	ļ			NO. 69333						
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	1		1 2019	FILED						
	2	DEPT. NO.: 11 Douglas District Co	County Purt Chine	2015 DEC -1 AH 11: 16						
	3			ECBE DI FRK O						
10 a 4	4	This document does not contain personal information of an	iy person.	SUSE DLERK						
	5			ov Number						
	6	THE NINTH JUDICIAL DI	STRICT COURT O	FNEVAPALED						
	7	IN AND FOR THE C	COUNTY OF DOUG	ILAS						
	8			DEC 0.9 2015						
	9	PEGGY CAIN, an individual: JEFFREY CAIN an individual: and HELI OPS	₹.	CLERK OF SUPREME TOURT						
LAW OFFICES, LTD. h Carvin Street. Suite 6 win City, NV 89701 [775] 560-7220	10	INTERNATIONAL, LLC, an Oregon limited liability company,		ORPOTY CLERK						
	11	Plaintiffs,								
	12		NOTI	CE OF APPEAL						
	13	D.R. RAWSON, an individual;								
A LAN uth Car iron C (75)	14	C4 WORLDWIDE, INC., a Nevada corporatio	n:							
MATUSKA L. 2310 South C Carson	15	RICHARD PRICE, an individual; JOE BAKER, an individual; MICKEY SHACKELFORD, an individual; MICHAEL K. KAVANAGH.								
VIV	16	an individual; MICHAEL N. KAVANAGH, an individual; and JEFFREY EDWARDS, an individual.								
	17									
	18	Defendants.		· · · · ·						
	19	COME NOW Plaintiffs, PEGGY	CAIN. JEFFREY	CAIN and HELI OPS						
	20	INTERNATIONAL. LLC. (hereinafter collec	tively referred to as	"the Cains"), by and through						
	21	their counsel of record. Matuska Law Offices,	Ltd., Michael L. Mat	uska, and hereby appeal to the						
	22	22								
	23	Supreme Court of Nevada from the following of								
	24	1. Order Granting Summary Judg	gment as to Richard I	Price and Mickey Shackelford						
	25	entered on November 5, 2015;								
	26	2. Order Denying Plaintiffs Third	Motion to Compeler	itered on May 8, 2015:						
	27	ECEIVED								
	28	DEC 0 9 2015								
	\mathbf{n}	TRACIE K. LINDEMAN	-1-							
	٦	DEPUTY CLERK								

11- 27/11

	1	3. Order Granting In Part Defendant Joe Baker's Motion for Judgment on the								
	2	Pleadings and Denying Plaintiff's Cross-Motion for Judgment on the Pleadings entered on July								
	3	28, 2015:								
	4	4. Order Granting, In Part, Joe Baker's Motion for (1) Hearing and/or to Bifurcate								
	5	Trial and (2) to Stay a Portion of Trial Proceedings entered on August 17, 2015.								
	6									
E	7 8	Dated this day of November 2015.								
	9	MATUSKA LAW QFFICES. LTD.								
	10	MATOSKA LAW OTTOLS, LTD.								
	П	By:								
CES, L Suite 6 01	12	MICHAEL L. MATUSKA, SBN 5711 2310 South Carson Street, Suite 6								
OFFIC Street NV 897 1-7220	13	Carson City. NV 89701 Attorneys for Plaintiffs								
MATUSKA LAW OFFICES, LTD, 2310 South Carvon Street, Suite 6 Carvin City, NY 89701 (775) 380-7220	14									
USKA 10 South Cary	15									
MATI 25	16									
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		-2-								

	1	CERTIFICATE OF SERVICE
	2	Pursuant to NRCP 5(b), I certify that I am an employee of Matuska Law Offices. Ltd., and
	3	that on the 30 day of November 2015, I served a true and correct copy of the preceding
	4	document entitled NOTICE OF APPEAL as follows:
	5	
	6	Richard A. Oshinski, Esq. Mark Forsberg, Esq.
	7	Oshinski & Forsberg, Ltd. 504 East Musser Street, Suite 302
	8	Carson City NV 89701
	9	Attorneys for Defendants Richard Price and Mickey Shackelford
<i></i>	10	Kichard Price and Mickey Shackenord
MATUSKA LAW OFFICES, LTD. 2319 South Carson Street, Suite 6 Carson City NV 89701 (775) 354-7220	11	[X] BY U.S. MAIL: I deposited for mailing in the United States mail, with postage fully
DFFICES, U Street, Suite 6 XV 89701 7220	12	prepaid, an envelope containing the above-identified document(s) at Carson City, Nevada, in the
LAW OFF h Carson Str on City NV 8 [775] 354-722	13	ordinary course of business.
TUSKA LA' 2310 South Ca Carson C (775)	14	[] BY EMAIL ONLY:
ATUS 23/62	15	[] BY PERSONAL SERVICE: I personally delivered the above-identified document(s)
Z	16	by hand delivery to the office(s) of the person(s) named above.
	17	[] BY FACSIMILE:
	18	[] BY FEDERAL EXPRESS ONE-DAY DELIVERY.
	19 20	[] BY MESSENGER SERVICE: I delivered the above-identified document(s) to
	20	Reno-Carson Messenger Service for delivery.
	22	Din Stern.
	23	LTZ STERN ALS
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	27	
	28	UClient Files\Litigation\Heli Ops\v, Rawson\Pldgs\Ntc of Appeal.doc
		-3-

A LAW OFFICES, J.TD. ath Caron Street. Suite 6 aron City NY 89701 (775) 550-7220	1 2 3 4 5 6 7 8 9 10 11 12 13	CASE NO.: 11-CV-0296 DEPT. NO.: 11 DEC 0 1 2015 Douglas County This document does not contain personal in Diated of County Obergen. THE NINTH JUDICIAL DISTRICT COURT OF NEVADA IN AND FOR THE COUNTY OF DOUGLAS PEGGY CAIN. an individual; JEFFREY CAIN. an individual; and HELI OPS INTERNATIONAL. LLC. an Oregon limited liability company. Plaintiffs. V. D.R. RAWSON, an individual: CA WORL DWIDE INC. a Nevada corporation:								
232	13									
MATUSKA LAV 2310 South Car Caron Ci (775) J	14	C4 WORLDWIDE, INC., a Nevada corporation; RICHARD PRICE, an individual; JOE BAKER, an individual; MICKEY SHACKELFORD,								
SUTAN Oles Oles	15 16	an individual; MICHAEL K. KAVANAGH, an individual; and JEFFREY EDWARDS, an								
	17 18	individual, Defendants.								
	18	COME NOW Plaintiffs. PEGGY CAIN. JEFFREY CAIN and HELI OPS								
	20	INTERNATIONAL. LLC. (hereinafter collectively referred to as "the Cains"). by and through								
	21	their counsel of record, Matuska Law Offices, Ltd., Michael L. Matuska, and hereby file this Case								
	22	Appeal Statement as follows:								
	23	I. Name of Appellant filing this Case Appeal Statement:								
	24 25	PEGGY CAIN, JEFFREY CAIN and HELI OPS INTERNATIONAL, LLC								
	26	2. <u>Name of the judge issuing the decision, judgment, or order appealed from</u> :								
	27	Hon. Thomas W. Gregory								
	28	111								
		-1-								

	1	3. <u>Name of each Appellant and counsel for each appellant:</u>						
	2	PEGGY CAIN. JEFFREY CAIN and HELI OPS INTERNATIONAL, LLC						
	3	Counsel: Matuska Law Offices, Ltd., Michael L. Matuska, 2310 S. Carson Street, Suite 6.						
	4	Carson City, Nevada 89701						
	5	4. <u>Name of each Respondent and counsel for each Respondent:</u>						
	6	Richard Price, Mickey Shackelford						
	7 8	Counsel: Oshinski & Forsberg, Ltd., Mark Forsberg, Esq., 504 East Musser Street. Suite 302 Carson City NV 89701						
	9	5. Name of Any Attorney Not Licensed to Practice Law in Nevada and Whether the						
	10	Attorney has Been Granted Permission to Appear under SCR 42:						
LTD. k 6	11	None						
FICES ret. Suit 89701 89	12	6. <u>Whether Appellant's Counsel in the District Court was Appointed or Retained</u> :						
W. OFI rsen Str fig NV3 350-722	13	Retained						
CALA outh Ca arson C (775)	14	7. Whether Appellant's Counsel on Appeal was Appointed or Retained:						
MATUSKA LAW OFFICES, LTD. 2310 South Carson Street, Suite 6 Carson City NV 89701 (775) 350-7220	15	Retained.						
N.	16	8. <u>In Forma Pauperis:</u>						
	17	None of the parties requested or were granted leave to proceed in forma pauperis						
	18	9. The Date the Proceedings Commenced in the District Court:						
	19	Complaint – September 14, 2011						
	20	10. Brief Description of the Nature of the Action and Result in District Court:						
	21 22	This case involves various claims of Plaintiffs/Appellants for fraud and diversion of funds						
	22	in connection with a securities investment. On February 20. 2010, prior to filing the action,						
	24	Defendants agreed to pay \$20,000.000 and to surrender the securities if Plaintiffs were not paid.						
	25	Defendants failed to pay the amount due or surrender the securities. Plaintiffs filed their						
	26							
	27	Complaint on September 14, 2011. Plaintiffs have settled with or obtained judgments against all						
	28	Defendants except Respondents Richard Price and Mickey Shackelford. On May 8, 2015, Hon.						
		-2-						
	Ì							

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MATUSKA LAW OFFICES, LTD. 2310 South Caron Street. Suite 6 Caron City NY 89701 (775) 550-7220 Thomas W. Gregory denied Plaintiffs' Third Motion to Compel which sought financial information as evidence of the misallocation and commingling of funds and upon which to base the claim for punitive damages. On July 28, 2015, Judge Gregory granted in part Defendant Joe Baker's Motion for Judgment on the Pleadings. Judge Gregory ruled that the Defendants obtained the benefit of the release clause in the February 20, 2010 settlement agreement, even though the Defendants never paid the amounts due or surrendered the securities. On August 17, 2015, Judge Gregory ruled that he would try the continuing objections to personal jurisdiction as well as the claim to pierce the corporate veil in a bifurcated proceeding prior to the jury trial. On November 5, 2015, Judge Gregory made his prior ruling on the Motion for Judgment on the Pleadings a final summary judgment.

11. Prior or Related Proceedings in the Supreme Court:

None

12. Possibility of a Settlement:

Appellant believes this case is appropriate for settlement.

Dated this day of November 2015.

MATUSKA LAW OFFICES. LTD.

MICHAEL L. MATUSKA, SBN 5711 2310 South Carson Street, Suite 6 Carson City, NV 89701 Attorneys for Plaintiffs

-3-

By:

	ľ						
	1	CERTIFICATE OF SERVICE					
	2	Pursuant to NRCP 5(b). I certify that I am an employee of Matuska Law Offices. Ltd., and					
	3	that on the 32 day of November 2015. I served a true and correct copy of the preceding					
	4	document entitled CASE APPEAL STATEMENT as follows:					
	3						
	6	Richard A. Oshinski, Esq. Mark Forsberg, Esq.					
	7	Oshinski & Forsberg, Ltd. 504 East Musser Street, Suite 302					
	8	Carson City NV 89701					
	9	Attorneys for Defendants					
	10	Richard Price and Mickey Shackelford					
MATUSKA LAW OFFICES, LTD. 2310 South Carson Street, Suite 6 Carson City, NY 89701 (775) 580-7220	11	[X] BY U.S. MAIL: I deposited for mailing in the United States mail, with postage fully					
-1CES eet. Suit 19701	12	prepaid, an envelope containing the above-identified document(s) at Carson City, Nevada, in the					
LAW OFFIC th Carson Street. son City NY 8970 (775) 350-7220	13	ordinary course of business.					
A LAV uth Car tron C (775).	14	[] BY EMAIL ONLY:					
TUSK 2310 So C2	15	[] BY PERSONAL SERVICE: personally delivered the above-identified document(s)					
VW	16	by hand delivery to the office(s) of the person(s) named above.					
	17	[] BY FACSIMILE:					
	18	[] BY FEDERAL EXPRESS ONE-DAY DELIVERY.					
	19	[] BY MESSENGER SERVICE: 1 delivered the above-identified document(s) to					
	20	Reno-Carson Messenger Service for delivery.					
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	22	Denstern					
	23	LIZ STERN, ALS					
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	28	()Client Files/Lifigation/Heli Ops/v, Rawson/Pldgs/Case Appeal Strat doc					
		-4-					

9TH JUDICIAL DISTRICT COURT Bobbie R. Williams Clerk of the Court Ph 782-9820 Fax 782-9954 1038 Buckeye Rd. P.O. Box 218 Minden, NV 89423-0000 (775)-782-9820, TTY for Deaf: (775)-782-9964 (775) 782-9820

12/09/15

Case Number: 11-CV-00296-DC CD Date Filed: 09/14/11 Status: Re-Open Judge Assigned: Gibbons, Michael

Cain, Et Al Vs Rawson, Et Al

CASE HISTORY

INVOLVED PARTIES

Туре	Num Name(Last,First,Mid,Title)		Dispo	Entered
PLT	001 Cain, Peggy			09/14/11
PLT	002 Cain, Jeffrey			09/14/11
i	Attorney: 5711 Matuska, Michael L			
	Brooke & Shaw			
	P. O. Box 2860			
	Minden, NV 89423			
	(702)782-7171			
PLT	003 Heli Ops International, LLC			09/14/11
OTH	001 Rawson, Margaret L.			09/23/13
	Attorney: 7104 Mougin, Robert P			
	7040 Laredo Street, Suite C			
	Las Vegas, NV 89117			
	(702)260-9500			
OTH	002 Kavanagh, Kathryn			10/03/13
OTH	003 Price, Richard			09/30/14
DEF	001 Rawson, D.R.			09/14/11
	Attorney: 000937 Chase, Kelly	Removed:	12/28/12	
	1111 Person, Proper	Removed:	10/02/13	
DEF	002 C4 Worldwide, Inc.			09/14/11
DEF	003 Price, Richard			09/14/11
	Attorney: 000937 Chase, Kelly	Removed:	01/28/13	
	1111 Person, Proper	Removed:	10/02/13	

2

004265 Forsberg, Mark 1739 Bliss Court Carson City, NV 89701

Type Num Name(Last, First, Mid, Title)	Dispo Entered
DEF 004 Baker, Joe	09/14/11
Attorney: 000937 Chase, Kelly Rem	oved: 01/11/13
6360 Johnson, Michael K	
P. O. Box 4848	
Stateline, NV 89449	
(775)588-4212	
DEF 005 Shackelford, Mickey	09/14/11
Attorney: 000937 Chase, Kelly Rem	oved: 01/08/13
1111 Person, Proper Rem	oved: 04/01/13
004265 Forsberg, Mark	
1739 Bliss Court	
Carson City, NV 89701	
004127 Oshinski, Richard	
600 E. William St. Ste 301	
Carson City, NV 89701-4052	
DEF 006 Kavanagh, Michael K.	09/14/11
Attorney: 000937 Chase, Kelly Rem	oved: 01/08/13
1111 Person, Proper Rem	oved: 10/02/13
DEF 007 Edwards, Jeffrey	09/15/11
Attorney: 000937 Chase, Kelly Rem	oved: 01/28/13

CALENDAR EVENTS

Date	Time	Dur	Cer	Evnt	Jdg	L	Day	Of	Rslt	Ву	ResultDt	Jdg	T Notice	Rec
10/07/13	01:30P	001	yes	CVPO	MPG		01	/01	CON	С	10/07/13	MPG	P	N
10/14/13	01:30P	001	yes	CVPO	MPG		01	/01	CON	С	10/14/13	MPG	Þ	N
01/02/14	10:00A	001	yes	CALL	MPG		01	/01	VAC	С	12/30/13	MPG	P	
08/10/15	02:30P	001	yes	PTC	TWG		01	/01	CON	С	08/10/15	TWG		N
09/15/15	09:00A	007	yes	CIJT	TWG		01	/04	VAC	С	08/10/15	TWG		
09/16/15	09:00A	007	yes	CIJT	TWG		02	/04	VAC	С	08/10/15			

Date Time Dur Cer Evnt Jdg L Day Of Rslt By ResultDt Jdg T Notice Rec

09/17/15 09:00A 007 yes CIJT	TWG 03 /04 VAC	C 08/10/15
09/18/15 09:00A 007 yes CIJT	TWG 04 /04 VAC	C 08/10/15
09/22/15 09:00A 007 yes CIJT	TWG 01 /02 VAC	C 08/10/15 TWG
09/23/15 09:00A 007 yes CIJT	TWG 02 /02 VAC	C 08/10/15
12/08/15 09:00A 001 yes MOTN	TWG 01 /03 VAC	C 11/09/15 TWG
12/09/15 09:00A 001 yes MOTN	TWG 02 /03 VAC	C 11/09/15
12/10/15 09:00A 001 yes MOTN	TWG 03 /03 VAC	C 11/09/15
04/19/16 09:00A 001 yes CIJT	TWG 01 /04 VAC	C 11/09/15 TWG
04/20/16 09:00A 001 yes CIJT	TWG 02 /04 VAC	C 11/09/15
04/21/16 09:00A 001 yes CIJT	TWG 03 /04 VAC	C 11/09/15
04/22/16 09:00A 001 yes CIJT	TWG 04 /04 VAC	C 11/09/15
04/26/16 09:00A 001 yes CIJT	TWG 01 /02 VAC	C 11/09/15 TWG
04/27/16 09:00A 001 yes CIJT	TWG 02 /02 VAC	C 11/09/15

JUDGE HISTORY

JUDG	E ASSIGNED	Туре	Assign Date	Removal	RSN
MPG	Gibbons, Michael	J	12/29/11		
DRG	Gamble, David	J	09/14/11	DP	12/29/11

DOCUMENT TRACKING

	Filed	Received	Party Routed	Ruling	Closed User ID
for Breach of Contrac	t 09/14/11	. DRG	PLT001	Moot	05/17/13 MB
Conspiracy)					
ain, Peggy, PLT002-Cai	n, Jeffrey	/, PLT003-Heli			
LLC,					
R. Rawson	09/14/13	DRG	PLT001	Moot	05/17/13 MB
ain, Peggy, PLT002-Cai	n, Jeffrey	, PLT003-Heli			
	Conspiracy) ain, Peggy, PLT002-Cai: , LLC, R. Rawson	for Breach of Contract 09/14/11 Conspiracy) ain, Peggy, PLT002-Cain, Jeffrey , LLC, R. Rawson 09/14/11	for Breach of Contract 09/14/11 DRG Conspiracy) ain, Peggy, PLT002-Cain, Jeffrey, PLT003-Heli LLC,	for Breach of Contract 09/14/11 DRG PLT001 Conspiracy) ain, Peggy, PLT002-Cain, Jeffrey, PLT003-Heli , LLC, R. Rawson 09/14/11 DRG PLT001	for Breach of Contract 09/14/11 DRG PLT001 Moot Conspiracy) ain, Peggy, PLT002-Cain, Jeffrey, PLT003-Heli , LLC, R. Rawson 09/14/11 DRG PLT001 Moot

Ops International, LLC,

Page: 4

Num/Seq	Description	Filed	Received	-	3	Closed	User ID
003000	Summons Issued - C4 Worldwide Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	09/14/11	DRG	PLT001	Moot	05/17/13	MB
004000	Summons Issued - Richard Price Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	09/14/11 , Jeffrey		PLT001	Moot	05/17/13	MB
005000	Summons Issued - Joe Baker Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	09/14/11 , Jeffrey		PLT001	Moot	05/17/13	MB
006000	Summons Issued - Mickey Shackelford Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,			PLT001	Moot	05/17/13	MB
007000	Summons Issued - Michael Kavanagh Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,			PLT001	Moot	05/17/13	MB
008000	Summons Issued - Jeffrey Edwards Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,			PLT001	Moot	05/17/13	MB
009000	Summons Filed (Richard Price) Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,			PLT001	Moot	05/17/13	МВ
010000	Summons Filed (Joe Baker) Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,	10/18/11 n, Jeffrey		PLT001	Moot	05/17/13	MB
011000	Summons Filed (Jeffrey Edwards) Filed by PLT002-Cain, Jeffrey, PLT003-He LLC, , PLT001-Cain, Peggy			PLT002	Moot	05/17/13	MB
012000	Summons Filed (C4 Worldwide) Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,	10/26/11 n, Jeffrey		PLT001	Moot	05/17/13	MB
013000	Summons Filed (D.R. Rawson) Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,	10/26/11 h, Jeffrey		PLT001	Moot	05/17/13	MB
014000	Affidavit of Service Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,	10/26/11 n, Jeffrey		PLT001	Moot	05/17/13	MB
015000	Notice of Change of Law Firm Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	10/31/11 n, Jeffrey		PLT001	Moot	05/17/13	3 MB

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Num/Seq	Description	Filed	Received	-	Routed	Ruling	Closed	Useı	r ID
016000	Summons Filed	11/17/11	DRG			Moot	05/17/13	нс	
017000	Notice of Intent to Take Default Filed by PLT001-Cain, Peggy, PLT002-Cain, Ops International, LLC,	11/22/11 , Jeffrey,		PLT001				MB	MB
018000	Summons Filed Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	12/01/11 , Jeffrey		PLT001		Moot	05/17/13	MB	ΜВ
019000	Notice of and Motion to Dismiss, or in the Alternative, for a More Definite Stat Filed by DEF001-Rawson, D.R., DEF004-Bake DEF005-Shackelford, Mickey, DEF006-Kavana DEF007-Edwards, Jeffrey, DEF002-C4 Worlds	tement er, Joe, agh, Micha	ael K.,	DEF001		Ruled	01/19/12	MB	VB
020000	Opposition to Motion to Dismiss Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	12/22/11 , Jeffrey		PLT001		Moot	05/17/13	MB	VB
021000	Peremptory Challenge Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	12/29/11 , Jeffrey		PLT001		Moot	05/17/13	MB	VB .
022000	Notice of Reassignment Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	12/29/11 , Jeffrey		PLT001				MB	MB
023000	Reply Points and Authorities in Support of Motion to Dismiss, or in the Alternat Statement Filed by DEF001-Rawson, D.R., DEF004-Bak DEF005-Shackelford, Mickey, DEF007-Edwar Worldwide, Inc.,	ive, for er, Joe,	a More Definit	DEF001 e		Moot	05/17/13	MB	MB
024000	Order Denying Motion to Dismiss and Granting Leave to Amend	01/19/12	MPG	000		Moot	05/17/13	MB	MB
025000	Answer Filed by DEF001-Rawson, D.R., DEF002-C4 DEF003-Price, Richard, DEF004-Baker, Joe Mickey, DEF006-Kavanagh, Michael K., DEF	, DEF005-	, Inc., , Shackelford,	DEF001				MB	MB
026000	Request for Exemption From Arbitration	03/22/12	MPG	PLTO01	L	Ruled	04/23/12	нC	VB
027000	Order	04/23/12	e Mpg	000		Moot	05/17/13	MB	VB
028000	Notice of Entry of Order Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC.	04/27/12 , Jeffrey		PLT001	L	Moot	05/17/13	MB	VB

