper for that trust?

14 A Lynita.

15 Q Did Lynita personally manage the day-to-day  
16 operations of the LSN Trust, or did she rely upon other people  
17 to do that for her?

18 A She relied on other people to do that.

19 Q And who were those other people?

20 A They were the office staff, so ...

21 Q That would include who?

22 A Myself, mostly Rochelle and myself.

23 Q Let me flip that. Did -- with respect to the ELN  
24 Trust, did Eric also rely upon his staff to run the day-to-day

1 management of his trust?

2 A Yes.

3 Q Was Lynita involved in the management of the LSN  
4 Trusts outside the day-to-day operations?

5 A Yes.

6 Q Can you give us some examples of what she did to  
7 manage her trusts in that regard?

8 A Well, if there was any loans coming from the trust  
9 or any property transferred, she would have to approve those.

10 Q Were you one of the individuals who would consult  
11 with Lynita regarding transactions that the LSN Trust would  
12 participate in, and how did you communicate with her?

13 A Usually, it was phone call or email.

14 Q Okay. Did she come in the office at -- on some  
15 occasions?

16 A Sometimes.

17 Q When you consulted with Lynita regarding  
18 transactions, did she ever ask you questions?

19 A I don't recall.

20 Q Let me ask it this way. As a result of your inter-  
21 reactions [sic] with Lynita during the time period that you  
22 were doing the bookkeeping for her and the trust, did you  
23 believe that she was generally -- that she generally knew  
24 about the transactions that occurred within the LSN Nevada

1 Trust?

2 MR. DICKERSON: Objection, Your Honor. What her  
3 thought process is and what she thinks is not relevant.

4 MR. SOLOMON: It's highly relevant, number one,  
5 because it proves that she was involved in her trust. And  
6 number two, this is the woman who is inter-reacting [sic] with  
7 her, and I've asked her impression of whether or not she  
8 understood Lynita was involved.

9 THE COURT: I think I'd rather have her talk about  
10 the conversations she had with Lynita about either general  
11 loans or properties, if she talked about that, if they  
12 discussed them before she signed it, or if she just signed it  
13 more like that. So I'll sustain the objection. Why don't you  
14 ask more in the nature of the conversations she had with her,  
15 and then she can, based on that, come to a conclusion of she  
16 felt she understood it or not.

17 MR. SOLOMON: Okay.

18 BY MR. SOLOMON:

19 Q You indicated already in your testimony that, when  
20 it came to transactions, Lynita was ultimately in control and  
21 handled that herself, correct?

22 MR. DICKERSON: Objection. Misstates her testimony,  
23 Your Honor.

24 THE COURT: Overruled. Let's move on. You can go -



1 -

2 A Well, she didn't -- I mean, didn't -- what do you  
3 mean "handle" it herself? I mean, I basically wrote the check  
4 and ...

5 Q Right. But you'd call --

6 A Right. And prepared the documents, yes.

7 Q Okay. She would have to sign the documents, right,  
8 in order for --

9 A Correct.

10 Q -- the transaction to occur.

11 A Yes.

12 Q Okay. Did you have -- do you have any reason to  
13 believe that she didn't have an opportunity to read and --  
14 before she signed these documents?

15 MR. DICKERSON: Objection, Your Honor. He can sit  
16 there and ask her about meetings and what she did and what she  
17 observed, but not her interpretation of what she's seen.

18 MR. SOLOMON: Of course you can.

19 THE COURT: Again --

20 MR. SOLOMON: There's thousands of these. I'm  
21 supposed to ask 500,000 of them? I mean, it's ridiculous.

22 THE COURT: What she actually understood, and what  
23 the basis is for why she thought she understood or didn't.

24 Let's move with it and --

1 MR. SOLOMON: I asked her --

2 THE COURT: Overruled. You can ask. Do you  
3 remember the question?

4 THE WITNESS: No.

5 THE COURT: Do you want to restate the question?

6 THE WITNESS: Restate the question. Sorry.

7 BY MR. SOLOMON:

8 Q Was there ever an occasion where Lynita -- that you  
9 didn't believe Lynita had sufficient time to look at what she  
10 was signing and understand what it was?

11 A No.

12 Q Did you ever have any concern that Lynita didn't  
13 know what she was signing?

14 MR. DICKERSON: Again, Judge, I have to object. I  
15 mean, her concerns are not relevant. She can testify as a  
16 fact witness, as to what occurred at these meetings, and I'd  
17 like her to get specific.