Ops International, LLC,

-	Description	Filed	Received	-	Routed	-		User	ID
	First Amended Complaint (Breach of Contract, Fraud, Negligence, Civil Consp	05/02/12				Moot	05/17/13	N/A	VB
030000	Demand for Jury Trial Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	06/14/12 , Jeffrey		PLT001		Moot	05/17/13	ĸw	VB
031000	Plaintiffs' 16.1 Case Conference Report Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy			PLT003		Moot	05/17/13	ĸw	VB
032000	Defendants' NRCP 16.1 Unilateral Case Conference Report Filed by DEF002-C4 Worldwide, Inc., , DE DEF003-Price, Richard, DEF004-Baker, Joe Mickey, DEF006-Kavanagh, Michael K.	F001-Raws	on, D.R.,	DEF002		Moot .	05/17/13	KW	VB
033000	Notice of and Renewed Motion to Dismiss or for Summary Judgment Filed by DEF007-Edwards, Jeffrey, DEF006 DEF005-Shackelford, Mickey, DEF004-Baker Richard, DEF002-C4 Worldwide, Inc., , DE	-Kavanagh , Joe, DE	, Michael K., F003-Price,	DEF007		Ruled	11/20/12	KW	VB
034000	Opposition to Motion to Dismiss or for Summary Judgment Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy			PLT003		Moot	05/17/13	KW	VB
035000	Affidavit of Jeffrey Cain Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	08/31/12 LLC, , PL		PLT003		Moot	05/17/13	KW	VB
036000	Affidavit of Michael Matuska Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	08/31/12 LLC, , PL		PLT003		Moot	05/17/13	ĸw	VB
037000	Statement of Undisputed Material Facts Filed by PLT002-Cain, Jeffrey, PLT003-He LLC,	08/31/12 eli Ops In		PLT002		Moot	05/17/13	ĸw	VB
038000	Affidavit of Dan Witt	09/04/12	DRG	000		Moot	05/17/13	ĸw	VB
039000	Motion for Leave to File Second Amended Complaint Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy			PLT003		Ruled	11/20/12	KW	VB
040000	Affidarit of Korry Duckor	00/10/11-		0.00		Maat	05/17/12	121-7	170

040000 Affidavit of Kerry Rucker 09/18/12 DRG 000 Moot 05/17/13 KW VB 041000 Reply Points and Authorities in Support 09/28/12 DRG DEF001 Moot 05/17/13 KW VB of Renewed Motion to Dismiss or for Summary Judgment

Page:

Filed by DEF001-Rawson, D.R., DEF003-Price, Richard, DEF004-Baker, Joe, DEF005-Shackelford, Mickey, DEF006-Kavanagh, Michael K., DEF007-Edwards, Jeffrey, DEF002-C4 Worldwide, Inc.,

Num/Seq	Description	Filed	Received	Party	Routed	Ruling	Closed	Use	r ID
042000	Defendants' Statement of Facts; Re: Renewed Motion to Dismiss or for Summary Filed by DEF007-Edwards, Jeffrey, DEF006 DEF005-Shackelford, Mickey, DEF004-Baker Richard, DEF002-C4 Worldwide, Inc., , DE	-Kavanagh , Joe, DE	, Michael K., F003-Price,	DEF007		Moot	05/17/13	KW	VB
043000	Affidavit of DR Rawson	09/28/12	MPG	DEF001		Moot	05/17/13	ĸw	VB
044000	Affidavit of Jeffrey Edwards	09/28/12	MPG	DEF007		Moot	05/17/13	KW	VB
045000	Affidavit of Joe Baker	09/28/12	MPG	DEF004		Moot	05/17/13	KW	VB
046000	Affidavit of Richard Price	09/28/12	MPG	DEF003		Moot	05/17/13	KW	VB
047000	Defendant's Opposition To Plaintiffs' Motion to File Second Amended Complaint	10/03/12	MPG	DEF001				N/A	VB
048000	Reply to Opposition to Plaintiffs' Motion for Leave to File Second Amended Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,			PLT001		Moot	05/17/13	ĸw	VB
049000	Request for Oral Argument on Dispositive Motions (NJDCR 6(e)) Filed by DEF002-C4 Worldwide, Inc., , DE DEF003-Price, Richard, DEF004-Baker, Joe Mickey, DEF006-Kavanagh, Michael K., DEF	F001-Raws , DEF005-	on, D.R., Shackelford,	DEF002		Moot	05/17/13	KW	VB
050000	Request for Submission Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	10/16/12 LLC, , PL		PLT003		Moot	05/17/13	KW	VB
051000	Order Denying Renewed Motion to Dismiss Re Personal Jurisdiction or for Summary Second Motion for Leave to Amend			000		Moot	05/17/13	ĸw	VB
052000	Motion for Leave to File Supplemental Points and Authorities in Opposition to Summary Judgment Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy		Dismiss or fo	PLT003 r		Moot	11/26/12	KW	VB
053000	Supplemental Points and Authorities in Opposition to Motion to Dismiss or for S Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	-	adgment	PLT003	1	Moot	05/17/13	KW	VB

11-C\	V-00296-DC	Date:	12/09	/15	Time:	08:0)5		Pa	.ge:	:
Num/Seq	Description			Filed	Received	Part	y Routed	Ruling	Closed	Usei	r ID
	Withdrawal of Motio Supplemental Points Dismiss or for Summ	and Authori	ties in O	11/26/12 pposition				Moot	05/17/13	BW	VB

055000	Second Amended Complaint (Breach of	11/27/12	MPG	PLT001	Moot	05/17/13 HC VE	З
	Contract, Fraud, Negligence, Civil (Conspiracy, Conversion,					
	Constructive Trust)						

056000 Notice of and Application for Order of 12/13/12 05/17/13 HC VB MPG 000 Moot Withdrawal of Attorney 057000 Order Granting Withdrawal of Counsel 12/18/12 05/17/13 KW VB MPG 000 Moot

Moot

- 058000 Partial Opposition to Notice of And 12/21/12 MPG PLT001 Application for Order of Withdrawal of Attorney Filed by PLT001-Cain, Peggy, PLT002-Cain, Jeffrey, PLT003-Heli Ops International, LLC,
- 059000 Substitution of Attorney 05/17/13 KW VB 12/27/12 MPG DEF001 Moot 060000 Notice of Intent to Take Default N/A VB 01/03/13 MPG PLT001 061000 Notice of Intent to Take Default N/A VB 01/07/13 MPG PLT001 062000 Notice of Intent to Take Default N/A VB 01/08/13 MPG PLT001 063000 Substitution of Attorney 05/17/13 N/A VB MPG DEF006 Moot 01/08/13 05/17/13 N/A VB 064000 Substitution of Attorney 01/08/13 MPG DEF005 Moot 065000 Substitution of Attorneys 05/17/13 N/A VB 01/10/13 MPG DEF004 Moot 066000 Defendant Joe Baker's Answer to Second 01/10/13 N/A VB MPG DEF004 Amended Complaint 067000 Notice of Intent to Take Default N/A VB 01/15/13 MPG PLT001

068000	Notice of Intent to Take Default	01/15/13	MPG	PLT001		N/	'A V	в
069000	Default (Clerk's)	01/15/13	MPG	PLT001	Moot	05/17/13 N/	'A V	в
070000	Application for Entry of Default	01/15/13	MPG	PLT001	Moot	05/17/13 N,	'A V	в
071000	Notice of and Application for Order of Withdrawal of Attorney	01/17/13	MPG	DEF007	Moot	05/17/13 N,	/a v	B
072000	Application for Entry of Default	01/23/13	MPG	DEF002	Moot	05/17/13 N,	/a v	в
073000	Default	01/23/13	MPG	PLT001	Moot	05/17/13 N,	/a v	B
074000	Application for Entry of Default	01/24/13	MPG	PLT001	Moot	05/17/13 N,	/a v	ſВ

077 0 - -

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05/17/13 BW VB

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Num/Seq	Description	Filed	Received	Party	Routed	Ruling	Closed	Useı	r ID
075000	Default	01/24/13	MPG	PLT001		Moot	05/17/13	N/A	VB
076000	Application for Entry of Default	01/24/13	MPG	PLT001		Moot	05/17/13	N/A	VB
077000	Default	01/24/13	MPG	PLT001		Moot	05/17/13	N/A	VB
078000	Notice of Entry of Default	01/24/13	MPG	PLT001		Moot	05/17/13	N/A	VB
079000	Order Granting Withdrawal of Counsel	01/28/13	MPG	000		Moot	05/17/13	KW	VB
080000	Notice of Entry of Default	01/30/13	MPG	000		Moot	05/17/13	НC	VB
081000	Notice of Entry of Order	02/01/13	MPG	DEF001		Moot	05/17/13	N/A	VB
082000	Notice of Entry of Default	02/06/13	MPG	PLT001		Moot	05/17/13	N/A	VB
083000	Notice of Entry of Default	02/06/13	MPG	PLT001		Moot	05/17/13	N/A	VB
084000	Interrogatories	02/13/13	MPG	DEF005				N/A	VB
085000	Answer	02/13/13	MPG	DEF005				N/A	VB
086000	Answer	02/14/13	MPG	DEF007				нс	НC
087000	Interrogatories	02/14/13	MPG	DEF007				HC	НC
088000	Certificate of Service	02/14/13	MPG	DEF007		Moot	05/17/13	нС	НC
089000	Answer	02/15/13	MPG	DEF003				N/A	нС
090000	Answer	02/15/13	MPG	DEF003				N/A	нС
091000	Verified Memorandum of Costs	03/14/13	MPG	PLT001		Moot	05/17/13	N/A	HC
092000	Affidavit of Michael L. Matuska	03/14/13	MPG	PLT001		Moot	05/17/13	N/A	НC
093000	Affidavit of Jeffrey K. Cain	03/14/13	MPG	PLT001		Moot	05/17/13	N/A	HC
094000	Motion for Default Judgment	03/14/13	MPG	PLT001		Ruled	05/07/13	N/A	VB
095000	Affidavit of Michael L. Matuska in Support of First Motion to Compel	03/21/13	MPG	PLT001	-	Moot	05/17/13	N/A	VB
096000	Motion to Certify Judgment as Final	03/21/13	MPG	PLT001	L	Moot	05/17/13	N/A	. VB
097000	Plaintiff's first Motion to Compel	03/21/13	MPG	PLT001	L	Ruled	05/07/13	N/A	. VB
098000	Defendant Mickey Shackelford's Opposition to Plaintiff's Motion for Def to Set Aside Default Judgment	03/29/13 ault Judg		DEF009	5	Moot	05/17/13	N/A	VB

11-CV-00296-DC Date: 12/09/15 Time: 08:05 Num/Seq Description Filed Received Party Routed

Num/Seq	Description	Filed	Received		Party	Routed	Ruling	Closed	User	ID
099000	Notice of Appearance	03/29/13		MPG	DEF005		Moot	05/17/13	N/A	VB
100000	Joe Baker's Opposition to Plaintiffs' First Motion to Compel; Motion for Sanct	04/04/13 ions		MPG	DEF004		Moot	05/17/13	N/A	VB
101000	Defendant Richard Price's Opposition to Plaintiffs' First Motion to Compel	04/08/13		MPG	DEF003		Moot	05/17/13	N/A	VB
102000	Affidavit of Michael L. Matuska in Support of Plaintiffs' Reply to Oppositi Compel	04/09/13 ons to Fi			PLT001		Moot	05/17/13	нС	VB
103000	Reply to Oppositions to Motion to Compel	04/09/13		MPG	PLT001		Moot	05/17/13	HC	VB
104000	Reply to Opposition to Motion for Default Judgment and Request for Evident	04/09/13 iary H e ar		MPG	PLT001		Ruled	05/07/13	HC	VB
105000	Order Granting Motion to Compel in Part and for Attorney's Fees and Costs	05/07/13		MPG	000		Moot	05/17/13	N/A	VB
106000	Order Granting Motion for Default Judgments and Setting Aside Default Judg Shackelford	05/07/13 ment Agai		MPG Y	000		Moot	05/17/13	N/A	VB
107000	Notice of Entry of Order	05/10/13		MPG	PLT001		Moot	05/17/13	HC	VB
108000	Notice of Entry of Order	05/10/13		MPG	PLT001		Moot	05/17/13	HC	VB
109000	Default Judgment	05/17/13		MPG	000		Moot	05/17/13	N/A	VB
112000	Amended Notice of Entry of Order	05/17/13		MPG	PLT001		Moot	10/18/13	N/A	VB
110000	Judgment Entered Judgment	05/20/13	05/20/13	MPG	000	05/20/13	Moot	05/20/13	N/A	VB
111000	Notice of Recorded Judgment Judgment	05/20/13	05/20/13	MPG	000	05/20/13	Moot	05/20/13	N/A	VB
113000	Notice of Entry of Default Judgment	05/21/13	ł	MPG	PLT001		Moot	10/18/13	N/A	VB
114000	Affidavit of Costs	06/04/13	i -	MPG	000		Moot	10/18/13	НC	VB
115000	Writ of Execution Issued (Defendant Dr. Rawson)	06/04/13	ł	MPG	000		Moot	10/18/13	НC	VB
116000	Writ of Execution Issued (Defendant C4 Worldwide)	06/04/13	3	MPG	000		Moot	10/18/13	HC	VB
117000	Writ of Execution Issued (Defendant Michael K. Kavanagh)	06/04/13	3	MPG	000		Moot	10/18/13	НC	VB

Page: 11

Num/Seq	Description	Filed	Received	Party	Routed	Ruling	Closed	User ID
118000	Writ of Execution Issued	06/14/13	MPG	PLT001		Moot	10/18/13	N/A VB
119000	Affidavit of Costs	06/14/13	MPG	PLT001		Moot	10/18/13	N/A VB
120000	Affidavit of Costs	06/24/13	MPG	PLT001		Moot	10/18/13	N/A VB
121000	Writ of Execution Issued	06/24/13	MPG	PLT001		Moot	10/18/13	N/A VB
122000	Writ of Execution Filed	07/29/13	MPG	PLT001		Moot	10/18/13	N/A VB
123000	Writ of Execution Filed	07/29/13	MPG	PLT001		Moot	10/18/13	n/a vb
124000	Writ of Execution Filed	07/29/13	MPG	PLT001		Moot	10/18/13	N/A VB
125000	Writ of Execution Issued	07/29/13	MPG	PLTOO1		Moot	10/18/13	N/A VB
126000	Affidavit of Costs	07/29/13	MPG	PLT001		Moot	10/18/13	N/A VB
127000	Writ of Execution Issued	07/29/13	MPG	PLT001		Moot	10/18/13	N/A VB
128000	Affidavit of Costs	07/29/13	MPG	PLT001		Moot	10/18/13	N/A VB
129000	Writ of Execution Issued	07/29/13	MPG	PLT001		Moot	10/18/13	N/A VB
130000	Affidavit of Costs	07/29/13	MPG	PLT001		Moot	10/18/13	N/A VB
131000	Claim of Exemption from Execution	09/23/13	MPG	OTH001		Moot	10/18/13	N/A VB
132000	Affidavit of Counsel in Support of Response to Claim of Exemption, Request for Issuance of Summons	09/25/13 for Heari		PLT001		Moot	10/18/13	N/A VB
133000	Response to Claim of Exemption, Request for Hearing and Request for Issuance of		8 MPG	PLT001	-	Moot	10/18/13	N/A VB
134000	Certificate of Service	09/25/13	8 MPG	PLT001		Moot	10/18/13	N/A VB
135000	Notice of Hearing	09/25/13	8 MPG	PLT001		Moot	10/18/13	N/A VB
136000	Claim of Exemption from Execution	10/03/13	3 MPG	OTH002	2	Moot	10/18/13	N/A VB
137000	Notice of Hearing	10/04/13	8 MPG	OTH002	2	Moot	10/18/13	N/A VB
138000	Response to Claims of Exemption and Request for Hearing and Request for Hear	10/04/13 ing	B MPG	PLTOOI	L	Moot	10/18/13	N/A VB
141000	Order	10/07/13	B MPG	000		Moot	10/18/13	N/A VB
142000	Order for Issuance of Summons	10/07/13	3 MPG	000		Moot	10/18/13	N/A VB
139000	Notice of Entry of Order	10/09/13	3 MPG	PLTOOD	L	Moot	10/18/13	N/A VB

11-CV-00296-DC Date: 12/09/15 Time: 08:05

_	Description	Filed	Received	Party	Routed	Ruling	Closed	Use:	r ID
	Notice of Entry of Order	10/09/13	MPG	PLT001		Moot	10/18/13	N/A	VB
143000	Summons Issued	10/09/13	MPG	PLT001		Moot	10/18/13	N/A	VB
144000	Case Reopened	10/14/13	MPG	000		Moot	10/18/13	DG	VB
145000	Application for Post-Judgment Order (NRS 21.320)	10/14/13		PLT001		Moot	10/18/13	ĎG	VB
	Filed by PLT001-Cain, Peggy, PLT002-Cain, Ops International, LLC,	Jeffrey	, PLT003-Heli						
146000	Affidavit of Jeffrey K. Cain in Support of Application For Post-Judgment Order (I Filed by PLT001-Cain, Peggy, PLT002-Cain,	NRS 21.32	0)	PLT002		Moot	10/18/13	DG	VB
	Ops International, LLC,								
147000	Order	10/14/13	MPG	000		Moot	10/18/13	N/A	VB
148000	Order	10/14/13	MPG	000		Moot	10/18/13	N/A	VB
149000	Notice of Entry of Order	10/15/13	MPG	PLT001		Moot	10/18/13	N/A	VB
150000	Notice of Entry of Order	10/16/13	MPG	PLT001		Moot	10/18/13	DG	VB
151000	Order	10/18/13	MPG	000		Moot	10/18/13	DG	VB
152000	Writ of Execution Filed	10/21/13	MPG	PLT001				N/A	VB
153000	Request for Clarification and Final Order	10/28/13	MPG	PLT001				N/A	VB
154000	Notice of Entry of Order Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	10/29/13 , Jeffrey		PLT001				DG	DG
155000	Amended Order	10/30/13	MPG	000		Moot	10/31/13	N/A	VB
156000	Summons Filed	10/30/13	MPG	PLT001				N/A	VB
157000	Order Vacating Order Filed October 30, 2013	10/31/13	MPG	000				N/A	VB
158000	Reply to Opposition to Request for Clarification and Final Order Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	11/01/13 , Jeffrey		PLT001				DG	DG
159000		11/04/13	MPG	OTH001				N/A	DG

11-CV-00296-DC Date	: 12/09/15	Time: 08:05
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12/09/15	Time:	08:05	

	Description	Filed	Received	-	Routed			Useı	ID
	Application for Entry of Default Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	11/05/13	MPG	PLT001				DG	DG
161000	Transcript of Proceedings-Hearing on Claims of Exemption 10/14/13	11/05/13	MPG	000				N/A	DG
162000	Margaret Rawson's Opposition to and Motion to Quash the Summons to Add her N. Judgment Pursuant to NRS 17.060			OTH001				KW	KW
163000	Default Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	11/07/13 , Jeffrey		PLT001				ĸw	KW
164000	Margaret Rawson's Response to Plaintiff's Reply to Opposition to Reque Final Order			OTH001 d				НС	нс
165000	Notice of Entry of Default	11/12/13	MPG	PLT001				нс	HC
166000	Certificate of Service	11/13/13	MPG	PLT001				HC	HC
167000	Margaret Rawson's Renewed Claim for Exemption Pursuant to NRS 21.112 and NRS Motion to Quash Bank Levy Issued by Plai County Sheriff		nd Subsequent	OTHOOL		Ruled	02/10/14	нС	VB
168000	Margaret Rawson's Opposition to Application for Entry of Default	11/14/13	MPG	OTHOOL				НC	нс
169000	Supplemental Response to Margaret Rawson's Renewed Claim of Exemption	11/19/13	MPG	PLT001				N/A	НС
170000	Margaret Rawson's Motion to Set Aside Default	11/20/13	MPG	OTH001		Ruled	12/11/13	N/A	VB
171000	Notice of Non-Opposition	11/25/13	MPG	PLT001				HC	нс
172000	Margaret Rawson's Reply to Plaintiff's Supplemental Response to Renewed Claim f to Quash Previous Garnishment	11/27/13 or Exempt		OTH001				нс	НС
173000	Response To Margaret Rawson's Opposition to and Motion to Quash the Summons	12/10/13	MPG	PLT001				N/A	HC
174000	Order Granting Motion to Clarify and to Set Aside Default and Setting Hearing for Rawson's Claim of Exemption, Etc, and Ma	r Final I	etermination c					N/A	HC

Quash Summons on January 2, 2014 at 10:00 a.m.