18 THE COURT: Is it (indiscernible).

19 MR. DICKERSON: I'm hoping she does get specific.

20 THE COURT: Yeah, I would like to get more specific.  
21 As I said, loans, if you've got particular loans or property  
22 transfers, how long you met, where did you bring her  
23 paperwork, at the office, drop it off, then you met with her?  
24 Did you bring her 20 pages and say, here, and she signed it in

1 20 seconds? Those are the kinds of things I'm -- that you're  
2 trying to ask, why don't you ask a little bit more detail, to  
3 see exactly --

4 BY MR. SOLOMON:

5 Q Do you remember any specific transaction, as we're  
6 sitting here?

7 A No. I mean, it was so long ago. I --

8 Q And how many transactions were there that she had to  
9 sign things, just --

10 A (Verbal indication) There weren't that many because  
11 I basically did day to day. So, unless it was something, like  
12 I said, a loan or something that I wanted her to see that was  
13 being done that wasn't in the day-to-day operations and --

14 Q Let's talk about those out-of-the-ordinary ones.  
15 That's all we're talking about now.

16 A Okay. But I don't know one specifically, no.

17 Q What type of personality did Lynita have?

18 MR. DICKERSON: Objection. Relevance.

19 THE COURT: Overruled. You can answer it.

20 A Well, I don't know. I consider her to have a strong  
21 personality. I mean, she's made her own decisions and -- when  
22 you have five kids, you are a pretty strong personality.

23 Q Based on your inter-reactions with Lynita, did you  
24 believe that she's the type of person that would blindly

1 execute any document Eric or one of his office staff placed in  
2 front of her?

3 MR. DICKERSON: Again, Your Honor, objection. What  
4 she believes has no relevance. Okay?

5 MR. SOLOMON: That's --

6 MR. DICKERSON: If he wants to talk about what she  
7 observed as a fact witness -- but he's asking her her  
8 conclusions, he's asking her conclusory questions, and he's  
9 also asking her leading questions.

10 MR. SOLOMON: I am asking her conclusory questions,  
11 and I'm entitled to ask her her conclusions.

12 THE COURT: Overruled. How much --

13 MR. DICKERSON: That's the Judge's job, to make  
14 those --

15 THE COURT: How much probative value I put on them  
16 will be up to me, but overruled. You can ask her. Let's get  
17 this thing moving.

18 THE WITNESS: Say it again.

19 BY MR. SOLOMON:

20 Q Based on your inter-reactions with Lynita over the  
21 years, do you believe that she was the type of person that  
22 would blindly execute documents that Eric or one of the office  
23 staff placed in front of her to sign?

24 A No.

1 Q And why do you say that?

2 A I just think she has her own opinion. I don't think  
3 that she would do that without signing something -- I mean,  
4 without reading something.

5 Q On the occasions that you got to see her signing  
6 documents, what did you observe with respect to what she would  
7 do with respect to such documents?

8 MR. DICKERSON: Again, Your Honor, I object. She  
9 says she has no specific recollection of any specific events,  
10 and she said that there were not many.

11 THE COURT: Do you recall what you would do --

12 THE WITNESS: No.

13 THE COURT: -- to bring documents to her, see her?

14 THE WITNESS: I don't -- I don't recall. No.

15 BY MR. SOLOMON:

16 Q At some point in time, did you cease being the  
17 distribution trustee for the ELN Trust and the LSN Trust?

18 A Yes.

19 MR. DICKERSON: I'm sorry. What was the answer?

20 THE WITNESS: Yes.

21 BY MR. SOLOMON:

22 Q And do you recall when that was?

23 A February 2007.

24 Q And who was -- do you know who your successor was?

1 A Nola Harber.

2 Q And who is Nola Harber?

3 A That's Eric's sister.

4 Q Did Nola ever ask you to assist her with issues  
5 pertaining to either the ELN Trust or the LSN Trust?

6 MR. DICKERSON: Objection, Your Honor. That would  
7 be hearsay.

8 THE COURT: Overruled.

9 MR. SOLOMON: Yes or no.

10 A No.

11 (Pause in proceedings.)

12 Q Now let's turn to the ELN Trust. Did you ever get  
13 direction from Mr. Burr regarding making distributions to  
14 Eric?

15 A Yes. Annually, I would get a letter and --  
16 actually, Eric would get a letter, and he'd give it to me.

17 Q Did you set up an protocol for making approvals for  
18 distributions to Eric to the ELN Trust?

19 A We would do annual minutes, and then there was also  
20 a distribution authorization that we would pre -- or I would  
21 pre-approve an amount for the year, the upcoming year.