Page: 13

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-	Description	Filed	Received		Party	Routed	-	Closed	Usei	: ID
	Hearing Statement	12/23/13		MPG	000				BW	BW
176000	Response to Margaret Rawson's Renewed Claim of Exemption	12/23/13		MPG	000				BW	BW
177000	Certificate of Service	12/24/13		MPG	PLT001				DG	DG
178000	Margaret Rawson's Response to Plaintiff's Hearing Statement	12/26/13		MPG	OTH001				N/A	DG
179000	Supplemental Response to Margaret RAwson's Opposition to and Motion Quash (01/15/14 the Summo:		MPG	PLT001				N/A	DG
180000	Order Denying Rawson's Claim of Exemption and Denying Motion to Quash Sur	02/10/14 mmons		MPG	000				BW	BW
181000	Plaintiffs' Motion for Sanctions and for Order to Show Cause Re: Contempt	02/11/14		MPG	PLT001		Ruled	03/12/14	N/A	VB
182000	Affidavit of Michael L. Matuska in Support of Motion for Sanctions and for (Contempt				PLT001				N/A	VB
183000	Notice of Entry of Order	02/11/14		MPG	PLT001				N/A	VB
184000	Initial Appearance Fee Disclosure	02/28/14		MPG	PLT001				N/A	VB
185000	Margaret Rawsons Answer to Plaintiff's Default Judgment and Second Amended Comp	02/28/14 laint		MPG	OTH001				N/A	VB
186000	Request for Submission	03/04/14		MPG	PLT001				N/A	VB
187000	Margaret Rawson's Demand for Jury Trial	03/10/14		MPG	OTH001				N/A	VB
188000	Order	03/12/14		MPG	000				N/A	VB
189000	Application for Entry of Default	03/14/14		MPG	PLT001				N/A	VB
190000	Notice of Entry of Order	03/14/14		MPG	PLT001				N/A	VB
191000	Default	03/17/14		MPG	PLT001				N/A	VB
192000	Notice of Entry of Default	03/19/14		MPG	PLT001				N/A	VB
193000	Suggestion Of Bankruptcy	04/28/14		MPG	DEF007				N/A	VB
194000	Request for Trial Setting	08/18/14		MPG	PLT001				DH	DH
195000	Order (Calendar Call)	08/22/14		MPG	000				KW	KW
196000	Motion for Summary Judgment	09/04/14		NTY	PLT001		Ruled	11/21/14	MB	VB

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Filed by PLT001-Cain, Peggy, PLT002-Cain, Jeffrey, PLT003-Heli Ops International, LLC,

Num/Seq	Description	Filed	Received	-	Ruling	Closed	Useı	r ID
197000	Affidavit of Michael L. Matuska in Support of Motion for Summary Judgment Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	09/04/14	NTY				МВ	MB
198000	Affidavit of Jeffrey Cain Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	09/04/14 , Jeffrey		PLT001			MB	MB
199000	Statement of Undisputed Material Facts Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,			PLT001			MB	MB
200000	Information Questionnaire	09/05/14	MPG	000			DH	DH
201000	Information Questionnaire Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	09/09/14 , Jeffrey		PLT001			DH	DH
202000	Information Questionnaire	09/10/14	MPG	DEF004			MB	MB
203000	Joe Baker's Motion for Summary Judgment (Oral Argument Requested)	09/17/14	MPG	DEF004	Ruled	11/21/14	MB	VB
204000	Motion to Strike and Objection to Affidavits of Jeffrey Cain, Kerry Rucker	09/17/14 and Dan		DEF004	Ruled	11/21/14	MB	VB
205000	Joe Baker's Opposition to Plaintiffs' Motion for Summary Judgment Against Defe Objection to Proposed Order Granting Sum		frey Edwards,	DEF004			MB	MB
206000	Request for Submission	09/22/14	MPG	PLT001			DH	DH
207000	Defendants Richard Price and Mickey Shackelford's Opposition to Plaintiffs' Judgement Against Defendant Jeffrey Edwa			DEF005			DH	DH
208000	Affidavit of Jeffrey Edwards in Support of Opposition to Plaintiff's Motion for			DEF007			DH	DH
209000	Affidavit of Richard Price in Support of Opposition to Plaintiffs' Motion for Sum Defendant Jeffrey Edwards			DEF003		·	DH	DH
210000	Affidavit of Mickey Shackelford in Support of Opposition to Plaintiffs' Mot Against Defendant Jeffrey Edwards	09/22/14 ion for S		DEF005			DH	DH

11-CV-00296-DC Date:

12/09/15 Time: 08:05

Num/Seq	Description	Filed	Received		Party	Routed	Ruling	Closed	Use	r ID
211000	Scheduling Order				 000				DH	DH
212000										
212000	Trial Setting Order	09/24/14		MPG	000				DH	DH
213000	Proof of Service Filed by DEF005-Shackelford, Mickey, DEF DEF003-Price, Richard	09/25/14 004-Baker		MPG	DEF005				MB	MB
214000	Joinder in all Defendants' Opposition to Plaintiffs' Motion for Summary Judgment	09/26/14		MPG	DEF007				DH	DH
215000	Defendants Richard Price and Mickey	09/30/14			отнооз				MB	MB
	Shackelford's Joinder in Defendant Joe B and Objection to Affidavits of Jeffrey C Witt									
216000	Defendants Richard Price and Mickey	09/30/14		MPG	DEF005				MB	MB
	Shackelford's Joinder in Defendant Joe B Judgment (Oral Arugment Requested)	aker's Mo	tion for §	Summa:	ry					
	Filed by DEF005-Shackelford, Mickey, OTH	003-Price	, Richard							
217000	Defendants Richard Price and Mickey Shackelford's Motion to Strike Plaintiff Submission			MPG	DEF003		Ruled	11/21/14	MB	VB
	Filed by DEF003-Price, Richard, DEF005-S	hackelfor	d, Mickey							
218000	Joe Baker's Joinder in Richard Price	10/06/14		MPG	DEF004				MB	MB
	and Mickey Shackelford's Opposition to P Summary Judgment Against Jeffrey Edwards		' Motion f	for						
	Summary Sudyment Against Serriey Edwards	i								
219000	Reply and Opposition to Pending Motions Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,				PLT001				DH	DH
220000	Affidavit of Jeffrey Cain	10/06/14		NTY	PLT002				DH	DH
221000	Reply Brief Re: Joe Baker's Motion for Summary Judgment	10/17/14		MPG	DEF004				нс	нс
222000	Supplement to Reply and Opposition to Pending Motions Filed by PLT001-Cain, Peggy, PLT002-Cain	11/13/14			PLT001				DH	DH
	Ops International, LLC,	, verttey	, 101003-1							
223000	Order Denying Motions and for Other Relief	11/21/14		MPG	000				DH	DH
224000	Defendants Richard Price and Mickey	11/24/14			DEF003		Ruled	01/09/15	DH	VB
	Shackelford's Motion to Strike Plaintiff	s' Supple	ment to Re	eply						

and Opposition to Pending Motions

Page	:	17
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Num/Seq	Description	Filed	Received	-	Routed	Ruling	Closed	Usei	r ID
225000		11/25/14 Notion to	MPG Strike	DEF004				ΜВ	MB
226000	Motion for Hearing and Order Specifying Facts That Appear Without Substantial Co Motion for Reconsideration of Joe Baker?	ontroversy	(NRCP 56d	DEF004		Ruled	01/09/15	DH	VB
227000	Reply and Opposition to Pending Motions Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,			PLT001				MB	DG
228000	Joe Baker's Reply Brief Re: Motion for Hearing and Order Specifying Facts That Substantial Controversy (NRCP 56(d)) and Reconsideration of Joe Baker's Motion for Motion to Strike Plaintiff's Late Attemp Authority in Opposition to Joe Baker's M Judgment	Appear Wi Motion f or Summary ot to Prov	thout for / Judgment; /ide Legal	DEF004				DH	DH
229000	Order Denying Defendants' Motions (Price Shackelford and Baker)	≥ 01/08/15	5 DRG	000				DH	DH
230000	Notice of Change of Address and Contact Information Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,			PLT001				MB	MB
231000	Notice of Entry of Order Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,	01/13/19 h, Jeffrey		PLT001				DH	DH
232000	Notice of Change of Firm Name and Address Filed by DEF003-Price, Richard, DEF005-5			DEF003	1			DH	DH
233000	Notice of Deposition Response Jeffrey Edwards In pro per	01/27/19	5 NTY	DEF007				DG	DG
234000	Response to Request for Production of Documents Set No 4 Jeffrey Edwards In p	01/27/1 ro per	5 NTY	DEF007	,			DG	DG
235000	Motion for Leave to Amend Joe Baker's Answer to Plaintiffs' Second Amended Com 13)	02/09/19 mplaint ()		DEF004 CR	L	Ruled	03/25/15	DH	VB
236000	Affidavit of Jeffrey Cain in Support of Motion for Entry of Default Judgment	02/09/1	5 DRG	PLT002	2			DH	DH
237000	Motion for Entry of Default Judgment Filed by PLT001-Cain, Peggy, PLT002-Cai	02/09/1 n, Jeffre		PLT001	L	Ruled	03/16/15	5 DH	VB

Filed by PLT001-Cain, Peggy, PLT002-Cain, Jeffrey, PLT003-Heli

Page:	18
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Num/Seq	Description	Filed	Received		Party	Routed	Ruling	Closed	Usei	
238000	Motion for Leave to Amend Joe Baker's Answer to Plaintiff?s Second Amended Comp 13)	02/11/15 plaint (NH		DRG NJDCF			Ruled	03/25/15	DH	VB
	Opposition To Joe Baker's Motion for Leave to File First Amended Answer; Cross File Third Amended Complaint	02/24/15 s Motion f			PLT001				DH	DH
240000	Request for Submission Filed by PLT001-Cain, Peggy, PLT002-Cain	03/03/15 , Jeffrey		DRG	PLT001				DH	DH
241000	Plaintiffs' Third Motion to Compel	03/09/15		DRG	PLT001		Ruled	05/08/15	DH	VB
242000	Affidavit of Michael L Matuska in Support of Third Motion to Compel	03/09/15		DRG	PLT001				DH	DH
243000	Reply Brief Re: Motion for Leave to Amend Joe BAker's Answer to Plaintiff's s and Qualified Opposition to Plaintiffs C: File Third Amended Complaint			plaint					DH	DH
244000	Default Judgment	03/16/15		DRG	000				DH	DH
245000	Defendant Mickey Shackelford's Answer to Second Amended Complaint (Breach of Conra Civil Conspiracy, Conversion, Construction	act Fraud	, Negliger		DEF005				DH	DH
246000	Defendants Richard Price and Mickey Shckelford's Opposition to Plaintiffs' T	03/19/15 hird Motic	on to Com		OTH003				DH	DH
247000	Order Conditionally Granting Motions to Amend Pleadings (Plaintiff Cain and Defe		er)	DRG	000				DH	DH
248000	Joe Bakers Opposition to Plaintiffs' Third Motion to Compel	03/26/15		DRG	DEF004				DH	DH
249000	Declaration of Michael K Johnson in Support of Joe Baker's Opposition to Mot	03/26/15 ion to Co		DRG	DEF004				DH	DH
250000	Third Amended Complaint (Breach of Contract Fraud Negligence Civil Conspiri Constructive Trust Intentional Interfera Advantage	•	sion		000				DH	DH
251000	Reply to Opposition to Plaintiffs' Third Motion to Compel Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,				PLTOOl				DH	DH
252000	Notice of Entry of Order	03/31/15		DRG	PLT001				KW	KW

Ops International, LLC,

Num/Seq	Description	Filed		-		-	Closed		r ID
253000	Application for Issuance of Commission to Take the Deposition of William M. Par Nevada	03/31/15 ker Outsi	DRG de the State	PLT001 of				ĸw	ĸw
	Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	, Jeffrey	, PLT003-Heli						
254000	Issued Commission Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	03/31/15 , Jeffrey		PLT001	L			ĸw	ĸw
255000	Application for Issuance of Commission to take the Deposition of Gordon J. Evan Nevada Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	s Outside	the State of		L			ĸw	KW
256000	Issued Commission Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	03/31/15 , Jeffrey		9 PLT001	L			KW	KW
257000	Application for Issuance of Commission to take the Deposition of Dan Witt Outsi Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	de the St	ate of Nevada		3			KW	KW
258000	Issued Commission Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	03/31/15 , Jeffrey		9 PLT00:	1			KW	KW
259000	Application for Issuance of Commission to take the Depostition of Kerry Rucker Nevada Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	Outside t	he State of	9 PLT00	3			ĸw	ĸw
260000	Issued Commission Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	03/31/15 4, Jeffrey		G PLTOO	1			KW	ĸw
261000	Defendant Joe Baker's Answer to Third Amended Complaint	04/17/15	TW	G DEF00	4			DG	ĎG
262000	Case Reopened	04/21/15	TW0	3 000				DG	DG
263000	Expert Disclosure by Joe Baker, Richard Price and Mickey Shackelford Filed by DEF003-Price, Richard, DEF004-E DEF005-Shackelford, Mickey			3 DEF00	3			DG	DG

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Page: 20

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Num/Seq	Description	Filed	Received	-	Routed	Ruling	Closed	Use:	r ID
264000	Joe Baker's Motion For Leave to Amend					Ruled	07/07/15	TV2	 17D
201000	His Answer to Plaintiff's Third Amended			DEF004		Ruied	07707713	20	VD
		comptatile							
265000	Joe Baker's Motion For Judgment on the	04/21/15	TWG	DEF004		Ruled	07/28/15	DG	VВ
	Pleadins (NRCP 12(c)) Oral Argument Rec								
266000	Defendants Richard Prices's Answer to	04/23/15	TWG	DEF003				DH	DH
	Third Amended Complaint (Breach of Contr	act, Frau	d, Negligence,						
	Civil Conspiracy, Conversion, Constructs	ive Trust,	Intentional						
	Interference with Contractual Advantage)	I.							
267000	,			DEF005				DH	DH
	Third Amended Complaint (Breach of Contra								
	Civil Conspiracy, Conversion, Construct		Intentional						
	Interference with Contractual Advantage)								
268000	Supplement to Joe Baker's Motion for	04/27/15	TWG	DEF004				DH	DH
	Leave to Amend His Answer to Plaintiff's								
			-						
269000	Second Request for Submission	05/05/15	TWG	PLT001				DH	DH
	Filed by PLT001-Cain, Peggy, PLT002-Cair	n, Jeffrey							
270000	Request for Submission	05/05/15		PLT002				DH	DH
	Filed by PLT002-Cain, Jeffrey, PLT001-Ca	ain, Peggy							
271000	Notice of Entry of Order	05 /00 /15	mt. 7 ci	DT 0001				DH	עת
271000	Notice of Entry of Order Filed by PLT001-Cain, Peggy, PLT002-Cain	05/08/15		PLT001				DII	DII
	Ops International, LLC,	i, occircy	, 101003 11011						
	-								
272000	Order Denying Plaintiff's Third Motion	05/08/15	TWG	000				DH	DH
	to Compel								
273000	Opposition to Joe Baker's Motion for	05/08/15	TWG	PLT003	I.			DH	DH
	Judgment on the Pleadings and Cross Mot	ion for Pa	rtial Judgmen	2					
	on the Pleadings								
	Filed by PLT003-Heli Ops International,	LLC, , PI	T002-Cain,						
	Jeffrey, PLT001-Cain, Peggy								
274000	Opposition to Motion to Joe Baker's	05/12/15	THO	PLT002				рн	DH
274000	Motion for Leave to File First Amended			FILLUUZ				2	2
	Complaint		111114 141011400						
	Filed by PLT002-Cain, Jeffrey, PLT001-C	ain, Peggy	7						
275000	Reply Brief De: Joe Baker's Motion for	05/18/15	TWG	000				DH	DH
	Judgment on the Pleadings; Opposition t	o Plaintif	f's Cross-Mot	ion					
	for Partial Judgment on the Pleadings O	ral Arguen	ments Requeste	1					
0.000		an / t						V1.1	VW
276000	Reply Brief RE: Jo Baker's Motion for	05/19/19			ł			ĸw	KW
	Leave to File First Amended Answer to P	laintitts	First Amende	u.					

Complaint

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Num/Seq	Description	Filed	Received		-	Routed	-	Closed	Use	r ID
277000	Joinder by Richard Price and Mickey Shackelford in JOe Baker's Motion for Jud and Reply Brief	05/28/15		TWG					ĸw	ĸw
278000	Request for Submission Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	06/01/15 , Jeffrey			PLT001				DG	DG
279000	Plaintiff's Reply in Support of Cross Motion for Partial Judgment of the Plead Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	ings			PLT001				DG	DG
280000	Opposition To Mickey Shackelford's and Richard Price's Joinder to Joe Baker's M Pleadings Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	otion for	Judgment	on th	PLT001		,		DG	DG
281000	Ex Parte Motion For Order Shortening Time to Respond to Joe Baker's Motion for	06/26/15 r Protect		TWG	DEF004		Ruled	08/17/15	DG	VB
282000	Joe Baker's Motion For Protective Order; Joe Baker's Objection to Plaintiffs' Not			TWG	DEF004		Ruled	08/17/15	DG	VB
283000	Plaintiffs' Opposition to Defendants' Motion for Protective Order NRCP6(e) Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,				PLT001				MB	MB
284000	Affidavit of Michael L. Matuska in Support of Opposition to Motion for Prot Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,		der		PLTOO1				MB	MB
285000	Motion for Order Shortening Time Filed by DEF005-Shackelford, Mickey, DEF DEF003-Price, Richard	06/26/15 004-Baker		TWG	DEF005		Ruled	08/17/15	MB	VB
286000	Motion for Protective Order Filed by DEF003-Price, Richard, DEF005-S	06/26/15 hackelfor		TWG	DEF003		Ruled	08/17/15	MB	VB
287000	Joe Baker's Joinder in Defendants Shackelford and Price's Motion for Prote	06/26/15 ctive Ord		TWG	DEF004				DG	DG
288000	Affidavit of Michael L Matuska in Support of Opposition to Joe Baker's Mot	07/06/15 ion for P			000 r				DH	DH
289000	Plaintiff's Opposition to Joe Baker's	07/06/15		TWG	000				DH	DH

Motion for Protective Order

Num/Seq	Description	Filed	Received		Party	Routed	Ruling	Closed	Use:	r ID
290000	Order	07/07/15		TWG	000				DG	DG
291000	Notice of Entry of Order	07/16/15		TWG	DEF004				KW	ĸŴ
292000	Defendant Joe Bakerk's First Amended Answer to Third Amended Complaint	07/16/15		TWG	DEF004				ĸw	ĸw
293000	Joe Baker's Opposition to Plaintiffs' Second Motion for Sanctions; Request for	07/16/15 Attorney		TWG	DEF004				ĸw	KW
294000	Joe Baker's Opposition to Plaintiff's First Motion for Sanctions; Request for	07/16/15 Attorney'		TWG	DEF004				ĸw	ĸŴ
295000	Joe Baker's Motion for (1) Hearing and/or to Bifurcate Trial and (2) to Sta Proceedings	07/17/15 y a Porti			DEF004		Ruled	08/17/15	DG	VB
296000	Defendants Richard Price and Mickey Shackelford's Opposition to Plaintiff's Sanctions (NRCP 11)	07/20/15 Second Mo		TWG	DEF003				DG	DG
297000	Defendant's Richard Price and Mickey Shackelford's Opposition to Plaintiff's Sanctions (NRCP 11)	07/20/15 First Mot		TWG	DEF003				DG	DG
298000	Joe Baker's Motion for Partial Summary Judgment as to Plaintiffs Jeffrey and Pe Seven Causes of Action (Oral Argument Re	eggy Cain			DEF004 ir		Moot	11/06/15	DG	VB
299000	Joe Baker's Motion For Order That Mike Murray be Made a Party Per NRCP 19(a)	07/20/15		TWG	DEF004		Ruled	10/01/15	DG	VB
300000	Affidavit of Jeffrey K Cain in Support of Motion to Strike Joe Bakers Affirmati Alternative for Partial Summary Judgment				PLT002	:			DH	Н
301000	Plaintiff's First Motion in Limine Filed by PLT001-Cain, Peggy, PLT002-Cair	07/23/15 n, Jeffrey		TWG	PLT001		Moot	11/06/15	DH	VB
302000	Motion to Strike Joe Bakers Affirmative Defenses or in the Alternative for Parts Filed by PLT001-Cain, Peggy, PLT002-Cain	ial Summar	y Judgmen		PLT001		Ruled	09/11/15	DH	VB
303000	Motion to Strike Richard Price's and Mickey Shackelford's Affirmative Defense for Partial Summary Judgment Filed by PLT001-Cain, Peggy, PLT002-Cain		the Alter		PLT001	L	Moot	11/06/15	DH	VB
304000	Order Granting in Part Defendant Joe Baker's Motion for Judgment on the Plead Plaintiff's Cross-Motion for Judgment of	-	Denying	TWG	000				нс	HC

11-C	V-00296-DC Date: 12/09	9/15	Time: (08:05			Pa	ge:	:
-	Description	Filed		-		Ruling	Closed	Use	r ID
	Notice of Entry of Order Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	07/29/15	TWG					DG	DG
306000	Motion for Extension of Time Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,			PLT001		Ruled	08/19/15	ĸw	VB
307000	Opposition to Motion for Order that Mike Murray be Made a Party Per NRCP 19(a) Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,			PLT001				ĸw	KW
308000	Opposition to Motion for (1) Hearing and/or to Bifurcate Trial and (2) to Sta Proceedings Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	iy a Porti	ion of the Tria	PLT003				KW	ĸw
309000	Richard Price and Mickey Shackelford's Joinder in Joe Baker's Motion for (1) He Trial and (2) to Stay a Motion of Trial	earing and	l/or Birfurcate	DEF003				ĸw	ĸw
310000	Richard Price and Mickey Shackelford's Joinder in Joe Baker's Motion for Partia Plaintiff's Jeffrey and Peggy Cain and S Action	al Summary	y Judgment as 1	0				ĸw	KW
311000	Richard Price and Mickey Shackelford's Joinder in Joe Baker's Motion for Order a Party Per NRCP 19(a)			OTH003 le	i			KW	KW
312000	Motion For Issuance of Commission For Out-of-State Deposition Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,	08/05/19		PLT001		Ruled	09/29/15	5 DG	VB
313000	Motion For Partial Summary Judgment Filed by DEF005-Shackelford, Mickey, DE	08/05/19 F003-Price		DEF005	5	Moot	11/06/15	5 DG	VB
314000	Joe Baker's Opposition to Motion to Strike Joe Baker's Affirmation Defenses for Partial Summary Judgment	08/10/1 or, in t		DEF004	Ł			ΜВ	MB
315000	Reply Brief RE: Plaintiffs' Opposition to Motion for (1) Hearing and to Bifurca a Portion of the Trial Proceedings	08/10/1 ate Trial		DEF004 ay	1			MB	MB
316000	Reply Brief RE: Opposition to Motion for	r 08/10/1	5 7766	DEF004	1			MB	MB

316000 Reply Brief RE: Opposition to Motion for 08/10/15 TWG DEF004 MB MB Order that Mike Murray be Made a Party Per NRCP 19(a)

11-C	V-00296-DC Date: 12/09	9/15	Time:	08:05			Pa	ge	:
Num/Seq	Description					Ruling			r ID
317000	Joe Baker's Opposition to Plaintiffs' First Motion in Limine							MB	MB
318000	Opposition of Defendants Richard Price and Mickey Shackelford to Plaintiffs' Mo Price's and Mickey Shackelford's Affirma Alternative, for Partial Summary Judgmer Filed by DEF003-Price, Richard, DEF005-S	otion to S ative Defe nt	trike Richard enses or, In tl	DEF003				DG	DG
319000	Response To Joe Baker's Motion for Partial Summary Judgment as to Jeffrey a Their Seven Causes of Action Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,		Cain and Six o	PLT001	·			DG	DG
320000	Motion For Extension of Time to Respond To Richard Price and Mickey Shackelford Summary Judgment Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	's Motion	for Partial	PLT001		Ruled	08/19/15	5 DG	VB
321000	Richard Price and Mickey Shackelford's Joinder in Joe Baker's Opposition to Pla Limine Filed by DEF003-Price, Richard, DEF004-P	aintiffs'	First Motion	DEF003 in				DG	DG
322000	Joe Baker's Joinder in Defendants Richard Price and Mickey Shackelford's M Judgment (Oral Argument Requested)	08/17/15 Motion for		DEF004 ary				DG	DG
323000	Declaration of Michael K. Johnson in Support of Joe Baker's Joinder in Denfer Mickey Shackelford Motion for Partial St	ndants Ric	chard Price an	DEF004 d				DG	DG
324000	Joe Baker's Opposition to Motion for Extension of Time	08/17/15	5 TWG	DEF004				DG	DG
325000	Joe Baker's Opposition to Motion for Issuance of Commissions for Out-of-State	08/17/19 e Depositi		DEF004				DG	DG
331000	Amended Trial Setting, Setting Motions Hearing, and Vacating Trial Date of Sep	08/17/15 tember 15,		000				DG	DG
330000	Order Granting, in Part, Joe Baker's Motion for (1) Hearing and/or to Bifurc a Portion of Trial Proceedings	08/17/15 ate Trial		000 ay				DG	DG
328000	Motion For Order Confirming Plaintiffs' Election of Remedy and For Summary Judg	, ,		DEF004		Ruled	11/06/19	5 DG	VB