22 Q Did you handle distributions to Lynita from the LSN  
23 Trust in the same way?

24 A Yes.

1 Q Did you approve distributions only annually?

2 A I think, in the beginning, I did it more often. I  
3 was kind of confused at the format, so I think I did a form  
4 for each distribution. But after that, I just did it  
5 annually.

6 Q Other than annual distributions or more frequently  
7 at the beginning, do you recall making any special  
8 distributions to Eric from the ELN Trust for special things  
9 such as taxes or whatever?

10 MR. DICKERSON: Judge, it's been asked and answered.

11 THE COURT: Overruled.

12 MR. DICKERSON: She indicated that they did  
13 distributions annually.

14 THE COURT: I think she said at the beginning, she  
15 did.

16 THE WITNESS: Special.

17 BY MR. SOLOMON:

18 Q Other than that.

19 A Yes, for taxes would be the additional.

20 (Participants confer.)

21 Q Did you understand that, under the terms of the  
22 trust, either Lynita's trust or Eric's trust, the ELN or LSN  
23 Trust, you had the ability to deny any request for  
24 distributions requested by the investment trustees?

1 A Yes.

2 Q Did Eric ever ask you to make a distribution that  
3 you disagreed with?

4 A No.

5 Q Did Lynita ever ask you to make a distribution that  
6 you disagreed with?

7 A No.

8 Q Is there any occasion in which you found that Eric  
9 took distributions from the ELN Self-Settled Spendthrift Trust  
10 that were not approved by you as a distribution trustee?

11 MR. DICKERSON: Was the question, did she ever  
12 become aware of that?

13 MR. SOLOMON: Yes.

14 BY MR. SOLOMON:

15 Q Or you found out.

16 A No.

17 Q Is there any occasion in which you found out that  
18 Lynita took distribution from the LSN Self-Settled Spendthrift  
19 Trust that were not approved by you as distribution trustee?

20 A No.

21 Q How do you know that Eric did not take distributions  
22 in excess of what you authorized?

23 MR. DICKERSON: Objection. That wasn't her  
24 testimony. Her testimony was she never became aware.



1 THE COURT: That she's never aware of any  
2 unauthorized distributions by Eric, allowed or not aware of,  
3 or never saw any distributions that she disagreed with.  
4 Rephrase your question, let's see if --

5 MR. SOLOMON: Yeah, it's the same question.

6 BY MR. SOLOMON:

7 Q Did you ever become aware -- strike that.

8 (Pause in proceedings.)

9 Q Is it your belief that Eric never took distributions  
10 in excess of what you authorized?

11 MR. DICKERSON: Objection, Your Honor. It's calling  
12 for a conclusion. Her testimony was that she never became  
13 aware of any unauthorized distributions.

14 THE COURT: Overruled. She can answer it.

15 A What was the question? So how did I know that?

16 Q Yes.

17 A I had access to bank records, so I would  
18 periodically review those.

19 Q How did you know that Lynita did not take  
20 distributions in excess of what you had approved?

21 A Well, she usually got a monthly check from the  
22 income from the properties that we were managing, and so that  
23 was basically it, other than -- than paying her personal  
24 expenses from the office. So then we knew --

1 Q Were you aware of what those were?

2 A Yes.

3 Q Did you ever write distribution checks to Eric?

4 A Yes.

5 Q Who else had the ability to write distribution  
6 checks to Eric?

7 A Rochelle. Well, it probably changed. I mean, Joan  
8 was a signer on the account at one time, but she didn't write  
9 checks very often, and -- and Eric. Oh, and Shelly, probably,  
10 at one time.

11 Q Now, during the entire period you were overseeing  
12 the books for the ELN Self-Settled Spendthrift Trust and the  
13 LSN Self-Settled Spendthrift Trust, was there an effort to  
14 keep the books -- I'm sorry -- to keep the assets and  
15 liabilities of those trusts separate?

16 A Yes.

17 Q And what were your efforts in that regard?

18 A Two -- two separate sets of books, for one; two  
19 separate bank accounts. Actually, more than two, but separate  
20 names, separate accounts.