TWG 000

329000 Order Denying Motion for Order for 08/17/15

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Protection/Setting Time, Place for Depositions

Num/Seq	Description	Filed	Received	Party	Routed	Ruling	Closed	Usei	r ID
327000	Reply to Opposition to Motion to Strike Richard Prices and Mickey Shacklefords A the Alternative for Partial Summary Judg	08/18/15 ffirmativ						DH	DH
326000	Reply to Joe Bakers Opposition to Plaintiffs' Motion in Limine	08/18/15	TWG	PLT001				DH	DH
332000	Order Granting Plaintiffs' Motion for Extension of Time	08/19/15	TWG	000				DG	DG
333000	Reply to Opposition to Motion to Strike Joe Baker's Affirmative Defenses or, in Partial Summary Judgment Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	the Alter	native, for	PLT001				MB	MB
334000	Motion to Strike Joinder Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	08/21/15 a, Jeffrey		PLT001		Moot	09/11/15	MB	VB
335000	Reply to Opposition to Motion for Issuance of Commissions for Out-of-Stat			PLT001				нс	HC
336000	Reply Brief Re: Response to Joe Baker's Motion for Partial Summary Judgment as t and Six of Their Seven Causes of Action			DEF004 n				НC	НC
337000	[Renewed] Response to Joe Baker's Motion for Partial Summary Judgment as to Jeffr of Their Seven Causes of Action			PLT001 ix				НC	нC
338000	Sur-Reply RE: Motion to Strike Joe Baker's Affirmative Defenses or, in the Summary Judgment; Motion For Inclusion o	Alternati		DEF004 1				DG	DG
339000	Errata and Reformatted Facts RE: Joe Baker's Opposition to Motion to Strike J Defenses or, in the Alternative, For Par Motion to Allow Same		s Affirmative	DEF004				DG	DG
340000	Supplement to (Renewed) Response to Joe Baker's Motion for Partial Summary Judgm Peggy Cain and Six of Their Seven Causes Filed by PLT001-Cain, Peggy, PLT002-Cair	nent as to s of Actic	Jeffrey and	PLT001				DG	DG
341000	Defendants Price and Shekelford's Motion for Summary Judgment on Plaintiffs' Rema in Joe Baker's Motion for Order Confirms of Remedy and for Summary Judgment There	aining Cla ing Plaint	ims and Joinde		i	Moot	11/06/15	5 DG	VB

Page: 26

Filed by DEF005-Shackelford, Mickey, DEF003-Price, Richard

Num/Seq	Description	Filed	Received		Party	Routed	Ruling	Closed	Useı	: ID
342000	Opposition to Joe Baker's Motion for Order Confirming Plaintiffs' Election of Judgment Thereon Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	•	nd For Summ	TWG mary	PLT001				DG	DG
343000	Notice of Withdrawal RE: Joe Baker's Motion for Order That Mike Murray be Made From the Court Calendar	09/03/15 e a Party			DEF004				DG	DG
344000	Stipulation and Motion for Judgment of Dismissal Filed by DEF004-Baker, Joe, PLT001-Cain, Jeffrey, PLT003-Heli Ops International,	Peggy, P			DEF004		Ruled	09/11/15	DG	VB
345000	Order of Judgment of Dismissal	09/11/15		TWG	000				DG	DG
346000	Notice of Motion and Motion to Set Aside Default Judgment; Memorandum of Points a			TWG	DEF007		Ruled	11/06/15	DG	VB
347000	Affidavit of Jeffrey Edwards in Support of Motion to Set Aside Default Judgment	09/15/15		TWG	DEF007				DG	DG
348000	Affidavit of Michael J. McLaughlin in Support of Motion to Set Aside Default J	09/15/15 udgment		TWG	DEF007				DG	DG
349000	Order of Clarification RE: Order of Judgment of Dismissal	09/16/15		TWG	000				DG	DG
350000	Certificate of Service	09/16/15		TWG	000				DG	DG
351000	Defendants Price and Shakelford's Reply to Plaintiffs' Opposition to Joe Baker's Confirming Plaintiffs' Election of Remed Judgment Thereon Filed by DEF005-Shackelford, Mickey, OTH	Motion f ly and For	or Order Summary	TWG	DEF005				DG	DG
352000	Notice of Entry of Order of Judgment of Dismissal	09/17/15	i	TWG	DEF004				нс	HC
353000	Notice of Entry of Order of Clarification Re: Order of Judgment of I	09/18/15 Dismissal	5	TWG	DEF004				нс	нс
354000	Opposition to Motion to Set Aside Default Judgment Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,	09/28/15 h, Jeffrey			PLTOOL				DG	DG
355000	Order Granting Plaintiffs' Motion for	09/29/19	5	TWG	000				MB	MB

Page: 27

Issuance of Commissions for Out-of-State Depositions

Num/Seq	Description	Filed	Received	-	Routed	Ruling	Closed	Usei	r ID
256000	Onden Demaine Metice to add Will be								
356000	Order Denying Motion to Add Mike Murray as a Party	10/01/15	TWG	000				KW	KW
357000	Opposition to Motion for Partial Summary Judgment	10/02/15	NTY	PLT003				KW	KW
	Filed by PLT003-Heli Ops International, : Jeffrey, PLT001-Cain, Peggy	LLC, , PL	T002-Cain,						
358000	Notice of Entry of Order Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	10/06/15 , Jeffrey		PLT001				DG	DG
359000	Notice of Entry of Order Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	10/07/15 , Jeffrey		PLT001				DG	DG
360000	Letters Rogatory	10/08/15	TWG	PLT003				KW	ĸw
	Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	LLC, , PL	T002-Cain,						
361000	Issued Commission (Wells Fargo) Filed by PLT003-Heli Ops International,	10/08/15		PLT003				ĸw	ĸw
	Peggy, PLT002-Cain, Jeffrey	55C, , F1	iooi-cain,						
362000	Issued Commission (Bank of America) Filed by PLT003-Heli Ops International,			PLT003				KW	ĸw
	Jeffrey, PLT001-Cain, Peggy	шс, , ғы	1002-Cain,						
363000	Reply to Opposition to Motion to Set Aside Default Judgment	10/09/15	TWG	DEF007				DG	DG
364000	Defendants Price and Shackelford's	10/14/15		DEF005				MB	MB
	Reply to Plaintiffs' Opposition to MOtio Judgment								
	Filed by DEF005-Shackelford, Mickey, OTH	003-Price	, Richard						
365000	Affidavit of Jeffrey Cain	10/19/15	NTY	PLT002				DG	DG
366000	Statement of Undisputed Material Facts in Support of Motion for Partial Summary	10/19/15		PLT001				DG	DG
	Filed by PLT001-Cain, Peggy, PLT002-Cain	-							
367000	Motion for Partial Summary Judgment on Personal Jurisdiction	10/19/15	NTY	PLT001		Moot	11/06/15	DG	VB
	Filed by PLT001-Cain, Peggy, PLT002-Cain	, Jeffrey							
368000	Motion for Partial Summary Judgment	10/20/15	TWG	PLT001		Moot	11/06/15	НC	VB

Against Defendant Richard Price

11-C	V-00296-DC Date: 12/09	9/15	Time: 0	08:05		Page:
Num/Seg	Description	Filed	Received		uted Ruling	Closed User ID
369000	Motion to Continue Hearing Filed by PLT001-Cain, Peggy, PLT002-Cair Ops International, LLC,	10/21/15		PLT001	Moot	11/06/15 DG VB
370000	Ex Parte Motion to Shorten Time RE: Motion to Continue Hearing Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	10/22/15 n, Jeffrey		PLT001	Ruled	10/27/15 DG VB
371000	Order Denying ExParte Motion to Shorten Time Re: Motion to Continue Hearing	10/27/15	TWG	000		KW KW
372000	Defendants Richard Price and Mickey Shackelford's Opposition to Plaintiffs' Summary Judgment on Personal Jurisdictic Filed by OTH003-Price, Richard, DEF005-3	Motion for	r Partial	OTH0 03		KW KW
373000	Order Granting Summary Judgment as to Richard Price and Mickey Shakelford	11/05/15	TWG	000		DG DG
374000	Order Vacating Trial Date adn Motions/ Evidentiary Hearing	11/06/15	TWG	000		DG DG
375000	Order Denying Motion to Set Aside Default Judgment	11/06/15	TWG	000		DG DG
376000	Reply to Opposition to Motion for Partial Summary Judgment on Personal Jun Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	risdiction		PLT001		DG DG
377000	Notice of Entry of Order Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	11/09/15 n, Jeffrey		PLT001		DG DG
378000	Reply to Opposition to Motion for Partial Summary Judgment Against Defenda Filed by PLT003-Heli Ops International, Jeffrey		d Price	PLT003		KW KW
379000	Notice of Entry of Order Filed by DEF005-Shackelford, Mickey, DE	11/12/15 F003-Price		DEF005		KW KW
380000	Opposition to Plaintiffs' Motion for Partial Summary Judgment Against Defend	11/12/15 ant Richar		OTH003		KW K W

381000 Defendants Richard Price and Mickey KW KW TWG DEF005 11/12/15 Shackelfords' Motion to Continue Hearing Filed by DEF005-Shackelford, Mickey, OTH003-Price, Richard

DG KW 382000 Defendants Richard Price and Mickey 11/13/15 TWG DEF005

Shackelford's Verified Memorandum of Costs Filed by DEF005-Shackelford, Mickey, DEF003-Price, Richard

Num/Seg	Description	Filed		-	Ruling	Use	r ID
383000		11/18/15	TWG			DG	DG
384000	Affidavit of Michael L. Matuska in Support of Opposition to Defendants Rich Shackelford's Verified Memorandum of Cos Costs Filed by PLT001-Cain, Peggy, PLT002-Cain Ops International, LLC,	ard Price	and Mickey ation to Retax	PLT001		DG	DG
385000	Defendant's Price and Shackelford's Motion for Attorney's Fees Filed by DEF005-Shackelford, Mickey, DEM			DEF005		KW	KW
386000	Notice of Appeal Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy	12/01/15 LLC, , PI		PLT003		KW	KW
387000	Case Appeal Statement Filed by PLT003-Heli Ops International, Jeffrey, PLT001-Cain, Peggy			PLT003		ĸw	KW

TICKLE

Code Tickle Name	Status	Expires	#Days	AutoExpire	GoAhead	From	Туре
RMON Run Monthly Reports	OPEN	07/14/12	30	yes	no	DDJT	D
RMON Run Monthly Reports	OPEN	04/09/14	30	yes	no	DDJT	D

BEGIN JUDGMENT(S) - CASE HISTORY

001 MONEY JUDGMENT

ORIGINAL JUDGMENT

Judgment Against:	C4 Worldwide, Inc.
	Kavanagh, Michael K.
	Rawson, D.R.
	Shackelford, Mickey
Judgment in Favor of:	Cain, Peggy , et al
Judgment Entry Date:	05/20/13
Amount of Judgment:	\$20,000,000.00

Interest Amount:	\$.00		
Court Costs:	\$2,524.52	Other Fee:	\$2,524.52
Attorney Fee:	\$40,265.40		
Post-Judgment Int Rate:	0.09%		

END JUDGMENT(S) - CASE HISTORY

*			
1	Case No. 11-CV-029 RECEIVED	FILED	
2	Dept. No. II NOV - 5 2015	2015 NOV -5 AM 9: 54	
3	Douglas County District Court Clerk	ECOBIE R. WILLIAMS	
4	Liouici Court Clerk	CLERN	
5		BY DY DEPUTY	
6			
7	IN THE NINTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA		
8	IN AND FOR THE COUNTY OF DOUGLAS		
9	PEGGY CAIN, an individual; JEFFREY CAIN, an individual;		
10	and HELI OPS INTERNATIONAL,		
11.	LLC, an Oregon limited liability company,		
12	Plaintiffs,		
13	V S .	ODDED ODBNITTIC CIRCODY	
14	DR RAWSON, an individual; C4	ORDER GRANTING SUMMARY JUDGMENT AS TO RICHARD PRICE	
15	WORLDWIDE, INC., a Nevada corporation; RICHARD PRICE,	AND MICKEY SHACKELFORD	
16	an individual; JOE BAKER, an individual; MICKEY		
17	SHACKELFORD, an individual; MICHAEL K. KAVANAGH, an		
18	<pre>individual; JEFFREY EDWARDS, an individual; and DOES 1-10,</pre>		
19	inclusive, Defendants.		
20			
21	THIS MATTER comes before the Court on Defendant Joe		
22	Baker's Motion for Order Confirming Election of Remedy and for		
23	Summary Judgment Thereon filed	Summary Judgment Thereon filed on August 17, 2015. The motion	
24	was joined by Defendants Richard Price ("Price") and Mickey		
25	Shackelford ("Shackelford") on August 28, 2015 and opposed by		
26	Plaintiffs on September 2, 2015. Baker was dismissed from the		
27	case on September 11, 2015. The motion is ripe for		
28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423		1	

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consideration as to Price and Shackelford.

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2 This litigation regards a joint venture agreement between 3 Heli Ops International and C4 Worldwide and a subsequently 4 entered into settlement agreement. Plaintiffs have been at 5 liberty over the course of the past four years to direct their 6 Plaintiffs have secured \$20,000,000 default judgments lawsuit. 7 against C4 Worldwide, Inc., and individual defendants DR 8 Rawson, Michael Kavanagh and Jeffrey Edwards premised upon the 9 settlement agreement. Price and Shackelford, 10

directors/officers of C4, are the only remaining Defendants.

Plaintiffs summarize what remains of the case as follows: 12 "They [Plaintiffs] sued for money damages under the Settlement 13 Agreement and obtained a judgment against C4. 14 Thev 15 (Plaintiffs) are now seeking to pierce the corporate veil and 16 hold Joe Baker and the other Defendants liable for the debts of 17 C4. They [Plaintiffs] are also suing Joe Baker and the other 18 Defendants directly for fraud and other tortious activity 19 related to the Joint Venture Agreement." Plaintiffs' 20 Opposition, page 2, lines 2-8.

The question squarely before the Court is whether the sweeping release provision of the settlement agreement unambiguously preempts Plaintiffs' claims against Price and Shackelford, directors/officers of C4. The Court answers that question in the affirmative and grants summary judgment.

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT E.O. BOX 218 MINDEN, NV 89423

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Procedural and Factual Background

Heli Ops International, LLC ("Heli Ops"), is an Oregon corporation for which Jeffrey Cain is a member. Peggy Cain is married to Jeffrey Cain. C4 Worldwide, Inc. ("C4") is a Nevada Corporation whose officers/directors include DR Rawson, Richard Price, Mickey Shackelford, Michael Kavanagh, Joe Baker, and, allegedly, Jeffrey Edwards.

9 On November 29, 2009, Heli Ops entered into a joint 10 venture agreement ("JVA") with C4. The JVA required Heli Ops 11 to loan C4 \$1,000,000 USD. The funds were to be used by C4 as 12 the capital to acquire and then leverage Collateralized 13 Mortgage Obligations ("CMO") with a face value of "up to 14 \$1,000,000,000 USD."

15 Under the JVA, C4 was to have a 51% ownership interest in 16 the CMO's and Heli Ops a 49% ownership interest. The JVA 17 designated that the first \$20,000,000 in profits obtained from 18 leveraging the CMO's in international trade would go to Heli 19 Ops. If that occurred, Heli Ops was to transfer its ownership 20 interest in the CMO's to C4, making C4 the sole owner of the 21 CMO's and entitled to all further profits. The "objective" of 22 the JVA was to "gain \$40,000,000 USD or more from the results 23 thereof" for the parties to the JVA. 24

On the same day the JVA was entered into, and in conjunction therewith, C4 and Heli Ops executed a Promissory Note and Security Interest in the CMO ("Promissory Note"). The Promissory Note indicates a loan amount of \$1,000,000 USD from

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT E.O. BOX 218 MINDEN, NV 89423

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1	Heli Ops to C4 with a loan period of two months. The
2	Promissory Note calls for C4 to pay Heli Ops \$20,000,000 "as
3	per the terms of the Joint Venture Agreement between the
4	parties executed on November 29, 2009." Further, "the full
5	repayment per the above schedule will end on the 30 th of
6	December, 2009." The CMO's were designated as collateral for
7	the Promissory Note consistent with the ownership interests
8	designated in the JVA.
10	Heli Ops transferred \$1,000,000 to C4. C4 purchased
	CMO's. C4 did not repay the \$1,000,000 loan nor did Heli Ops
12	receive from C4 any profits from the CMO's.
13	On March 1, 2010, a document entitled Settlement Agreemen
[4]	and Release of All Claims ("SA") was executed by Heli Ops and
15	C4 with Jeffrey Cain, Peggy Cain and DR Rawson joining in their
16	individual capacities.
17	The SA begins with the following statement of intent:
18	WHEREAS the Parties are each desiring to resolve
19	issues having to do with C4 WorldWide's unpaid financial obligations arising out of the Promissory
20	Note and Security Interest in the CMO Securities dated November 29, 2009 and upon signing this
21	Agreement intend to cease further collection efforts, including but not limited to the filing of any
22 23	litigation and the Cains further stipulate and agree that they will file no complaint(s) or the like with
23	either the Securities and Exchange Commission and/or the Department of Justice of any state.
25	To the extent not modified herein, the Promissory
26	Note and Security Interest in the CMO securities remains in full force and effect.
27	WHEREAS, each party desires to settle all the claims
28	fully and finally without admission of liability;
THOMAS W. GREGORY DISTRICT ANDGE NINTH JUDICIAL DISTRICT COURT P.O. BON 218 MINDEN, NV 89423	4

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1 Section 1 of the SA, entitled "CONSIDERATION" states in 2 relevant part: 3 1.1 In consideration of the Releases set forth below in Section 2 and the other terms set for herein, C4 4 WorldWide stipulates that it owes the Cains Twenty Million USD (\$20,000,000) and that said amount was 5 due on December 29, 2009 and remains unpaid. C4 6 WorldWide acknowledges its obligation to pay and agrees to pay the sum of \$20,000,000, plus all 7 accumulated interest, to Cains no later than 90 days from February 25, 2010... 8 Consistent with the JVA, section 1.2 requires that C4 9 assign a 49% interest in the CMO's to the Cains. Upon payment 10 of the \$20,000,000 plus interest, the SA and JVA require the 11 Cains to transfer their 49% ownership interest in the CMO's 12 back to C4. 13 14 Section 2 of the SA, entitled "RELEASE" states in relevant 15 part: 16 2.1 The Cains...and all other affiliated persons, firms or corporations, hereby fully and forever 17 releases and discharges C4 WorldWide, from any and all claims that exist arising out of C4 WorldWide's 18 financial misfortunes and resultant inability to timely pay the Promissory Note and Security Interest 19 in CMO Securities dated November 29, 2009 (a true and correct copy of which is attached hereto as Exhibit A 20and is incorporated herein by reference). Such release covers the Cains...hereby fully and forever 21 release and discharge C4 WorldWide, it successors, 22 predecessors, parents, assigns, agents, employees, officers, directors, insurers, and all other 23 affiliated persons, firms or corporations, of and from any and all past, present and future claims, 24 demands, obligations, causes of action for damages of any kind, known and unknown, the basis of which now 25 exist or hereafter may become manifest that are directly or indirectly related to the facts in any of 26 the claims of any kind asserted against or which could have been asserted in any of the claims. 27 28THOMAS W, GREGORY DISTRICT JUDGE NINTH JUDICIAL 5 DISTRICT COURT P.O. BOX 218

MINDEN, NY 89423

Section 3 of the SA, entitled "EXPRESS ACKNOWLEDGMENTS, 2 REPRESENTATIONS, AND WARRANTIES" states in relevant part: 3 3.1 The parties expressly acknowledge and agree that the Release set forth is Section 2 is a general 4 release of the matters described above. 5 6 3.3 The parties expressly acknowledge and agree that 7 the purpose and effect of this Agreement is to fully and forever resolve all issues relating to claims 8 arising out of and which could be asserted in this case and that no party will pursue the other for 9 anything relating in any way to the claims being released. 10 3.4 The parties expressly acknowledge and agree that 11 the terms of this Agreement are contractual in nature and not merely a recital. 12 13 C4 did not pay Heli Ops or the Cains \$20,000,000, nor did 14 they transfer a 49% interest in the CMO's to Heli Ops/Cains. 15. Heli Ops/Cains ("Plaintiffs") filed this lawsuit on September 16 14, 2011. The case started out with seven named defendants: 17 C4; DR Rawson ("Rawson"); Michael Kavanagh ("Kavanagh"); 18 Jeffrey Edwards ("Edwards"); Joe Baker ("Baker"); Mickey 19 Shackelford ("Shackelford"); and Richard Price ("Price"). 201 Over the next four years the landscape of the case shifted 21 through four different complaints and many motions. 22 The 23 Plaintiffs obtained default judgments against C4, Rawson, 24 Kavanagh and Edwards for \$20,000,000 under the SA. Baker was 25 recently dismissed out of the case at the joint request of 26 Plaintiffs and Baker. Price and Shackelford are the only 27 remaining defendants. 28 THOMAS W, GREGORY DISTRICT JUDGE SINTH JUDICIAL

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DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423 In the Third Amended Complaint ("TAC"), Plaintiffs allege seven claims for relief. The first claim is against C4 and Rawson for breach of contract, *i.e.*, the SA. The claim also seeks to hold Price and Shackelford individually liable for C4's breach of the SA under a theory of alter ego but, as explained further below, that claim was previously dismissed or the pleadings.

12 The TAC's third claim for relief alleges civil conspiracy 13 amongst the individually named defendants, including Price and 14 Shackelford, as it relates to their role in inducing Plaintiffs 15 to enter into the JVA and later the SA.

16 The TAC's fourth claim for relief alleges negligence on 17 the part of the individually named defendants, including Price 18 and Shackelford, in monitoring the business activities of C4.

19 The TAC's fifth claim for relief alleges that all 20 Defendants converted or diverted funds, profits from and/or 21 ownership in the CMO's. (There is no sixth or seventh claim 22 listed in the TAC.)

The TAC's eighth claim for relief requests that Plaintiffs be granted constructive trust over the CMO's and/or any profits generated therefrom.

The TAC's ninth claim for relief alleges intentional interference with contractual relations in that all Defendants

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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interfered with or disrupted the performance of the JVA.

2 On July 28, 2015, the Court granted partial judgment on 3 the pleadings in favor of Baker, Price and Shackelford and 4 certified the judgment as final. The Court held that given the 5 release provision of the SA, Plaintiffs cannot, as a matter of 6 law, enforce the SA against Price and Shackelford, non-party 7 beneficiaries to the SA, under a theory of alter ego. However, 8 based upon limited language in the TAC wherein Plaintiffs 9 seemingly contest the validity of the SA, the Court stated: 10 As already indicated, the allegation in the TAC that the 11 Settlement Agreement was illusory could form the basis to set aside the Settlement Agreement in its entirety, 12 including the Release. In which case, Plaintiffs could 13

pursue personal liability under the Joint Venture Agreement on the theory of alter ego. Material issues of fact thus exists that prevent a determination with respect to the enforceability of the Release on those portions of the remaining claims for Relief relating to the Joint Venture Agreement.

Order Granting in Part Defendant Joe Baker's Motion for Judgment on the Pleadings and Denying Plaintiff's Cross-Motion for Judgment on the Pleadings, p. 12, lines 5-14, filed July 28, 2015. Plaintiffs did not request reconsideration of that order and the Court does not now reconsider that order.

Price and Shackelford now argue through their motion for summary judgment that Plaintiffs have not specifically claimed, nor sought, the remedy of recision of the SA and that it would be too late for Plaintiffs to now do so. Further, by obtaining default judgements against C4 and Rawson on the SA and making efforts to enforce those judgements, Plaintiffs have elected

28 THOMAN W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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their remedy, i.e., enforcement of the SA, and cannot now pursue the inconsistent remedy of recision. Lastly, if the SA is not subject to being rescinded, then the release provision of the SA prohibits Plaintiffs from suing Price and Shackelford.

In their opposition, Plaintiffs clarify what they are 7 attempting to accomplish through the lawsuit. Specifically, 8 "They [Plaintiffs] sued for money damages under the Settlement 9 Agreement and obtained a judgment against C4. They 10 [Plaintiffs] are now seeking to pierce the corporate veil and 11 hold Joe Baker and the other Defendants liable for the debts of 12 13 C4." Plaintiffs' Opposition, p.2, lines 2-6. The Court has 14 already held that Plaintiffs cannot, as a matter of law, pursue 15 that course. July 28, 2015 Order Granting in Part Defendant 16 Joe Baker's Motion for Judgment on the Pleadings and Denying 17 Plaintiffs' Cross Motion for Judgment on the Pleadings.

Plaintiffs further indicate, "They [Plaintiffs] are also 19 suing Joe Baker and the other Defendants directly for fraud and 20 other tortious activity related to the Joint Venture Agreement." Plaintiffs' Opposition, page 2, lines 6-8. 22 Regarding the SA and the impact of its release provision, 23 Plaintiffs state, "Recision does not apply to this case, as 24 Baker has never offered to restore the Cain's to their former 25 Hence, the Settlement Agreement cannot be rescinded position. 26 and the correct course of action was for the Cains to sue for 27 28money damages, which they have done." Plaintiffs' Opposition,

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page 6, lines 17-21.

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2 This clarification by Plaintiffs removes the material 3 issue that previously deterred the Court from granting complete 4 judgment on the pleadings in favor of Price, Shackelford and 5 Baker, i.e., whether Plaintiffs seek to rescind the SA and 6 whether there exists grounds to do so. Plaintiffs have now 7 made it patently clear that they do not seek to rescind or 8 otherwise void the SA or even argue the existence of grounds to 9 do so. Accordingly, all remaining parties acknowledge the 10 validity of the SA and its release provision. 11

Since Plaintiffs have removed from consideration arguments regarding recision or validity of the SA, the Court agrees with Plaintiffs that the doctrine of election of remedies is not applicable. The case has matriculated to a point where the Court must determine whether the release provision unambiguously preempts the Plaintiffs' remaining claims for relief against Price and Shackelford.

Standard of Review and Applicable Law

Summary judgment is appropriate when, after viewing the evidence in a light most favorable to the non-moving party, there remain no genuine issues of material fact and the moving party is entitled to judgment as a matter of law. NRCP 56; Butler v. Bogdanovich, 101 Nev. 449, 451, 705 P.2d 662, 663 (1985).

A genuine factual dispute occurs when the evidence is such that a rational trier of fact could return a verdict for the

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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non-moving party. Wood v. Safeway, Inc., 121 Nev. 724, 731, 121 P.3d 1026, 1031 (2005). See also Cuzze v. University and Community College System of Nevada, 123 Nev. 598, 602-03, 172 P.3d 131, 134 (2007)(party moving for summary judgment bears the initial burden of production to show the absence of a genuine issue of material fact).

The Court must give the party opposing summary judgment 8 the benefit of all favorable inferences. O'Dell v. Martin, 101 9 Nev. 142, 144, 696 P.2d 996, 997 (1985); Berge v. Fredericks, 10 11 95 Nev. 183 (1979). While the court must construe the 12 pleadings and evidence in a light most favorable to the non-13 moving party, that party must show more than some metaphysical 14 doubt as to the operative, material facts. Wood, 121 Nev. at 15 732.

16 The parties have failed to cite any one of a fair number 17 of cases regarding release provisions that have been decided by 18 the Nevada Supreme Court. Many of the decision have upheld or 19 mandated summary judgment or dismissal on the pleadings based 20 upon unambiguous release terms. See, e.g., Chwialkowski v. 21 Sachs, 108 Nev. 404, 834 P.2d 405 (1992); Sibson v. Farmers 22 Insurance Group, 88 Nev. 417, 498 P.2d 1331 (1972); Allstate 23 Insurance Co. v. Fackett, 125 Nev. 132, 206 P.3d 572 (2009); 24 25 University of Nevada v. Jones and Taylor, 116 Nev. 428, 997 26 P.2d 812 (2000). The Nevada Supreme Court has reversed summary 27 judgment and/or dismissals where release provisions were 28 ambiguous and/or where there remained genuine issues of

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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material fact. See, e.g., In Re: Amerco Derivative Litigation, 127 Nev.Ad.Op 17, 252 P.3d 681, (2001); Shapro v. Forsythe, 103 Nev. 666, 747 P.2d 241 (1987); Oh v. Wilson, 112 Nev. 38, 910 P.2d 276 (1996); Russ v. General Motors Corp., 111 Nev. 1431, 906 P.2d 718 (1995).

It is clear from the case law that settlement agreements 7 are contracts and as such are governed by contract law. Mack 8 v. Mack Estate, 125 Nev. 80, 95, 206 P.3d 98, 108 (2009). An 9 unambiguous release within a settlement agreement is construed 10 from the language of the document. In Re: Amerco Derivative 11 12 Litigation, 127 Nev.Ad.Op 17, 252 P.3d 681, 693 (2001), citing 13 Chwialkowski v. Sachs, 108 Nev. 404, 406, 834 P.2d 405, 406 14 (1992).

15 "When a contract is unambiguous and neither party is 16 entitled to relief from the contract, summary judgment based on 17 the contractual language is proper." Allstate Insurance Co. v. 18 Fackett, 125 Nev. 132, 137, 206 P.3d 572, 575 (2009), citing 19 Chwialkowski v. Sachs, 108 Nev. 404, 406, 834 P.2d 405, 406 20 (1992) (holding that summary judgment was proper because an 21 unambiguous contract can be construed as a matter of law from 22 the language of the document); See also, University of Nevada 23 v. Jones and Taylor, 116 Nev. 428, 431, 997 P.2d 812, 814 24 25 (2000) (holding that summary judgment is appropriate when a 26 contract is clear and unambiquous, meaning the contract is not 27 reasonably susceptible to more than one interpretation).

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NY 89423

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A court's "ultimate goal is to effectuate the contracting parties" intent, however, when that intent is not clearly expressed in the contractual language, we may also consider the circumstances surrounding the agreement." Id., citing Sheehan & Sheehan v. Nelson Malley & Co., 121 Nev. 481, 487-91, 117 P.3d 219, 223-24 (2005).

Applicability of Release Provision to Price and Shackelford

9 Plaintiffs make multiple arguments as to why the release
10 provision of the SA should not be employed so as to release
11 Price and Shackelford. Price and Shackelford disagree. Each
12 of Plaintiffs' claims are addressed below.

13 Importantly, Plaintiffs do not contend that Price and 14 Shackelford were not intended to be protected by the release. 15 Rather, Plaintiffs contend the release provision of the SA has 16 not been triggered given C4's non-performance. The Court 17 already rejected this argument in the July 28, 2015 Order 18 Granting in Part Defendant Joe Bakers Motion for Judgment on 19 the Pleadings and Denying Plaintiffs' Cross-Motion for Judgment 20 on the Pleadings, finding that the plain and unambiguous terms 21 of the SA made the release provision effective upon execution 22 Payment of the \$20,000,000 by C4 and Rawson was not of the SA. 23 a condition precedent to the release. Plaintiffs did not 24 request reconsideration of the Court's ruling and the Court 25 does not herein reconsider that ruling. Plaintiffs acknowledge 26 27 that, "By signing the Settlement Agreement (with the release 28 clause), the Cains gave up a valuable legal right."

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BON 218 MINDEN, NV 89423

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Plaintiffs' Opposition, page 14, lines 20-21. The Court agrees.

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P.O. BOX 218 MINDEN, NV 89423

3 Plaintiffs also contend the release provision should be 4 read narrowly. Specifically, Plaintiffs focus upon Section 2.1 5 of the SA which states, in part, that C4 is discharged from 6 "...all claims arising out of C4 worldwide's financial 7 misfortunes and resultant inability to timely pay... " SA, 8 Section 2.1. Plaintiffs argue that since the claims in the TA9 did not arise out of C4's financial misfortune, the release 10 does not apply. The Court already rejected this argument in 11 the July 28, 2015 Order Granting in Part Defendant Joe Bakers 12 Motion for Judgment on the Pleadings and Denying Plaintiffs' 13 14 Cross-Motion for Judgment on the Pleadings, finding that 15 Plaintiffs ignore the broad, sweeping and unambiguous release 16 language found in the release provision and throughout the SA. 17 Examples of such include: 18 The Title of the SA: 19 Settlement Agreement and Release of All Claims. 20 SA, Section 3.1: 21 "The parties expressly acknowledge and agree that the 22 Release set for in Section 2 is a general release ... 23 SA, page 1: 24 "WHEREAS the Parties are each desiring to resolve issues having to do with C4 WorldWide's unpaid 25 financial obligations arising out of the Promissory Note and Security Interest in the CMO Securities 26 dated November 29, 2009 and upon signing this Agreement intend to cease further collection efforts, 27 including but not limited to the filing of any litigation..." 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 14 DISTRICT COURT

SA, page 1: 2 "WHEREAS each party desires to settle all the claims, fully and finally..." 3 SA, Section 2.1: 4 And, Plaintiffs "hereby fully and forever release C4 5 WorldWide, its...officers, directors...from any and all past, present, and future claims, demands, 6 obligations, causes of action for damages of any 7 kind, known and unknown, the basis for which now exists or may hereafter become manifest that are 8 directly or indirectly related to the facts in any of the claims of any kind asserted against or which 9 could have been asserted in any of the claims." 10 Again, Plaintiffs did not request reconsideration of the 11 Court's ruling and the Court does not herein reconsider that 12 ruling. 13 Plaintiffs also argue that the SA was a mere recital of an 14 already existing obligation of C4 to pay them \$20,000,000 under 15 the JVA. Plaintiffs inexplicably disregard clear and 16 unambiguous language in the SA to the contrary. Specifically, 17 section 3.4 of the SA provides: "The parties expressly 18 acknowledge and agree that the terms of this Agreement are 19 contractual in nature and not merely a recital." SA, section 20 3.4. This provision renders Plaintiffs' contention untenable. 21 22 Plaintiffs further argue that C4 and Rawson did not give 23 Plaintiffs any new or separate consideration for the release. 24 The plain and unambiguous terms of the JVA and SA suggest 25 otherwise. The JVA did not obligate C4 to pay Heli Ops 26 \$20,000,000.00 plus interest. Rather, the JVA required C4 to 27 purchase CMO's with the \$1,000,000 loan proceeds. Assuming the 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 15 DISTRICT COURT

P.O. BOX 218 MINDEN, NV 89423

CMO's to be profitable, Heli Ops was to get the first 2 \$20,000,000 in profits and C4 would get all profits thereafter 3 Further, the JVA makes no mention of C4 having to pay interest 1 Under the SA, C4 and Rawson became obligated to pay Heli Ops 5 \$20,000,000 regardless of the profitability of the CMO's. 6 Additionally, C4 and Rawson agreed to pay interest on the 7 \$20,000,000, something they were not obligated to do under the 8 JVA. These obligations went beyond the obligations created by 9 the JVA and constituted consideration for the release provision 10 of the SA. 11

Additionally, Rawson was not a party to the JVA and did 12 not have any personal, financial obligation to Heli Ops under 13 By signing the SA in his individual capacity, Rawson 14 the JVA. made himself personally liable to Plaintiffs. 15 This is now 16 undisputed given Plaintiffs' success in obtaining a default 17 judgement against Rawson on the settlement agreement.

18 A final point regarding consideration for the release 19 concerns the Cains. The Cains were not a party to the JVA and 20 C4 did not have any financial obligation to the Cains under the JVA. The Cains were, however, a party to the SA. Through the 22 SA, C4 and Rawson agreed to be liable not only to Heli Ops but 23 to the Cains. This too acted as consideration for the release 24 provision of the SA. The Court finds from the plain and 25 unambiguous language of the JVA and SA that there was ample 26 consideration for the release and it is a gross understatement 27 for Plaintiffs to claim otherwise.

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

1 As a subset of their argument regarding consideration, 2 Plaintiffs claim that all Defendants, including Price and 3 Shackelford, fraudulently induced Plaintiffs to enter the SA, 4 thereby getting something for nothing as in Bernard v. Rockhill 5 Development Co., 103 Nev. 132, 743 P.2d 1238.¹ The Court's 6 findings regarding consideration for the release, gleaned from 7 the plain and unambiguous language of the SA, debunk this claim 8 and distinguish this case from Bernard. 9 Further, the Restatement (Second) of Contracts provides: 10 Ordinarily, therefore, courts do not inquire into the 11 adequacy of consideration... Gross inadequacy of consideration may be relevant to issues of ... fraud and the 12 like, but the requirement of consideration is not a safeguard against imprudent and improvident contracts 13 except in cases where it appears that there is no bargain 14 in fact. 15 . . . 16 Although the requirement of consideration may be met despite great difference in the values exchanged, gross 17 inadequacy of consideration may be relevant in the Inadequacy "such as shocks application of other rules. 18 the conscience" is often said to be a "badge of fraud," justifying a denial of specific performance. Inadequacy 19 may also help to justify rescission or cancellation on the ground of lack of capacity, mistake, misrepresentation, 20 duress or undue influence. 21 Oh v. Wilson, 112 Nev. 38, 41, 910 P.2d 276, 278-79 (1996), 22 quoting Restatement (Second) of Contracts, Sec. 79 cmt. c and 23 cmt. e (1979). 24 The consideration evident from the face of the SA does 25 26 1 Plaintiffs do not seek recision of the SA yet they claim damages for fraud in its inducement. This is yet another 27 example of how Plaintiffs desire to keep the SA in tact so as to reap its benefits, i.e., \$20,000,000 plus interest, while 28 attempting to circumvent the general release. THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 17 DISTRICT COURT

P.O. BON 218 MINDEN, NV 89423

1 not, as a matter of law, shock the conscience or reflect a 2 badge of fraud even when viewed in a light most favorable to 3 Plaintiffs. Further, the plain and unambiguous terms of the SA 4 reflect that each party acknowledged having obtained 5 independent legal advice regarding the SA and "That the parties 6 further warrant that no promise or inducement has been offered, 7 except as set forth in this Agreement, and that this Agreement 8 is executed without reliance on any statement or representation 9 by any other party concerning the nature and extent of damages 10 or legal liability." SA, Section 3.2. Lastly, Plaintiffs have 11 not alleged any facts indicating that Price and Shackelford, 12 non-parties to the SA, personally and fraudulently induced 13 Plaintiffs into executing the SA. 14

15 The Court finds, as a matter of law, from the clear and 16 unambiguous terms of the Settlement Agreement and Release of 17 All Claims, that Plaintiffs bargained for the liability of C4 18 and Rawson to the tune of \$20,000,000 plus interest in return 19 for the general and sweeping release of the likes of Price and 20 Shackelford, non-parties to the JVA. The release preempts all 21 of the claims in Plaintiffs' TAC against Price and Shackelford. 22 Construing the SA in such a manner is consistent with the clear 23 and unambiguous terms of the SA, and requires no inferences or 24 reading into of terms. It likewise does not create an absurd 25 result, especially when considering that Plaintiffs 26 successfully obtained judgments against C4 and others under the 27 This is exactly what the parties to the SA bargained for. SA. 28

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MIINDEN, NV 89423

Further, because Plaintiffs have not alleged or provided 2 any evidence that Price and Shackelford possess, control or 3 otherwise own any of the CMO's in question, there is also no basis for Plaintiffs' request for constructive trust of the 5 CMO's. Good cause appearing, 6 IT IS HEREBY ORDERED that summary judgement is GRANTED as 7 to Price and Shackelford as to all claims in the TAC. This 8 judgment is certified as final pursuant to NRCP 54(b). 9 Dated this 5 day of November, 2015. 10 11 THOMAS W. GHED 12 DISTRICT COURT JUDGE 13 14 Copies served by mail this \geq day of November 2015, to: 15 Michael Matuska, Esq. 16 2310 South Carson Street, #6 Carson City, Nevada 89701 17 Richard A. Oshinski, Esq. 18 Oshinski & Forsberg, Ltd. 504 E. Musser Street, Suite 302 19 Carson City, Nevada 89701 20 21 22 23 24 25 26 27 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL i9 DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

1 2 3 4 5 6 7	Mark Forsberg, Esq., NSB 4265 Rick Oshinski, Esq., NSB 4127 OSHINSKI & FORSBERG, LTD. 504 E. Musser Street, Suite 302 Carson City, NV 89701 T 775-301-4250 F 775-301-4251 Mark@OshinskiForsberg.com Rick@OshinskiForsberg.com Attorney for Defendants MICKEY SHACKELFORD and RICHARD PRICE
8 9 10 11	IN THE NINTH JUDICIAL DISTRICT COURT OF NEVADA IN AND FOR THE COUNTY OF DOUGLAS
12 13 14 15 16	PEGGY CAIN, an individual; JEFFREY CAIN, Case No. 11 CV 0296 an individual; and HELI OPS INTERNATIONAL, LLC, an Oregon limited Dept. No. 11 liability company.
17 18	Plaintiffs, NOTICE OF ENTRY OF ORDER vs.
19 20 21 22 23	D.R. RAWSON, an individual; C4 WORLDWIDE, INC., a Nevada corporation; RICHARD PRICE, an individual; JOE BAKER, an individual; MICKEY SHACKELFORD, an individual; MICHAEL K. KAVANAGH, an individual; JEFFREY EDWARDS, an individual; and DOES 1-10, inclusive.
24 25	Defendants/
26 27 28	PLEASE TAKE NOTICE that this Court entered its Order Granting Summary Judgment as to Richard Price and Mickey Shackelford on the 5th day of November, 2015, a true and correct copy of which is attached hereto as Exhibit 1.

1	The undersigned does hereby affirm that this document does not contain the Social Security
2	Number of any person.
3	Dated this 9th day of November, 2015.
4	OSHINSKI & FORSBERG, LTD.
5	
6	By Schustie
7	Mark Forsberg, Esq., NSB 4265
8	Attorneys for Defendants Richard Price
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1	CERTIFICATE OF SERVICE	
2	I hereby certify that I am an employee of Oshinski & Forsberg, Ltd., and that on this date. I served the	
3	within Notice of Entry of Order Granting Summary Judgment as to Richard Price and Mickey	
4	Shackelford on the following individuals or entities by serving a true copy thereof by the following method(s):	
5	[X] enclosed in a sealed envelope with postage fully prepaid thereon, in the United States Post	
6	Office mail, pursuant to NRCP 5(b)(2)(B);	
7	[] via electronic filing pursuant to Nevada Electronic Filing and Conversion Rules ("NEFCR")	
8	9(b):	
9	[] hand delivery via Reno/Carson Messenger Service pursuant to NRCP 5(b)(2)(A);	
10	[] electronic transmission (e-mail) to the address(es) listed below, pursuant to NRCP	
11	5(b)(2)(D);and/or	
12	[] Federal Express. UPS, or other overnight delivery	
13	fully addressed as follows:	
14	Michael L. Matuska, Esq. Michael J. McLaughlin, Esq. Matuska Law Offices, Ltd. Feldman, McLaughlin Thiel, LLP	
15		
16	F 775-350-7222 Zephyr Cove, NV 89448 Attorneys for Plaintiffs Attorney for Jeffrey Edwards	
17		
18		
19		
20		
21	LUNG HUGINON	
22	Linda Gilbertson'	
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EXHIBIT 1

EXHIBIT 1

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1	Case No. 11-CV-0296	FILED
2	NOV - 5 201	5
3	Dept. No. II Douglas Coun District Court Cl	ty 2015 NOY -5 AM 9: 54
4		ECBEIE R. WILLIAMS
5		SY CON ZDEPUTY
6		
7	IN THE NINTH JUDICIAL DISTRIC	F COURT OF THE STATE OF NEVADA
8	IN AND FOR THE C	OUNTY OF DOUGLAS
9	PEGGY CAIN, an individual;	
10	JEFFREY CAIN, an individual; and HELI OPS INTERNATIONAL,	
11	LLC, an Oregon limited liability company,	
12	Plaintiffs,	
13	vs.	
14	DR RAWSON, an individual; C4	ORDER GRANTING SUMMARY JUDGMENT AS TO RICHARD PRICE
15	WORLDWIDE, INC., a Nevada corporation; RICHARD PRICE,	AND MICKEY SHACKELFORD
16	an individual; JOE BAKER, an individual; MICKEY	
17	SHACKELFORD, an individual; MICHAEL K. KAVANAGH, an	
18	<pre>individual; JEFFREY EDWARDS, an individual; and DOES 1-10,</pre>	
19	inclusive, Defendants.	
20		- Course on Defendant Too
21	THIS MATTER comes before th	
22	Baker's Motion for Order Confir:	-
23	Summary Judgment Thereon filed (on August 17, 2015. The motion
24	was joined by Defendants Richard	d Price ("Price") and Mickey
25	Shackelford ("Shackelford") on P	August 28, 2015 and opposed by
26	Plaintiffs on September 2, 2015	. Baker was dismissed from the
27	case on September 11, 2015. The motion is ripe for	
28 THOMAS W. GRECORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423		1

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consideration as to Price and Shackelford.