21 Q Okay. Were minutes taken for each trust?

22 A Yes.

23 Q How were titles handled, as between the trusts?

24 A What do you mean?

1 Q Titles to assets, were they kept separately?

2 A Oh, yeah, definitely. Unless it was a joint asset,  
3 but I don't believe there were any until recently.

4 Q Until what?

5 A Until -- when -- I think when the building became  
6 50/50, whenever that was.

7 Q Are you referring to Lindell?

8 A Yeah.

9 Q Now even after you stopped being the distribution  
10 trustee for the ELN and LSN Trusts in February of 2007, do I  
11 understand your testimony that you continued to oversee the  
12 books for the ELN Trust and the LSN Trust for some period of  
13 time?

14 A Yes.

15 Q Did you believe it was important to keep the  
16 accounting for those two trusts separate?

17 A Yes.

18 Q Why?

19 A Well, it was -- I don't know. I guess it was my  
20 job. And I -- I mean, it just, law-wise, it made sense. I  
21 mean, you had to keep them separate for -- for protection  
22 purposes and everything else. You couldn't commingle or -- I  
23 mean, because of the terms of the trust, I guess.

24 Q Was that a topic that had been discussed in the

1 meetings that you attended with Jeff Burr, in which Lynita  
2 also participated?

3 MR. DICKERSON: Objection. It would be hearsay,  
4 Your Honor.

5 THE COURT: Overruled.

6 A Yes.

7 Q And during the entire period you were overseeing the  
8 books or the ELN and LSN Trust, did you personally ensure that  
9 all transactions concerning assets and liabilities of each  
10 trust was kept separate on the books?

11 A Yes.

12 Q Were you aware of any transactions that occurred  
13 between the two trusts?

14 A Specifically? Well, yes, there were transactions.  
15 But do you want a specific transaction? I don't know.

16 Q Well, you already mentioned that there were some  
17 notes or loans.

18 A There were notes, yes. There were loans between --  
19 there were transfers of property between, but they were kept  
20 separate.

21 Q When those type of transactions occurred, were they  
22 accounted for on each trust's records?

23 A (No verbal response.)

24 Q If there was monies due to or from one of the trust

1 to the other, were accounts kept to reflect that?

2 A Yes.

3 Q Are you aware of any commingling of assets and  
4 liabilities between the ELN and LSN Trusts, in which you could  
5 not tell which asset or liability was owned or owed by each  
6 trust?

7 A No.

8 Q When the ELN Trust sold assets, did you ensure that  
9 the proceeds were posted to an account in the ELN books?

10 A Yes.

11 Q And when new assets were acquired in the ELN Trust,  
12 were the purchase funds used for that reflected on the books?

13 A Yes.

14 Q Do you know whether the ELN Trust ever borrowed  
15 money from the LSN Trust without Lynita's consent?

16 A No.

17 MR. DICKERSON: Was that no, you do not know, or no,  
18 it didn't happen?

19 THE WITNESS: I would say no, it didn't happen, but  
20 I may -- I mean -- I'm going to say no, it didn't happen.

21 BY MR. SOLOMON:

22 Q Can you attest to this Court that all the  
23 acquisitions in the ELN Trust during your bookkeeping tenure  
24 originated from the funds in that trust?

1 A Yes, unless it was a loan, and then it was noted.

2 Q Are you aware of any of Eric's or Lynita's community  
3 property that was injected into the ELN Trust?

4 MR. DICKERSON: Object. Calls for a conclusion,  
5 Your Honor.

6 THE COURT: If she knows -- if she has any knowledge  
7 about how it was funded or not. I don't know if she was in  
8 that or -- do you have any knowledge of how it was funding the  
9 trust?

10 THE WITNESS: Well, that's -- I don't -- that's  
11 general. I mean, I have some knowledge, but I don't know if -  
12 - as far as I know, there was no commingling, if that's the  
13 question.

14 BY MR. SOLOMON:

15 Q Let me try it a different -- a couple of different  
16 ways.

17 A Okay.

18 Q Any asset that came into Eric's -- or the ELN Trust,  
19 it was your job, while you were the bookkeeper, to record that  
20 into the books, was it not?

21 MR. DICKERSON: Objection, Your Honor. It's  
22 leading.

23 THE COURT: Overruled. Because he said --

24 MR. SOLOMON: I've already gone through this.

1 THE COURT: -- she recorded things that came in.

2 MR. SOLOMON: I can redo it if --

3 THE COURT: I think she said --

4 THE WITNESS: Yes.

5 THE COURT: -- purchases, she recorded them, tried  
6 to keep separate books.

7 THE WITNESS: Yes.

8 BY MR. SOLOMON:

9 Q As assets were received, did you know where they  
10 came from?

11 A Yes.

12 Q And while you were the bookkeeper, did all of the  
13 assets that came into his trust come in as a result of  
14 purchases made out of assets that were already in the trust,  
15 or loans, as you said?