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THOMAS W. GREGORY DISTRICT JUDGE

NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

2 This litigation regards a joint venture agreement between Heli Ops International and C4 Worldwide and a subsequently entered into settlement agreement, Plaintiffs have been at 5 liberty over the course of the past four years to direct their lawsuit. Plaintiffs have secured \$20,000,000 default judgments 7 against C4 Worldwide, Inc., and individual defendants DR 8 Rawson, Michael Kavanagh and Jeffrey Edwards premised upon the 9 settlement agreement. Price and Shackelford, 10

directors/officers of C4, are the only remaining Defendants.

Plaintiffs summarize what remains of the case as follows: 12 "They [Plaintiffs] sued for money damages under the Settlement 13 Agreement and obtained a judgment against C4. They 14 15 [Plaintiffs] are now seeking to pierce the corporate veil and 16 hold Joe Baker and the other Defendants liable for the debts of 17 C4. They [Plaintiffs] are also suing Joe Baker and the other 18 Defendants directly for fraud and other tortious activity 19 related to the Joint Venture Agreement." Plaintiffs' 20 Opposition, page 2, lines 2-8.

The question squarely before the Court is whether the sweeping release provision of the settlement agreement unambiguously preempts Plaintiffs' claims against Price and Shackelford, directors/officers of C4. The Court answers that question in the affirmative and grants summary judgment. 111 111 2

Procedural and Factual Background

Heli Ops International, LLC ("Heli Ops"), is an Oregon corporation for which Jeffrey Cain is a member. Peggy Cain is married to Jeffrey Cain. C4 Worldwide, Inc. ("C4") is a Nevada Corporation whose officers/directors include DR Rawson, Richard Price, Mickey Shackelford, Michael Kavanagh, Joe Baker, and, allegedly, Jeffrey Edwards.

On November 29, 2009, Heli Ops entered into a joint 9 venture agreement ("JVA") with C4. The JVA required Heli Ops 10 to loan C4 \$1,000,000 USD. The funds were to be used by C4 as 11 the capital to acquire and then leverage Collateralized 12 13 Mortgage Obligations ("CMO") with a face value of "up to 14 \$1,000,000,000 USD."

15 Under the JVA, C4 was to have a 51% ownership interest in 16 the CMO's and Heli Ops a 49% ownership interest. The JVA 17 designated that the first \$20,000,000 in profits obtained from leveraging the CMO's in international trade would go to Heli Ops. If that occurred, Heli Ops was to transfer its ownership interest in the CMO's to C4, making C4 the sole owner of the CMO's and entitled to all further profits. The "objective" of the JVA was to "gain \$40,000,000 USD or more from the results thereof" for the parties to the JVA.

On the same day the JVA was entered into, and in conjunction therewith, C4 and Heli Ops executed a Promissory Note and Security Interest in the CMO ("Promissory Note"). The Promissory Note indicates a loan amount of \$1,000,000 USD from

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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1 Heli Ops to C4 with a loan period of two months. The 2 Promissory Note calls for C4 to pay Heli Ops \$20,000,000 "as 3 per the terms of the Joint Venture Agreement between the 4 parties executed on November 29, 2009." Further, "the full 5 repayment per the above schedule will end on the 30th of 6 December, 2009." The CMO's were designated as collateral for 7 the Promissory Note consistent with the ownership interests 8 designated in the JVA. 9 Heli Ops transferred \$1,000,000 to C4. C4 purchased 10 CMO's. C4 did not repay the \$1,000,000 loan nor did Heli Ops 11 receive from C4 any profits from the CMO's. 12 On March 1, 2010, a document entitled Settlement Agreement 13 14 and Release of All Claims ("SA") was executed by Heli Ops and 15 C4 with Jeffrey Cain, Peggy Cain and DR Rawson joining in their 16 individual capacities. 17 The SA begins with the following statement of intent: 18 WHEREAS the Parties are each desiring to resolve issues having to do with C4 WorldWide's unpaid 19 financial obligations arising out of the Promissory Note and Security Interest in the CMO Securities 20 dated November 29, 2009 and upon signing this Agreement intend to cease further collection efforts 21 including but not limited to the filing of any 22 litigation and the Cains further stipulate and agree that they will file no complaint(s) or the like with 23 either the Securities and Exchange Commission and/or the Department of Justice of any state. 24 To the extent not modified herein, the Promissory 25 Note and Security Interest in the CMO securities remains in full force and effect. 26 WHEREAS, each party desires to settle all the claims 27 fully and finally without admission of liability; ... 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 4 DISTRICT COURT

P.O. BOX 218 MINDEN, NV 89423

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1	Section 1 of the SA, entitled "CONSIDERATION" states in
2	relevant part:
3	1.1 In consideration of the Releases set forth below
4	in Section 2 and the other terms set for herein, C4 WorldWide stipulates that it owes the Cains Twenty
5	Million USD (\$20,000,000) and that said amount was due on December 29, 2009 and remains unpaid. C4
6	WorldWide acknowledges its obligation to pay and agrees to pay the sum of \$20,000,000, plus all
7	accumulated interest, to Cains no later than 90 days from February 25, 2010
8	Consistent with the JVA, section 1.2 requires that C4
9	assign a 49% interest in the CMO's to the Cains. Upon payment
10	of the \$20,000,000 plus interest, the SA and JVA require the
12	Cains to transfer their 49% ownership interest in the CMO's
13	back to C4.
14	Section 2 of the SA, entitled "RELEASE" states in relevant
15	part:
16	2.1 The Cainsand all other affiliated persons,
17	firms or corporations, hereby fully and forever releases and discharges C4 WorldWide, from any and
18	all claims that exist arising out of C4 WorldWide's financial misfortunes and resultant inability to
19	timely pay the Promissory Note and Security Interest in CMO Securities dated November 29, 2009 (a true and
20	correct copy of which is attached hereto as Exhibit A and is incorporated herein by reference). Such
21	release covers the Cainshereby fully and forever release and discharge C4 WorldWide, it successors,
22	predecessors, parents, assigns, agents, employees, officers, directors, insurers, and all other
23	affiliated persons, firms or corporations, of and from any and all past, present and future claims,
24	demands, obligations, causes of action for damages of any kind, known and unknown, the basis of which now
25	exist or hereafter may become manifest that are directly or indirectly related to the facts in any of
26	the claims of any kind asserted against or which could have been asserted in any of the claims.
27	could have been asserted in any of the claims.
28 THOMAS W. GREGORY DISTRICT JUDGE	
NINTH JUDICIAL DISTRICT COURT P.O. BOX 218	5
MINDEN, NY 89423	

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1	Section 3 of the SA, entitled "EXPRESS ACKNOWLEDGMENTS,	
2	REPRESENTATIONS, AND WARRANTIES" states in relevant part:	
3	3.1 The parties expressly acknowledge and agree that	
4	the Release set forth is Section 2 is a general release of the matters described above.	
5	• • • •	
7	3.3 The parties expressly acknowledge and agree that the purpose and effect of this Agreement is to fully	
8	and forever resolve all issues relating to claims arising out of and which could be asserted in this	
9	case and that no party will pursue the other for anything relating in any way to the claims being	
10	released.	
11	3.4 The parties expressly acknowledge and agree that the terms of this Agreement are contractual in nature	•
12	and not merely a recital.	
13	C4 did not pay Heli Ops or the Cains \$20,000,000, nor did	
14	they transfer a 49% interest in the CMO's to Heli Ops/Cains.	
15	Heli Ops/Cains ("Plaintiffs") filed this lawsuit on September	
16	14, 2011. The case started out with seven named defendants:	
17	C4; DR Rawson ("Rawson"); Michael Kavanagh ("Kavanagh");	
19	Jeffrey Edwards ("Edwards"); Joe Baker ("Baker"); Mickey	
20	Shackelford ("Shackelford"); and Richard Price ("Price").	
21	Over the next four years the landscape of the case shifted	l
22	through four different complaints and many motions. The	
23	Plaintiffs obtained default judgments against C4, Rawson,	
24	Kavanagh and Edwards for \$20,000,000 under the SA. Baker was	
25	recently dismissed out of the case at the joint request of	
26	Plaintiffs and Baker. Price and Shackelford are the only	
27	remaining defendants.	
28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423	6	

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In the Third Amended Complaint ("TAC"), Plaintiffs allege seven claims for relief. The first claim is against C4 and Rawson for breach of contract, *i.e.*, the SA. The claim also seeks to hold Price and Shackelford individually liable for C4's breach of the SA under a theory of alter ego but, as explained further below, that claim was previously dismissed or the pleadings.

9 The TAC's second claim for relief alleges fraud on the 10 part of Price and Shackelford as it relates to their role in 11 inducing Plaintiffs to enter into the JVA and later the SA.

The TAC's third claim for relief alleges civil conspiracy amongst the individually named defendants, including Price and Shackelford, as it relates to their role in inducing Plaintiffs to enter into the JVA and later the SA.

16 The TAC's fourth claim for relief alleges negligence on 17 the part of the individually named defendants, including Price 18 and Shackelford, in monitoring the business activities of C4.

The TAC's fifth claim for relief alleges that all Defendants converted or diverted funds, profits from and/or ownership in the CMO's. (There is no sixth or seventh claim listed in the TAC.)

The TAC's eighth claim for relief requests that Plaintiffs be granted constructive trust over the CMO's and/or any profits generated therefrom.

The TAC's ninth claim for relief alleges intentional interference with contractual relations in that all Defendants

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NY 89423

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interfered with or disrupted the performance of the JVA.

2 On July 28, 2015, the Court granted partial judgment on 3 the pleadings in favor of Baker, Price and Shackelford and 4 certified the judgment as final. The Court held that given the 5 release provision of the SA, Plaintiffs cannot, as a matter of 6 law, enforce the SA against Price and Shackelford, non-party 7 beneficiaries to the SA, under a theory of alter ego. However, 8 based upon limited language in the TAC wherein Plaintiffs 9 seemingly contest the validity of the SA, the Court stated: 10 As already indicated, the allegation in the TAC that the 11 Settlement Agreement was illusory could form the basis to set aside the Settlement Agreement in its entirety, 12 including the Release. In which case, Plaintiffs could 13 pursue personal liability under the Joint Venture Agreement on the theory of alter ego. Material issues of 14 fact thus exists that prevent a determination with respect to the enforceability of the Release on those portions of 15 the remaining claims for Relief relating to the Joint Venture Agreement. 16 Order Granting in Part Defendant Joe Baker's Motion for 17 Judgment on the Pleadings and Denying Plaintiff's Cross-Motion 18 for Judgment on the Pleadings, p. 12, lines 5-14, filed July 19 28, 2015. Plaintiffs did not request reconsideration of that 20 21 order and the Court does not now reconsider that order. 22

Price and Shackelford now argue through their motion for summary judgment that Plaintiffs have not specifically claimed, nor sought, the remedy of recision of the SA and that it would be too late for Plaintiffs to now do so. Further, by obtaining 26 default judgements against C4 and Rawson on the SA and making efforts to enforce those judgements, Plaintiffs have elected

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 **MINDEN, NV 89423**

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their remedy, i.e., enforcement of the SA, and cannot now pursue the inconsistent remedy of recision. Lastly, if the SA is not subject to being rescinded, then the release provision of the SA prohibits Plaintiffs from suing Price and Shackelford.

In their opposition, Plaintiffs clarify what they are 7 attempting to accomplish through the lawsuit. Specifically, 8 "They [Plaintiffs] sued for money damages under the Settlement 9 Agreement and obtained a judgment against C4. They 10 [Plaintiffs] are now seeking to pierce the corporate veil and hold Joe Baker and the other Defendants liable for the debts of 12 C4." Plaintiffs' Opposition, p.2, lines 2-6. The Court has 13 14 already held that Plaintiffs cannot, as a matter of law, pursue 15 that course. July 28, 2015 Order Granting in Part Defendant 16 Joe Baker's Motion for Judgment on the Pleadings and Denying 17 Plaintiffs' Cross Motion for Judgment on the Pleadings.

Plaintiffs further indicate, "They [Plaintiffs] are also suing Joe Baker and the other Defendants directly for fraud and other tortious activity related to the Joint Venture Agreement." Plaintiffs' Opposition, page 2, lines 6-8. Regarding the SA and the impact of its release provision, Plaintiffs state, "Recision does not apply to this case, as Baker has never offered to restore the Cain's to their former Hence, the Settlement Agreement cannot be rescinded position. and the correct course of action was for the Cains to sue for money damages, which they have done." Plaintiffs' Opposition,

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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page 6, lines 17-21.

2 This clarification by Plaintiffs removes the material 3 issue that previously deterred the Court from granting complete 4 judgment on the pleadings in favor of Price, Shackelford and 5 Baker, i.e., whether Plaintiffs seek to rescind the SA and 6 whether there exists grounds to do so. Plaintiffs have now 7 made it patently clear that they do not seek to rescind or 8 otherwise void the SA or even argue the existence of grounds to 9 do so. Accordingly, all remaining parties acknowledge the 10 validity of the SA and its release provision.

Since Plaintiffs have removed from consideration arguments 12 regarding recision or validity of the SA, the Court agrees with 13 14 Plaintiffs that the doctrine of election of remedies is not 15 applicable. The case has matriculated to a point where the 16 Court must determine whether the release provision 17 unambiguously preempts the Plaintiffs' remaining claims for 18 relief against Price and Shackelford.

Standard of Review and Applicable Law

Summary judgment is appropriate when, after viewing the evidence in a light most favorable to the non-moving party, there remain no genuine issues of material fact and the moving party is entitled to judgment as a matter of law. NRCP 56; Butler v. Bogdanovich, 101 Nev. 449, 451, 705 P.2d 662, 663 (1985). 26

A genuine factual dispute occurs when the evidence is such that a rational trier of fact could return a verdict for the

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 **MINDEN, NV 89423**

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non-moving party. Wood v. Safeway, Inc., 121 Nev. 724, 731, 121 P.3d 1026, 1031 (2005). See also Cuzze v. University and Community College System of Nevada, 123 Nev. 598, 602-03, 172 P.3d 131, 134 (2007) (party moving for summary judgment bears the initial burden of production to show the absence of a genuine issue of material fact).

The Court must give the party opposing summary judgment 8 the benefit of all favorable inferences. O'Dell v. Martin, 101 9 Nev. 142, 144, 696 P.2d 996, 997 (1985); Berge v. Fredericks, 10 95 Nev. 183 (1979). While the court must construe the 11 pleadings and evidence in a light most favorable to the non-12 13 moving party, that party must show more than some metaphysical 14 doubt as to the operative, material facts. Wood, 121 Nev. at 15 732.

16 The parties have failed to cite any one of a fair number 17 of cases regarding release provisions that have been decided by 18 the Nevada Supreme Court. Many of the decision have upheld or 19 mandated summary judgment or dismissal on the pleadings based 20 upon unambiguous release terms. See, e.g., Chwialkowski v. Sachs, 108 Nev. 404, 834 P.2d 405 (1992); Sibson v. Farmers 22 Insurance Group, 88 Nev. 417, 498 P.2d 1331 (1972); Allstate Insurance Co. v. Fackett, 125 Nev. 132, 206 P.3d 572 (2009); University of Nevada v. Jones and Taylor, 116 Nev. 428, 997 25 26 P.2d 812 (2000). The Nevada Supreme Court has reversed summary 27 judgment and/or dismissals where release provisions were ambiguous and/or where there remained genuine issues of

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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material fact. See, e.g., In Re: Amerco Derivative Litigation, 127 Nev.Ad.Op 17, 252 P.3d 681, (2001); Shapro v. Forsythe, 103 Nev. 666, 747 P.2d 241 (1987); Oh v. Wilson, 112 Nev. 38, 910 P.2d 276 (1996); Russ v. General Motors Corp., 111 Nev. 1431, 906 P.2d 718 (1995).

It is clear from the case law that settlement agreements 7 are contracts and as such are governed by contract law. Mack 8 v. Mack Estate, 125 Nev. 80, 95, 206 P.3d 98, 108 (2009). An 9 unambiguous release within a settlement agreement is construed 10 from the language of the document. In Re: Amerco Derivative 12 Litigation, 127 Nev.Ad.Op 17, 252 P.3d 681, 693 (2001), citing 13 Chwialkowski v. Sachs, 108 Nev. 404, 406, 834 P.2d 405, 406 14 (1992).

15 "When a contract is unambiguous and neither party is 16 entitled to relief from the contract, summary judgment based on 17 the contractual language is proper." Allstate Insurance Co. v. 18 Fackett, 125 Nev. 132, 137, 206 P.3d 572, 575 (2009), citing 19 Chwialkowski v. Sachs, 108 Nev. 404, 406, 834 P.2d 405, 406 20 (1992) (holding that summary judgment was proper because an 21 unambiguous contract can be construed as a matter of law from 22 the language of the document); See also, University of Nevada 23 24 v. Jones and Taylor, 116 Nev. 428, 431, 997 P.2d 812, 814 25 (2000) (holding that summary judgment is appropriate when a 26 contract is clear and unambiguous, meaning the contract is not 27 reasonably susceptible to more than one interpretation).

28 THOMAS W. GREGORY DISTRICT JUDGE NINTE JUDICIAL DISTRICT COURT P.Ó. BOX 218 **MINDEN, NV 89423**

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A court's "ultimate goal is to effectuate the contracting parties' intent, however, when that intent is not clearly expressed in the contractual language, we may also consider the circumstances surrounding the agreement." Id., citing Sheehan & Sheehan v. Nelson Malley & Co., 121 Nev. 481, 487-91, 117 P.3d 219, 223-24 (2005).

Applicability of Release Provision to Price and Shackelford

Plaintiffs make multiple arguments as to why the release 9 provision of the SA should not be employed so as to release 10 Price and Shackelford. Price and Shackelford disagree. Each of Plaintiffs' claims are addressed below. 12

13 Importantly, Plaintiffs do not contend that Price and 14 Shackelford were not intended to be protected by the release. 15 Rather, Plaintiffs contend the release provision of the SA has 16 not been triggered given C4's non-performance. The Court 17 already rejected this argument in the July 28, 2015 Order 18 Granting in Part Defendant Joe Bakers Motion for Judgment on 19 the Pleadings and Denying Plaintiffs' Cross-Motion for Judgment 20 on the Pleadings, finding that the plain and unambiguous terms of the SA made the release provision effective upon execution 22 Payment of the \$20,000,000 by C4 and Rawson was not of the SA. 23 a condition precedent to the release. Plaintiffs did not 24 request reconsideration of the Court's ruling and the Court 25 does not herein reconsider that ruling. Plaintiffs acknowledge 26 27 that, "By signing the Settlement Agreement (with the release clause), the Cains gave up a valuable legal right."

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 **MINDEN, NV 89423**

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Plaintiffs' Opposition, page 14, lines 20-21. The Court agrees.

3 Plaintiffs also contend the release provision should be 4 read narrowly. Specifically, Plaintiffs focus upon Section 2.1 5 of the SA which states, in part, that C4 is discharged from 6 "...all claims arising out of C4 worldwide's financial 7 misfortunes and resultant inability to timely pay..." SA, 8 Section 2.1. Plaintiffs argue that since the claims in the TAC 9 did not arise out of C4's financial misfortune, the release 10 does not apply. The Court already rejected this argument in 11 the July 28, 2015 Order Granting in Part Defendant Joe Bakers 12 Motion for Judgment on the Pleadings and Denying Plaintiffs' 13 Cross-Motion for Judgment on the Pleadings, finding that 14 15 Plaintiffs ignore the broad, sweeping and unambiguous release 16 language found in the release provision and throughout the SA. 17 Examples of such include: 18 The Title of the SA: 19 Settlement Agreement and Release of All Claims. 20 SA, Section 3.1: 21 "The parties expressly acknowledge and agree that the Release set for in Section 2 is a general release... 22 23 SA, page 1: 24 "WHEREAS the Parties are each desiring to resolve issues having to do with C4 WorldWide's unpaid 25 financial obligations arising out of the Promissory Note and Security Interest in the CMO Securities 26 dated November 29, 2009 and upon signing this Agreement intend to cease further collection efforts, 27 including but not limited to the filing of any litigation..." 28 THOMAS W. GREGORY DISTRICT JUDGE 14

NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423 1

SA, page 1: 2 "WHEREAS each party desires to settle all the claims, fully and finally..." 3 SA, Section 2.1: 4 And, Plaintiffs "hereby fully and forever release C4 5 WorldWide, its...officers, directors...from any and all past, present, and future claims, demands, 6 obligations, causes of action for damages of any 7 kind, known and unknown, the basis for which now exists or may hereafter become manifest that are 8 directly or indirectly related to the facts in any of the claims of any kind asserted against or which 9 could have been asserted in any of the claims." 10 Again, Plaintiffs did not request reconsideration of the · 11 Court's ruling and the Court does not herein reconsider that 12 ruling. 13 Plaintiffs also argue that the SA was a mere recital of an 14 already existing obligation of C4 to pay them \$20,000,000 under 15 Plaintiffs inexplicably disregard clear and the JVA. 16 unambiguous language in the SA to the contrary. Specifically, 17 section 3.4 of the SA provides: "The parties expressly 18 acknowledge and agree that the terms of this Agreement are 19 contractual in nature and not merely a recital." SA, section 20 This provision renders Plaintiffs' contention untenable. 3.4. 21 Plaintiffs further argue that C4 and Rawson did not give 22 Plaintiffs any new or separate consideration for the release. 23 24 The plain and unambiguous terms of the JVA and SA suggest 25 otherwise. The JVA did not obligate C4 to pay Heli Ops 26 \$20,000,000.00 plus interest. Rather, the JVA required C4 to 27 purchase CMO's with the \$1,000,000 loan proceeds. Assuming the 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 15 DISTRICT COURT

P.O. BOX 218 MINDEN, NV 89423

1 CMO's to be profitable, Heli Ops was to get the first 2 \$20,000,000 in profits and C4 would get all profits thereafter 3 Further, the JVA makes no mention of C4 having to pay interest. 4 Under the SA, C4 and Rawson became obligated to pay Heli Ops 5 \$20,000,000 regardless of the profitability of the CMO's. 6 Additionally, C4 and Rawson agreed to pay interest on the 7 \$20,000,000, something they were not obligated to do under the 8 These obligations went beyond the obligations created by JVA. 9 the JVA and constituted consideration for the release provision 10 of the SA. 11

Additionally, Rawson was not a party to the JVA and did not have any personal, financial obligation to Heli Ops under the JVA. By signing the SA in his individual capacity, Rawson made himself personally liable to Plaintiffs. This is now undisputed given Plaintiffs' success in obtaining a default judgement against Rawson on the settlement agreement.