16 A Yes.

17 Q Now were you instrumental; involved, in other words,  
18 in the transfer or the asset into the 2001 trusts, at or about  
19 the time that those were created in May?

20 A Yes.

21 Q And where -- the assets that funded the ELN Trust,  
22 where did they come from?

23 A All of the assets that went to the ELN Nevada Trust  
24 came from Eric Nelson's separate property trust.

1 Q And were you instrumental in connection with the  
2 funding or the transfer of assets into the LSN Trust, in or  
3 about May of 2001?

4 A Yes.

5 Q And where did those assets came from?

6 A Those came from the Nelson Trust.

7 Q And the Nelson Trust was Lynita's separate property  
8 trust?

9 A Yes.

10 (Pause in proceedings.)

11 Q Did Lynita ever tell you that she thought she was  
12 the owner of assets that were held and/or titled in the ELN  
13 Trust?

14 A No.

15 Q Did Eric ever tell you that he thought he was the  
16 owner of assets that were held in or titled in the LSN Trust?

17 A No.

18 Q Did Eric, Lynita, or anyone else, for that matter,  
19 ever advise you that the ELN and LSN Trusts would only apply  
20 as to third-party creditors, but would not apply in the case  
21 of a divorce between the parties?

22 A No.

23 Q Now you indicated there were annual meetings, and  
24 sometimes special meetings. Would you draft minutes for such



1 meetings?

2 A Yes.

3 Q And did you do that for both the ELN Trust and the  
4 LSN Trust?

5 A Yes.

6 Q And after Nola became the distribution trustee, I  
7 think you said in 2007, to your knowledge, did she draft  
8 annual meeting minute -- annual meeting minutes -- there we  
9 are -- for Eric's and Lynita's -- or the ELN and LSN Trusts?

10 MR. DICKERSON: Objection, without the laying of  
11 foundation, and if I may explain. Because, at the time of her  
12 deposition, we did not have any minutes prepared by Nola, and  
13 she was unaware of any minutes prepared by Nola. Now, since  
14 approximately maybe a week ago, we did receive copies of  
15 minutes, purportedly prepared by Nola. So, for him to ask  
16 that question, she would just be speculating. She didn't --  
17 none of us saw any minutes by Nola until about a week ago.

18 MR. SOLOMON: That's an interesting speech, but it  
19 has nothing to do with the question. The question was, did --  
20 to her knowledge, did that occur, and that's a yes or no. And  
21 then I can ask her how she knows.

22 THE COURT: Go ahead.

23 A No.

24 Q So you don't know.

1 A I don't know.

2 Q As you're sitting here, do you recall having any  
3 discussion with Nola about preparing meeting minutes?

4 A No.

5 (Participants confer.)

6 MR. SOLOMON: Your Honor, may I approach the bench?

7 THE COURT: Sure.

8 MR. SOLOMON: This is our binder of exhibits.

9 (Participants confer.)

10 MR. SOLOMON: I don't think you have ours.

11 (Participants confer.)

12 MR. SOLOMON: You have the official ones. Thank  
13 you.

14 BY MR. SOLOMON:

15 Q Can you turn to Exhibit 30, which is tabbed such?

16 A (Witness reviews exhibits.)

17 (Participants confer.)

18 MR. DICKERSON: Are we going to designate their  
19 exhibits?

20 THE COURT: They showed them as -- they're showing  
21 them as intervenor --

22 THE CLERK: Intervenor.

23 MR. DICKERSON: Intervenor 30?

24 THE COURT: They've done it as intervenor, yeah. So

1 just to clarify, they've been showing them as intervenor, in  
2 order to make it clear.

3 (Participants confer.)

4 BY MR. SOLOMON:

5 Q So, for the record, I'm showing you Intervenor  
6 Exhibit 30. And do you recognize your signature on that?

7 A Yes.

8 Q What is this?

9 A It looks like the waiver of an annual or semi-annual  
10 meeting minutes.

11 Q And do you recognize Lynita's signature on there?

12 A Yes.

13 Q And that says it was to consider distributions from  
14 the trust and other investments and/or administrative matters  
15 relative to the trust.