18 A final point regarding consideration for the release 19 concerns the Cains. The Cains were not a party to the JVA and 20 C4 did not have any financial obligation to the Cains under the 21 JVA. The Cains were, however, a party to the SA. Through the 22 SA, C4 and Rawson agreed to be liable not only to Heli Ops but 23 to the Cains. This too acted as consideration for the release 24 provision of the SA. The Court finds from the plain and 25 unambiguous language of the JVA and SA that there was ample 26 consideration for the release and it is a gross understatement 27 for Plaintiffs to claim otherwise. 28

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NY 89423

1 As a subset of their argument regarding consideration, 2 Plaintiffs claim that all Defendants, including Price and 3 Shackelford, fraudulently induced Plaintiffs to enter the SA, 4 thereby getting something for nothing as in Bernard v. Rockhill 5 Development Co., 103 Nev. 132, 743 P.2d 1238.1 The Court's 6 findings regarding consideration for the release, gleaned from 7 the plain and unambiguous language of the SA, debunk this claim 8 and distinguish this case from Bernard. 9 Further, the Restatement (Second) of Contracts provides: 10 Ordinarily, therefore, courts do not inquire into the 11 adequacy of consideration...Gross inadequacy of consideration may be relevant to issues of ... fraud and the 12 like, but the requirement of consideration is not a safeguard against imprudent and improvident contracts 13 except in cases where it appears that there is no bargain 14 in fact. 15 . . . 16 Although the requirement of consideration may be met despite great difference in the values exchanged, gross 17 inadequacy of consideration may be relevant in the application of other rules. Inadequacy "such as shocks 18 the conscience" is often said to be a "badge of fraud," justifying a denial of specific performance. Inadequacy 19 may also help to justify rescission or cancellation on the ground of lack of capacity, mistake, misrepresentation, 20 duress or undue influence. 21 Oh v. Wilson, 112 Nev. 38, 41, 910 P.2d 276, 278-79 (1996), 22 auoting Restatement (Second) of Contracts, Sec. 79 cmt. c and 23 cmt. e (1979). 24 The consideration evident from the face of the SA does 25 26 1 Plaintiffs do not seek recision of the SA yet they claim damages for fraud in its inducement. This is yet another 27 example of how Plaintiffs desire to keep the SA in tact so as to reap its benefits, i.e., \$20,000,000 plus interest, while 28 attempting to circumvent the general release. THOMAS W. GREGORY DISTRICT JUDGE 17 NINTH JUDICIAL DISTRICT COURT

P.O. BOX 218 MINDEN, NV 89423

ł not, as a matter of law, shock the conscience or reflect a 2 badge of fraud even when viewed in a light most favorable to 3 Plaintiffs. Further, the plain and unambiguous terms of the SA reflect that each party acknowledged having obtained 5 independent legal advice regarding the SA and "That the parties 6 further warrant that no promise or inducement has been offered, 7 except as set forth in this Agreement, and that this Agreement 8 is executed without reliance on any statement or representation 9 by any other party concerning the nature and extent of damages 10 or legal liability." SA, Section 3.2. Lastly, Plaintiffs have 11 not alleged any facts indicating that Price and Shackelford, 12 non-parties to the SA, personally and fraudulently induced 13 Plaintiffs into executing the SA. 14

15 The Court finds, as a matter of law, from the clear and 16 unambiguous terms of the Settlement Agreement and Release of 17 All Claims, that Plaintiffs bargained for the liability of C4 18 and Rawson to the tune of \$20,000,000 plus interest in return 19 for the general and sweeping release of the likes of Price and 20 Shackelford, non-parties to the JVA. The release preempts all 21 of the claims in Plaintiffs' TAC against Price and Shackelford. 22 Construing the SA in such a manner is consistent with the clear 23 and unambiguous terms of the SA, and requires no inferences or 24 reading into of terms. It likewise does not create an absurd 25 result, especially when considering that Plaintiffs 26 successfully obtained judgments against C4 and others under the 27 This is exactly what the parties to the SA bargained for. SA.

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

ł Further, because Plaintiffs have not alleged or provided 2 any evidence that Price and Shackelford possess, control or 3 otherwise own any of the CMO's in question, there is also no basis for Plaintiffs' request for constructive trust of the 5 CMO's. Good cause appearing, 6 IT IS HEREBY ORDERED that summary judgement is GRANTED as 7 to Price and Shackelford as to all claims in the TAC. This 8 judgment is certified as final pursuant to NRCP 54(b). 9 Dated this _____ day of November, 2015. 10 11 THOMAS W. 12 DISTRICT COURT JUDGE 13 14 Copies served by mail this \supset day of November 2015, to: 15 Michael Matuska, Esq. 16 2310 South Carson Street, #6 Carson City, Nevada 89701 17 Richard A. Oshinski, Esq. 18 Oshinski & Forsberg, Ltd. 504 E. Musser Street, Suite 302 19 Carson City, Nevada 89701 20 21 22 23 24 25 26 27 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 19 DISTRICT COURT P.O. BOX 218 **MINDEN, NV 89423**

1 2 3 4 5 6 7	Case No. 11-CV-0296 Dept. No. II Douglas County District Court Clerk IN THE NINTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA		
8	IN AND FOR THE COUNTY OF DOUGLAS		
 9 10 11 12 13 14 15 16 17 18 19 20 	<pre>PEGGY CAIN, an individual; JEFFREY CAIN, an individual; and HELL OPS INTERNATIONAL, LLC, an Oregon limited liability company,</pre>		
20	This matter is before the Court on Defendant Joe Baker's		
22	(Baker) Motion for Judgment on the Pleadings filed April 21,		
23	2015. Plaintiffs Peggy Cain, Jeffrey Cain and Heli Ops		
24	International, LLC (Plaintiffs) filed an opposition and Baker		
25	filed a reply. Defendants Richard Price (Price) and Mickey		
26 27 28	Shackelford (Shackelford) joined in Baker's motion. Plaintiffs' opposition filed May 8, 2015, contained a Cross-Motion for		
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THOMAS W. GREGO DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BON 218 MINDEN, NV 89423 Judgment on the Pleadings which is also ripe for decision. Based upon the papers and pleadings on file herein and good cause appearing, Baker's Motion for Judgment on the Pleadings is GRANTED in part and DENIED in part. Plaintiffs' Cross-Motion for Judgment on the Pleadings is DENIED.

Parties and Procedural Posture

This case is set for jury trial in September 2015. Plaintiffs filed their initial Complaint on August 14, 2011. The Court has previously ruled on two Motions to Dismiss as well as Motions for Summary Judgment. Plaintiffs filed their Third Amended Complaint (the TAC) on March 30, 2015.

This case started out with seven named defendants: DR Rawson(Rawson); C4 Worldwide Inc., a now defunct Nevada corporation (C4); Richard Price (Price); Joe Baker (Baker); Mickey Shackelford (Shackelford); Michael Kavanagh (Kavanagh); and Jeffrey Edwards (Edwards).

18 Plaintiffs have obtained Default Judgments against Rawson, 19 C4, Kavanagh and Edwards. The Default Judgments against 20 Rawson, C4 and Kavanagh were entered based upon the failure of 21 those defendants to file an Answer. Edwards' default was 22 imposed by the Honorable Michael P. Gibbons as a sanction for 23 his failure to participate in discovery. The Honorable David 24 R. Gamble entered a Default Judgment against Edwards on March 25 16, 2015. 26

The remaining defendants are Price, Baker, and Shackelford. Price, Baker and Shackelford have all filed

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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1 Answers to the TAC. 2 Factual Background 3 Plaintiffs claimed to have loaned C4 \$1,000,000 pursuant 4 to a Joint Venture Agreement and Promissory Note executed 5 November 29, 2009. (TAC ¶¶ 14, 15). 6 Plaintiffs allege they funded the \$1,000,000 loan to C4 7 and that C4 defaulted in its obligations under the loan, 8 failing to re-pay any part of it. (TAC 1114, 15). 9 Plaintiffs allege that on February 28, 2010, Plaintiffs, 10 C4, and Rawson entered into a Settlement Agreement and Release 11 of All Claims (the Settlement Agreement). (TAC $\P17$). 12 The Settlement Agreement, which is attached to the TAC, 13 recites as its purpose that the parties to that agreement 14 15 desired to: 16 resolve issues having to do with C4 Worldwide's unpaid financial obligations arising out of the Promissory Note 17 and Security Interest in the CMO Securities dated November 29, 2009 and upon signing this Agreement intend to cease 18 further collection efforts, including but not limited to the filing of any litigation and the Cains further 19 stipulate and agree that they will file no complaint(s) or the like with either the Securities and Exchange 20Commission and/or the Department of Justice of any state. 21 The Settlement Agreement goes on to provide: 22 1.1. In consideration of the Releases set forth below in 23 Section 2 and the other terms set forth herein, C4 WorldWide stipulates that it owes the Cains Twenty Million 24 USD (\$20,000,000) and that said amount was due on December 30, 2009 and remains unpaid. C4 WorldWide acknowledges 25 its obligation to pay and agrees to pay the sum of \$20,000,000, plus all accumulated interest, to Cains no 26 later than 90 days from February 25, 2010, less any advance payments made, and C4 Worldwide shall use all 27 reasonable efforts to pay this obligation off in full as quickly as possible.... (Emphasis added). 28THOMAS W. GREGORY DISTRICT JUDGE SINTH JUDICIAL 3 DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

1 The RELEASE portion of the Settlement Agreement, the 2 "consideration," provides as follows: 3 2.1 The Cains, their successors, predecessors, parents, assigns, agents, employees, officers, directors, insurers, 4 and all other affiliated persons, firms, or corporations, hereby fully and forever releases and discharges C4 5 WorldWide from any and all claims that exist arising out of C4 worldwide's [sic] financial misfortunes and 6 resultant inability to timely pay the Promissory Note and 7 Security Interest in the CMO Securities dated November 29, Such release covers the Cains their successors, 2009 8 predecessors, parents, assigns, agents employees, officers, directors, insurers, and all other affiliated 9 persons, firms, or corporations, [sic] hereby fully and forever release and discharge C4 WorldWide, its 10 successors, predecessors, parents, assigns, agents, employees, officers, directors, insurers, and all other 11 affiliated persons, firms, or corporations, of and from 12 any and all past, present, and future claims, demands, obligations, causes of action for damages of any kind, 13 known and unknown, the basis of which now exists or may hereafter become manifest that are directly or indirectly 14 related to the facts in any of the claims of any kind asserted against or which could have been asserted against 15 (Emphasis added). in any of the claims. 16 The Settlement Agreement also includes the language: 17 The parties expressly acknowledge and agree that the 3.1 18 Release set forth in Section 2 is a general release of the matters described above.... (Emphasis added). 19 3.3 The parties expressly acknowledge and agree that the 20 purpose and effect of this Agreement is to fully and forever resolve all issues relating to claims arising out 21 of and which could be asserted in this case and that no party will pursue the other for anything related in any 22 way to the claims being released. (Emphasis added). 23 The Settlement Agreement states that California law 24 applies. 25 Plaintiffs allege that C4 and Rawson breached the 26 Settlement Agreement by failing to pay them \$20,000,000, or any 27 part thereof. (TAC ¶23). Plaintiffs seek to hold Baker, Price 281 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 4 DISTRICT COURT P.O. BOX 218

MINDEN, NV 89423

1 and Shackelford personally liable for \$20,000,000 under the 2 Settlement Agreement based upon the alter ego doctrine. (TAC 3 §[27). The TAC alleges the following causes of action: 5 First Claim for Relief: Breach of Contract (the Settlement 6 Agreement) 7 Second Claim for Relief: Fraud 8 Third Claim for Relief: Civil Conspiracy 9 Fourth Claim for Relief: Negligence 10 Fifth Claim for Relief: Conversion 11 [There is no Sixth or Seventh Claim for Relief] 12 Eighth Claim for Relief: Constructive Trust 13 Ninth Claim for Relief: Intentional Interference with 14 15 Contractual Relations. 16 Analysis 17 The Pending Motions. 1. 18 Baker moves for judgment on the pleadings claiming that 19 Baker is a third-party beneficiary of the Settlement Agreement. 20 As such, he claims pursuant to the terms of that agreement, he 21 has been expressly released from liability for all of the 22 claims for relief set forth in the TAC. 23 Plaintiffs oppose Baker's motion claiming that because C4 24 and Rawson did not perform under the Settlement Agreement, 25 Baker was not released. Plaintiffs further argue that the 26 release language of the Settlement Agreement (hereinafter 27 collectively referred to as "the Release") only applies to 28 THOMAS W. GREGORY DISTRICT JUDGE SINTH JUDICIAL 5 DISTRICT COURT

P.O. BOX 218 MINDEN, NV 89423

claims "arising out of C4's financial misfortunes and resultant 2 inability to pay," and therefore cannot be construed to release 3 the remaining defendants from liability for Plaintiff's tort 4 claims. 5 In Plaintiffs' opposition to Baker's Motion for Judgment 6 on the Pleadings, Plaintiffs assert a Cross-Motion for Judgment 7 on the Pleadings seeking the dismissal of Baker's thirty-third 8 affirmative defense of "release." 9 2. Standard of Review. 10 NRCP 12(c) provides as follows: 11 Motion for Judgment on the Pleadings. After the pleadings 12 are closed but within such time as not to delay the trial, any party may move for judgment on the pleadings. If, on a 13 motion for judgment on the pleadings, matters outside the pleadings are presented to and not excluded by the court, 14 the motion shall be treated as one for summary judgment and disposed of as provided in Rule 56, and all parties 15 shall be given reasonable opportunity to present all 16 material made pertinent to such a motion by Rule 56. 17 Bernard v. Rockhill Dev. Co., 103 Nev. 132, 135-136 (1987) 18 provides: 19 A Rule 12(c) motion is designed to provide a means of disposing of cases when material facts are not in dispute 20and a judgment on the merits can be achieved by focusing 21 on the content of the pleadings. 35 C. Wright & A. Miller, Federal Practice and Procedure § 1367 (1969). The motion for a judgment on the pleadings has utility only 22 when all material allegations of fact are admitted in the 23 pleadings and only questions of law remain. Id. See also Duhame v. United States, 119 F.Supp. 192 (Ct.Cl.1954). 24 Moreover, a defendant will not succeed on a motion under Rule 12(c) if there are allegations in the plaintiff's 25 pleadings that, if proved, would permit recovery. 5 C. Wright & A. Miller, Federal Practice and Procedure § 1368 26 (1969).27 11111 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 6

DISTRICT COURT P.O. BON 218 MINDEN, NV 89423

3. <u>Procedural Propriety</u>.

2 Preliminarily, Plaintiffs challenge the Motion for 3 Judgment on the Pleadings claiming it is essentially a motion 4 for reconsideration of the earlier motions to dismiss and for 5 summary judgment. The Court rejects this argument. This is 6 Baker's first Motion for Judgment on the Pleadings, and his 7 first attempt to seek adjudication on the TAC. See Hoffman v. 8 Tonnemacher, 593 F.3d 908, 909 (2010). NRCP 12(c) allows for 9 the filing of a motion on the pleadings "After the pleadings 10 are closed but within such time as not to delay the trial, any 11 party may move for judgment on the pleadings." 12

Plaintiffs also oppose Price and Shackelford's request to join in Baker's Motion. Since the facts, issues and analysis are exactly the same for all three Defendants, Price and Shackelford are allowed to join in Baker's Motion.

4. The Settlement Agreement and the Release.

18 The Court rejects Plaintiffs' argument that the Release of 19 Baker, Price and Shackelford is not effective because C4 failed 20 Pursuant to the terms of the Settlement Agreement, to perform. 21 C4 agreed to be financially obligated to Plaintiffs "in 22 consideration of the Releases." Settlement Agreement, 1.1. 23 The Release is not conditioned upon payment of the \$20,000,000 24 but rather the Settlement Agreement reflects an unconditional 25 general release given in exchange for a promise to pay 26 \$20,000,000 at a later date. The language of the Settlement 27 Agreement includes: "The Cains, their successors, predecessors, 28

THOMAS W. GRECORY DISTRICT JUDGE NINTH JUDICIAI, DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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parents, assigns, agents, employees, officers, directors, insurers, and all other affiliated persons, firms, or corporations, hereby fully and forever releases and discharges...."(Emphasis added).

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THOMAS W. GREGORY DISTRICT JUDGE

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Importantly, Plaintiffs seek to enforce the Settlement 6 Agreement and have already obtained judgments against four 7 defendants based upon the Settlement Agreement. The fact that 8 C4 did not pay \$20,000,000 might give Plaintiffs grounds to 9 rescind the Settlement Agreement altogether, but Plaintiffs 10 cannot both seek to enforce the Settlement Agreement while at 11 the same time repudiating the Release - the express 12 13 consideration for the Settlement Agreement.

Plaintiffs' argument that the Release is narrowly drawn and does not preclude their recovery on the tort claims in this action is also not well founded. The Release is very broad and if enforceable would encompass Plaintiffs' tort claims.

5. The First Claim for Relief is Dismissed.

In relevant part the First Claim for Relief alleges as follows:

22. Plaintiffs have satisfied all conditions precedent on their part, or such conditions have been waived or excused, under the February 28, 2010, Settlement Agreement.

23. Rawson and C4 have breached the Settlement Agreement by failing to pay the Twenty Million Dollars (\$20,000,000) obligation owed to Plaintiffs, or any part thereof....

25. Plaintiffs are entitled to judgment against Rawson and C4 in the amount of Twenty Million Dollars (\$20,000,000), plus interest at the rate of nine percent

(9%) per annum from December 31, 2009 until paid. 2 Based on these allegations, Plaintiffs sought to enforce 3 the Settlement Agreement against Rawson and C4 and have in fact 4 obtained judgments against Rawson and C4 for \$20,000,000 plus 5 interest based on the Settlement Agreement. 6 The TAC goes on to allege: 7 26. At the time C4 and Rawson executed the 8 Settlement Agreement, each of the individual Defendants knew or should have known that the Settlement Agreement 9 was illusory in that C4 was a mere shell corporation with no ability to repay the amounts owed, and Rawson had no 10 intention of repaying the loan. 11 Plaintiffs are informed and believe, and thereon 27. allege, that at all times relevant herein C4 was a mere 12 sham and was organized and operated as the alter ego of the individual Defendants named herein for their personal 13 benefit and advantage, in that the individual Defendants have at all times herein mentioned exercised total 14 dominion and control over C4. The individual Defendants 15 and C4 have so intermingled their personal and financial affairs that C4 was, and is, the alter ego of the 16 individual Defendants, and should be disregarded. By reason of the failure of C4, each individual Defendant 17 should be and is liable to Plaintiff for the relief pray (Emphasis added). for herein. 18 Based on these allegations, Plaintiffs are seeking to impose 19 liability upon the remaining Defendants for the \$20,000,000 C4 20 promised to pay under the terms of the Settlement Agreement 21 22 pursuant to the alter ego doctrine. 23 Under California law, which applies pursuant to the terms 24 25 The Court does not in this Order address whether 1 Plaintiffs' success in enforcing the Settlement 26 Agreement against C4 and Rawson through default 27 judgments has any legal impact on Plaintiffs' obligation under the Settlement Agreement to Release 28. Baker, Price and Shackelford. THOMAS W. GREGORY DISTRICT JUDGE 9 NINTH JUDICIAL DISTRICT COURT P.O. BOX 218

MINDEN, NV 89423

of the Settlement Agreement, the alter ego doctrine is 2 described as follows: 3 "The essence of the alter eqo doctrine is that justice be done." Mesler v. Bragg Management Co., 39 Cal. 3d 290, 4 301 (1985). 5 The alter ego doctrine is strictly limited by the demands of equity; it applies "only in narrowly defined 6 circumstances and only when the ends of justice so 7 require." [Citation omitted]. The alter ego doctrine will only be applied to avoid an inequitable result. Alter eqo 8 is essentially a theory of vicarious liability under which the owners of a corporation may be held liable for harm 9 for which the corporation is responsible where, because of the corporation's utilization of the corporate form, the 10 party harmed will not be adequately compensated for its Doney v. TRW, Inc., 33 Cal.App.4th 245, 249 damages. 11 (1995). 12 The theory is used only "when a corporation" is used by an individual or individuals, or by another corporation, to 13 perpetrate a fraud, circumvent a statute, or accomplish some other wrongful or inequitable purpose." McClellan v. 14 Northridge Park Townhome Owners Assn., 89 Cal.App.4th at pp. 752-753. Under those circumstances, a court may 15 disregard the corporate entity and treat the acts as if 16 they were done by the individuals themselves or by the controlling corporation. Id. 17 The Nevada case of Trident Constr. Corp.v. W. Elec., Inc., 18 105 Nev. 423, 427, is instructive as well. In that case, the 19 Nevada Supreme Court addressed the extension of personal 20 liability under a settlement agreement to a corporate officer 21 based upon his signature on the settlement agreement without 22 23 reference to corporate capacity. The court ruled as follows: 24 In Rowland v. Lepire, 99 Nev. 308, 662 P.2d 1332 (1983), this court enunciated the standard of proof for showing 25 alter ego based on an allegation of undercapitalization. "[I]t is incumbent upon the one seeking to pierce the 26 corporate veil, to show by a preponderance of the evidence, that the financial setup of the corporation is 27 only a sham and caused an injustice." Id. at 317, 662 P.2d at 1337. By analogous reasoning, we believe it is 28 THOMAS W. GREGORY DISTRICT JUDGE SINTH JUDICIAL 10 DISTRICT COURT P.O. BOX 218

MINDEN, NV 89423

incumbent upon the one seeking to extend personal liability to an officer of a corporation for a corporate debt, to show by a preponderance of the evidence, that the officer intended to be personally bound, and that the creditor was looking to the officer as the guarantor of the debt.

Accepting as true all facts asserted in the TAC, the Court 5 6 concludes as a matter of law that liability under the 71 Settlement Agreement cannot be imposed upon Baker, Price and 8 Shackelford through application of the equitable alter ego 9 Plaintiffs cannot enforce the Settlement Agreement doctrine. 10 by piercing the corporate veil to get to Baker, Price and 11 Shackelford when the Settlement Agreement includes specific 12 language releasing them from liability.

13 Similarly, the Plaintiffs seek to enforce the Settlement 14 Agreement to obtain a \$20,000,000 judgment while at the same 15 time claiming the Settlement Agreement to be illusory. While 16 Plaintiffs could perhaps seek to rescind the Settlement 17 Agreement as being illusory or due to C4's nonperformance, the 18 TAC's First Claim for Relief does not make that request. 19 Instead, Plaintiffs desire the benefit of the Settlement 20 Agreement to the exclusion of its Release terms while doubly 21 22 claiming the contract was illusory.

Plaintiffs cannot reap the benefit of the Settlement Agreement while ignoring its release terms. Equity does not "demand" in this case that the individual Defendants pay Plaintiffs \$20,000,000 pursuant to a Settlement Agreement to which they were not a party and which expressly releases them

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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from liability. Accordingly, the Court concludes as a matter of law that the First Claim for Relief fails to state a claim upon which relief can be granted against Baker, Price and Shackelford.