16 MR. SOLOMON: I offer 30.

17 THE COURT: Any?

18 MR. DICKERSON: No objection.

19 THE COURT: Any objections by anybody?

20 (No verbal response.)

21 THE COURT: No? Hereby admitted without objection;  
22 Intervenor's Exhibit Number 30 is hereby admitted into  
23 evidence.

24 (Intervenor Exhibit Number 30 received in evidence.)

1 BY MR. SOLOMON:

2 Q All right. Would you turn to Exhibit 35; Intervenor  
3 Exhibit 35?

4 THE COURT: We have a lot of 35's.

5 A (Witness reviews exhibits.)

6 Q All right. Do you recognize this as your signature  
7 on the bottom of this one?

8 A Yes.

9 Q And it -- do you recognize Lynita's signature?

10 A Yes.

11 MR. SOLOMON: I'd offer Intervenor 35.

12 MR. DICKERSON: No objection.

13 THE COURT: Any objection? Exhibit Number 35 is  
14 hereby admitted without objection.

15 (Intervenor Exhibit Number 35 received in evidence.)

16 BY MR. SOLOMON:

17 Q Now this indicates that a meeting was held regarding  
18 -- with the trustees of LSN's trust on the 3rd day of January  
19 of 2002, at 10 a.m. And it looks like the first resolved sets  
20 up some signers on accounts relating to the trust. Is that  
21 correct?

22 A Yes.

23 Q And the last resolved indicates that there was going  
24 to be a release of income in the amount of \$10,000 for the

1 next 12 months, to Lynita; the first payment would be made on  
2 January 5th, or as soon as reasonably possible. Was that the  
3 mechanism by which you would approve distributions to Lynita?

4 A Yes.

5 Q If you'd turn to Intervenor 36.

6 A (Witness reviews exhibits.)

7 Q Is that your signature on the document?

8 A Yes.

9 Q And was this a distribution authorization to Lynita?

10 A Yes.

11 Q Dated January 31, 2002?

12 A Yes.

13 Q Or January 30th?

14 A Uh-huh.

15 MR. SOLOMON: Offered.

16 MR. DICKERSON: No objection.

17 MS. FORSBERG: No objection.

18 THE COURT: Hereby admitted without objection.

19 (Intervenor Exhibit Number 36 received in evidence.)

20 BY MR. SOLOMON:

21 Q 37.

22 A (Witness reviews exhibits.)

23 THE COURT: You've got 36?

24 Q And does -- is that your signature on exhibit --

1 Intervenor Exhibit 37?

2 A Yes.

3 Q Is this an authorization for \$15,000 to be paid to  
4 Lynita out of the trust?

5 A Yes.

6 MR. SOLOMON: I offer 37. Oh, wait, I did that one,  
7 right?

8 MS. FORSBERG: No, you didn't.

9 MR. SOLOMON: Offer 37.

10 MS. FORSBERG: No objection.

11 THE COURT: Hereby admitted without objection as  
12 Intervenor Exhibit 37.

13 (Intervenor Exhibit Number 37 received in evidence.)

14 BY MR. SOLOMON:

15 Q Would you turn to 38, please?

16 A (Witness reviews exhibits.)

17 Q Do you recognize your signature?

18 A Yes.

19 Q And do you recognize Lynita's?

20 A Yes.

21 Q And this -- are these minutes of a special meeting  
22 of the trustees for the LSN Trust --

23 A Yes.

24 Q -- that occurred, it looks like on April 1st, 2002,

1 at 10:30 a.m.?

2 A Yes.

3 Q And in here, there's a resolution that LSN Trust is  
4 going to make a loan -- or a couple of loans, I guess, one of  
5 which is to the Eric L. Nelson Nevada Trust, in the amount of  
6 \$172,000 plus. Do you see that?

7 A Yes.

8 Q And do you recall Lynita specifically approving  
9 that?

10 A I don't recall specifically approving it, I just --  
11 it's been too long. I don't know.

12 MR. SOLOMON: I offer 38, Your Honor.

13 MS. FORSBERG: No objection.

14 MR. DICKERSON: No objection.

15 THE COURT: Hereby admitted, Intervenor Exhibit  
16 Number 38, without exception, no objection.

17 (Intervenor Exhibit Number 38 received in evidence.)

18 BY MR. SOLOMON:

19 Q Number 39.

20 A (Witness reviews exhibits.)

21 Q Do you recognize your signature on 39?

22 A Yes.

23 Q And is this a distribution authorization by you as  
24 the distribution trustee for the LSN Trust for \$20,000, to