As already indicated, the allegation in the TAC that the 6 Settlement Agreement was illusory could form the basis to set 7 aside the Settlement Agreement in its entirety, including the 8 Release. In which case, Plaintiffs could pursue personal 9 liability under the Joint Venture Agreement on the theory of 10 Material issues of fact thus exists that prevent a alter eqo. 11 determination with respect to the enforceability of the Release 12 or the impact of the Release on those portions of the remaining 13 claims for Relief relating to the Joint Venture Agreement. 14

15 6. <u>Plaintiff's Cross-Motion for Judgment on the</u>
 16 <u>Pleadings is Denied</u>.

17 Plaintiffs' Cross-motion is filed in contravention of 18 NJDCR 6(I) which requires that cross-motions be filed as a 19 separate document unless plead in the alternative. Beyond this 20 deficiency, affirmative defense 33 says: "Plaintiffs executed a 21 written release that expressly released Answering Defendant as 22 an intended third party beneficiary from all liability 23 concerning the incident giving rise to this action and released 24 and discharged any and all claims now being asserted against 25 Answering Defendant." Accepting as true the allegations of the 26 pleadings, the Court finds Baker has stated a claim upon which 27 relief can be granted. 28

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IT IS HEREBY ORDERED that Baker's Motion for Judgment on the Pleadings, joined by Price and Shackelford, is GRANTED with respect to the TAC's First Claim for Relief and all other claims to the extent they seek to hold Baker, Price and Shackelford liable under the Settlement Agreement. NRCP 12(c). The TAC's First Claim for Relief is dismissed with prejudice. The Court certifies its judgment as final pursuant to NRCP 54(b). The motion is DENIED as to the remaining Claims for 9 Relief. 10^{1} IT IS FURTHER ORDERED that Plaintiffs' Cross-Motion for 11 12 Judgment on the Pleadings is DENIED. 13 Dated this 🖋 day of July, 2015. 14 15 THOMAS W. ORY DISTRICT COURT JUDGE 16 17 Copies served by mail this 2 day of July 2015, to: 18 19 Michael Matuska, Esq. 937 Mica Drive 20 Carson City, Nevada 89705 21 Michael K. Johnson, Esq. P.O. Box 4848 22 Stateline, NV 89449 23 Rick Oshinski, Esq. 24 Mark Forsberg, Esq. 600 East Williams Street, Suite 300 25 Carson City, NV 89701 26 27 Barrett 28 THOMAS W. GREGORY DISTRICT JUDGE SINTH JUDICIAL 13 DISTRICT COURT P.O. BOX 218

MINDEN, NV 89423

	1	CASE NO.: 11-CV-0296	RECEIVE	5 FILED	
	2	DEPT. NO.: II	JUL 2 9 2015	2015 JUL 29 PM 4: 38	
	3		Douglas County District Court Cle	BOBBIE R. WILLIAMS	
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	5			V .	
	6	THE NINTH JUDICIAL DISTRICT COURT OF NEVADA			
	7	IN AND FOR THE COUNTY OF DOUGLAS			
	8	PEGGY CAIN, an individual; JEFFREY CAIN, an individual; and HELI OPS INTERNATIONAL, LLC, an Oregon limited			
	9				
ē	10	liability company.			
OFFICES, LTD 3 Street, Suite 6 NV 89701 1-7220	11		Plaintiff's.	NOTICE OF ENTRY OF ORDER	
DFFIC Street. NV 8970 -7220	12			NOTICE OF ENTRY OF ORDER	
AW (Jurson Chy 5) JSI	[4	C4 WORLDWIDE, INC., a Nevada corporation; RICHARD PRICE, an individual: JOE BAKER,			
MATUSKA L 2310 South C Carson (77	15	an individual; MICKEY SHAC an individual; MICHAEL K. K	CKELFORD,		
ITAM E2	16	an individual; and JEFFREY E individual.	DWARDS, an		
	17	I	Defendants.		
	18				
	19	PLEASE TAKE NOTICE that on July 28, 2015, the Court entered its ORDER			
	20	GRANTING IN PART DEFENDANT JOE BAKER'S MOTION FOR JUDGMENT ON THE			
	21	PLEADINGS AND DENYING PLAINTIFF'S [sic] CROSS-MOTION FOR JUDGMEN			
	22	THE PLEADINGS in the above-entitled matter, a copy of which is attached hereto as <i>Exhibit 1</i> .			
	23	Dated this 26 day o	f July 2015.		
	24			MATUSKA LAW OFFICES. LTD-	
	25		By:		
	26			MICHAEL L. MATUSKA, SBN 5711 2310 South Carson Street, Suite 6	
	27			Carson City. NV 89701 Attorneys for Plaintiffs	
	28				
			-1-	-	

·					
	ı	CERTIFICATE OF SERVICE			
	2	Pursuant to NRCP 5(b). I certify that I am an employee of Matuska Law Offices. Ltd., and			
	3	that on the 29 th day of July 2015. I served a true and correct copy of the preceding document			
	4	entitled NOTICE OF ENTRY OF ORDER as follows:			
	5	Michael K. Johnson, Esq.Richard A. Oshinski. Esq.Rollston, Henderson, Crabb & Johnson, Ltd.Mark Forsberg, Esq.			
	6	P.O. Box 4848 Stateline NV 89449-4848 Oshinski & Forsberg, Ltd. 504 E. Musser Street, Suite 302			
	7	Carson City NV 89701			
	8	Attorney for Defendant Joe Baker Attorney for Defendants Richard Price and Mickey Shackelford			
	10	[X] BY U.S. MAIL: I deposited for mailing in the United States mail. with postage fully			
LTD.	11	prepaid, an envelope containing the above-identified document(s) at Carson City, Nevada, in the			
PLCES vet. Suit 89704	12	ordinary course of business.			
MATUSKA LAW OFFICES, LTD. 2310 South Carson Street, Suite 6 Carson City NV 89701 (775) 350-7220	13	BY EMAIL ONLY:			
CALA' buth Cas arson C (775)	14	[] BY PERSONAL SERVICE: I personally delivered the above-identified document(s)			
TUSK 2310 Se C	15	by hand delivery to the office(s) of the person(s) named above.			
MA	16	BY FACSIMILE:			
	17	[] BY FEDERAL EXPRESS ONE-DAY DELIVERY.			
	18	BY MESSENGER SERVICE: I delivered the above-identified document(s) to			
	19	Reno-Carson Messenger Service for delivery.			
	20	thin a Stan			
	21	LIZ STERN, ALS			
	22 23				
	23 24				
	27				
	26				
	20				
	28	EPClient Files/Litigation/Heli Ops/v, Rawson/Pldgs/NOE (Order re Baker's JOP, etc.) doc			
		-2-			

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EXHIBIT 1

	Case No. 11-CV-0206 RECEN	ED FILED
1	Case NO. 11-CV-0290	
2	Dept. No. II JUL 28	
3	Douglas Co District Court	DUNTY BOBDIE R. WILLIAMS
4		K. WILFERT
5		BYDSPUTY
6		
7		COURT OF THE STATE OF NEVADA
8	IN AND FOR THE C	OUNTY OF DOUGLAS
9	PEGGY CAIN, an individual;	
10		
11	LLC, an Oregon limited liability company,	
12		
13		ORDER GRANTING IN PART
14	VS.	DEFENDANT JOE BAKER'S MOTION FOR JUDGMENT ON THE PLEADINGS
15	DR RAWSON, an individual; C4 WORLDWIDE, INC., a Nevada	AND DENYING PLAINTIFF'S CROSS-MOTION FOR JUDGMENT ON
16	corporation; RICHARD PRICE, an individual; JOE BAKER, an	THE PLEADINGS
17	individual; MICKEY SHACKELFORD, an individual;	
18	MICHAEL K. KAVANAGH, an	
	an individual; and DOES 1-10,	
19	inclusive, Defendants.	
20	This matter is hefore the (Court on Defendant Joe Baker's
21		
22	(Baker) Motion for Judgment on	
23	2015. Plaintiffs Peggy Cain, Jo	
24	International, LLC (Plaintiffs)	filed an opposition and Baker
25	filed a reply. Defendants Richa	rd Price (Price) and Mickey
26	Shackelford (Shackelford) joined	d in Baker's motion. Plaintiffs'
27	opposition filed May 8, 2015, c	ontained a Cross-Motion for
28 THOMAS W. GREGORY		
DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT R.O. BOX 218 MUNDEN, NY \$1413		1

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Judgment on the Pleadings which is also ripe for decision. Based upon the papers and pleadings on file herein and good cause appearing, Baker's Motion for Judgment on the Pleadings is GRANTED in part and DENIED in part. Plaintiffs' Cross-Motion for Judgment on the Pleadings is DENIED.

Parties and Procedural Posture

8 9 Plaintiffs filed their initial Complaint on August 14, 2011. 10 The Court has previously ruled on two Motions to Dismiss as 11 well as Motions for Summary Judgment. Plaintiffs filed their 12 Third Amended Complaint (the TAC) on March 30, 2015.

13 This case started out with seven named defendants: DR
14 Rawson(Rawson); C4 Worldwide Inc., a now defunct Nevada
15 corporation (C4); Richard Price (Price); Joe Baker (Baker);
16 Mickey Shackelford (Shackelford); Michael Kavanagh (Kavanagh);
17 and Jeffrey Edwards (Edwards).

18 Plaintiffs have obtained Default Judgments against Rawson, 19 C4, Kavanagh and Edwards. The Default Judgments against 20 Rawson, C4 and Kavanagh were entered based upon the failure of 21 those defendants to file an Answer. Edwards' default was 22 imposed by the Honorable Michael P. Gibbons as a sanction for 23 his failure to participate in discovery. The Honorable David 24 R. Gamble entered a Default Judgment against Edwards on March 25 16, 2015. 26

The remaining defendants are Price, Baker, and Shackelford. Price, Baker and Shackelford have all filed

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NY 8443

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1 Answers to the TAC. 2 Factual Background 3 Plaintiffs claimed to have loaned C4 \$1,000,000 pursuant 4 to a Joint Venture Agreement and Promissory Note executed 5 November 29, 2009. (TAC ¶¶ 14, 15). 6 Plaintiffs allege they funded the \$1,000,000 loan to C4 7 and that C4 defaulted in its obligations under the loan, 8 failing to re-pay any part of it. (TAC 1114, 15). 9 Plaintiffs allege that on February 28, 2010, Plaintiffs, 10 C4, and Rawson entered into a Settlement Agreement and Release 11 of All Claims (the Settlement Agreement). (TAC 117). 12 The Settlement Agreement, which is attached to the TAC, 13 14 recites as its purpose that the parties to that agreement 15 desired to: 16 resolve issues having to do with C4 Worldwide's unpaid financial obligations arising out of the Promissory Note 17 and Security Interest in the CMO Securities dated November 29, 2009 and upon signing this Agreement intend to cease 18 further collection efforts, including but not limited to the filing of any litigation and the Cains further 19 stipulate and agree that they will file no complaint(s) or the like with either the Securities and Exchange 20 Commission and/or the Department of Justice of any state. 21 The Settlement Agreement goes on to provide: 22 1.1. In consideration of the Releases set forth below in 23 Section 2 and the other terms set forth herein, C4 WorldWide stipulates that it owes the Cains Twenty Million 24 USD (\$20,000,000) and that said amount was due on December 30, 2009 and remains unpaid. C4 WorldWide acknowledges 25 its obligation to pay and agrees to pay the sum of \$20,000,000, plus all accumulated interest, to Cains no 26 later than 90 days from February 25, 2010, less any advance payments made, and C4 Worldwide shall use all 27 reasonable efforts to pay this obligation off in full as 28 quickly as possible.... (Emphasis added). THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 3 DISTRICT COURT P.O. BOX 218 MINDEN, NV 81423

1 The RELEASE portion of the Settlement Agreement, the 2 "consideration," provides as follows: 3 2.1 The Cains, their successors, predecessors, parents, assigns, agents, employees, officers, directors, insurers, 4 and all other affiliated persons, firms, or corporations, hereby fully and forever releases and discharges C4 5 WorldWide from any and all claims that exist arising out 6 of C4 worldwide's [sic] financial misfortunes and resultant inability to timely pay the Promissory Note and 7 Security Interest in the CMO Securities dated November 29, 2009 Such release covers the Cains their successors, 8 predecessors, parents, assigns, agents employees, officers, directors, insurers, and all other affiliated 9 persons, firms, or corporations, [sic] hereby fully and forever release and discharge C4 WorldWide, its 10 successors, predecessors, parents, assigns, agents, employees, officers, directors, insurers, and all other 11 affiliated persons, firms, or corporations, of and from 12 any and all past, present, and future claims, demands, obligations, causes of action for damages of any kind, 13 known and unknown, the basis of which now exists or may hereafter become manifest that are directly or indirectly 14 related to the facts in any of the claims of any kind 15 asserted against or which could have been asserted against in any of the claims. (Emphasis added). 16 The Settlement Agreement also includes the language: 17 3.1 The parties expressly acknowledge and agree that the 18 Release set forth in Section 2 is a general release of the matters described above.... (Emphasis added). 19 3.3 The parties expressly acknowledge and agree that the 20 purpose and effect of this Agreement is to fully and 21 forever resolve all issues relating to claims arising out of and which could be asserted in this case and that no 22 party will pursue the other for anything related in any way to the claims being released. (Emphasis added). 23 The Settlement Agreement states that California law 24 applies. 25 Plaintiffs allege that C4 and Rawson breached the 26 Settlement Agreement by failing to pay them \$20,000,000, or any 27 (TAC ¶23). Plaintiffs seek to hold Baker, Price 28 part thereof.

20 THOMAS W. GREGORY DISTRICT JUDGE NUTH JUDICIAL DISTRICT COURT R.O. BOX 211 MINDEN, NV 19423

I	and Shackelford personally liable for \$20,000,000 under the
2	Settlement Agreement based upon the alter ego doctrine. (TAC
3	¶127}.
4	The TAC alleges the following causes of action:
2	First Claim for Relief: Breach of Contract (the Settlement
6	Agreement)
8	Second Claim for Relief: Fraud
9	Third Claim for Relief: Civil Conspiracy
10	Fourth Claim for Relief: Negligence
11	Fifth Claim for Relief: Conversion
12	[There is no Sixth or Seventh Claim for Relief]
13	Eighth Claim for Relief: Constructive Trust
14	Ninth Claim for Relief: Intentional Interference with
15	Contractual Relations.
16	Analysis
17	1. The Pending Motions.
18	Baker moves for judgment on the pleadings claiming that
19 20	Baker is a third-party beneficiary of the Settlement Agreement.
20	As such, he claims pursuant to the terms of that agreement, he
22	has been expressly released from liability for all of the
23	claims for relief set forth in the TAC.
24	Plaintiffs oppose Baker's motion claiming that because C4
25	and Rawson did not perform under the Settlement Agreement,
26	Baker was not released. Plaintiffs further argue that the
27	release language of the Settlement Agreement (hereinafter
28 THOMAS W. GREGORY	collectively referred to as "the Release") only applies to
DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NY \$9423	5
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1 claims "arising out of C4's financial misfortunes and resultant 2 inability to pay," and therefore cannot be construed to release 3 the remaining defendants from liability for Plaintiff's tort 4 claims. 5 In Plaintiffs' opposition to Baker's Motion for Judgment 6 on the Pleadings, Plaintiffs assert a Cross-Motion for Judgment 7 on the Pleadings seeking the dismissal of Baker's thirty-third 8 affirmative defense of "release." 9 2. Standard of Review. 10 NRCP 12(c) provides as follows: 11 Motion for Judgment on the Pleadings. After the pleadings 12 are closed but within such time as not to delay the trial, any party may move for judgment on the pleadings. If, on a 13 motion for judgment on the pleadings, matters outside the pleadings are presented to and not excluded by the court, 14 the motion shall be treated as one for summary judgment 15 and disposed of as provided in Rule 56, and all parties shall be given reasonable opportunity to present all 16 material made pertinent to such a motion by Rule 56. 17 Bernard v. Rockhill Dev. Co., 103 Nev. 132, 135-136 (1987) 18 provides: 19 A Rule 12(c) motion is designed to provide a means of disposing of cases when material facts are not in dispute 20 and a judgment on the merits can be achieved by focusing 21 on the content of the pleadings. 35 C. Wright & A. Miller, Federal Practice and Procedure § 1367 (1969). The 22 motion for a judgment on the pleadings has utility only when all material allegations of fact are admitted in the 23 pleadings and only questions of law remain. Id. See also Duhame v. United States, 119 F.Supp. 192 (Ct.Cl.1954). 24 Moreover, a defendant will not succeed on a motion under Rule 12(c) if there are allegations in the plaintiff's 25 pleadings that, if proved, would permit recovery. 5 C. Wright & A. Miller, Federal Practice and Procedure § 1368 26 (1969).27 1//// 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 6 DISTRICT COURT MINDEN, NV \$1423

P.O. BOX 118

3. <u>Procedural Propriety</u>.

Preliminarily, Plaintiffs challenge the Motion for 3 Judgment on the Pleadings claiming it is essentially a motion for reconsideration of the earlier motions to dismiss and for summary judgment. The Court rejects this argument. This is Baker's first Motion for Judgment on the Pleadings, and his first attempt to seek adjudication on the TAC. See Hoffman v. 8 Tonnemacher, 593 F.3d 908, 909 (2010). NRCP 12(c) allows for 9 the filing of a motion on the pleadings "After the pleadings 10 are closed but within such time as not to delay the trial, any 11 party may move for judgment on the pleadings." 12

Plaintiffs also oppose Price and Shackelford's request to join in Baker's Motion. Since the facts, issues and analysis are exactly the same for all three Defendants, Price and Shackelford are allowed to join in Baker's Motion.

4. The Settlement Agreement and the Release.

18 The Court rejects Plaintiffs' argument that the Release of 19 Baker, Price and Shackelford is not effective because C4 failed 20 to perform. Pursuant to the terms of the Settlement Agreement, 21 C4 agreed to be financially obligated to Plaintiffs "in 22 consideration of the Releases." Settlement Agreement, 1.1. 23 The Release is not conditioned upon payment of the \$20,000,000 24 but rather the Settlement Agreement reflects an unconditional 25 general release given in exchange for a promise to pay 26 \$20,000,000 at a later date. The language of the Settlement 27 Agreement includes: "The Cains, their successors, predecessors, 28

20 THOMAS W. GREGORY DISTRICT JUDGE NOTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN. NY 19423

parents, assigns, agents, employees, officers, directors, insurers, and all other affiliated persons, firms, or corporations, hereby fully and forever releases and discharges...."(Emphasis added).

Importantly, Plaintiffs seek to enforce the Settlement 6 Agreement and have already obtained judgments against four 7 defendants based upon the Settlement Agreement. The fact that 8 C4 did not pay \$20,000,000 might give Plaintiffs grounds to Q rescind the Settlement Agreement altogether, but Plaintiffs 10 cannot both seek to enforce the Settlement Agreement while at 11 12 the same time repudiating the Release - the express consideration for the Settlement Agreement. 13

Plaintiffs' argument that the Release is narrowly drawn and does not preclude their recovery on the tort claims in this action is also not well founded. The Release is very broad and if enforceable would encompass Plaintiffs' tort claims.

5. The First Claim for Relief is Dismissed.

In relevant part the First Claim for Relief alleges as follows:

22. Plaintiffs have satisfied all conditions precedent on their part, or such conditions have been waived or excused, under the February 28, 2010, Settlement Agreement.

23. Rawson and C4 have breached the Settlement Agreement by failing to pay the Twenty Million Dollars (\$20,000,000) obligation owed to Plaintiffs, or any part thereof....

25. Plaintiffs are entitled to judgment against Rawson and C4 in the amount of Twenty Million Dollars (\$20,000,000), plus interest at the rate of nine percent

28 THOMAS W. GRECORY DISTRICT JUDGE NUTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NY 19423

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(9%) per annum from December 31, 2009 until paid. 2 Based on these allegations, Plaintiffs sought to enforce 3 the Settlement Agreement against Rawson and C4 and have in fact, 4 obtained judgments against Rawson and C4 for \$20,000,000 plus 5 interest based on the Settlement Agreement.¹ 6 The TAC goes on to allege: 7 26. At the time C4 and Rawson executed the 8 Settlement Agreement, each of the individual Defendants knew or should have known that the Settlement Agreement 9 was illusory in that C4 was a mere shell corporation with no ability to repay the amounts owed, and Rawson had no 10 intention of repaying the loan. 11 27. Plaintiffs are informed and believe, and thereon allege, that at all times relevant herein C4 was a mere 12 sham and was organized and operated as the alter ego of the individual Defendants named herein for their personal 13 benefit and advantage, in that the individual Defendants 14 have at all times herein mentioned exercised total dominion and control over C4. The individual Defendants 15 and C4 have so intermingled their personal and financial affairs that C4 was, and is, the alter ego of the 16 individual Defendants, and should be disregarded. By reason of the failure of C4, each individual Defendant 17 should be and is liable to Plaintiff for the relief pray for herein. (Emphasis added). 18 Based on these allegations, Plaintiffs are seeking to impose 19 liability upon the remaining Defendants for the \$20,000,000 C4 20 promised to pay under the terms of the Settlement Agreement 21 22 pursuant to the alter ego doctrine. 23 Under California law, which applies pursuant to the terms 24 25 1 The Court does not in this Order address whether 26 Plaintiffs' success in enforcing the Settlement Agreement against C4 and Rawson through default 27 judgments has any legal impact on Plaintiffs' obligation under the Settlement Agreement to Release 28 Baker, Price and Shackelford. THOMAS W. GREGORY DISTRICT JUDGE

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P.O. BOX 218 MINDEN, NV 19423

of the Settlement Agreement, the alter ego doctrine is 2 described as follows: 3 "The essence of the alter ego doctrine is that justice be done." Mesler v. Bragg Management Co., 39 Cal. 3d 290, 4 301 (1985). 5 The alter ego doctrine is strictly limited by the demands of equity; it applies "only in narrowly defined 6 circumstances and only when the ends of justice so 7 require." [Citation omitted]. The alter ego doctrine will only be applied to avoid an inequitable result. Alter ego 8 is essentially a theory of vicarious liability under which the owners of a corporation may be held liable for harm 9 for which the corporation is responsible where, because of the corporation's utilization of the corporate form, the 10 party harmed will not be adequately compensated for its Doney v. TRW, Inc., 33 Cal.App.4th 245, 249 damages. 11 (1995). 12 The theory is used only "when a corporation" is used by an individual or individuals, or by another corporation, to 13 perpetrate a fraud, circumvent a statute, or accomplish some other wrongful or inequitable purpose." McClellan v. 14 Northridge Park Townhome Owners Assn., 89 Cal.App.4th at 15 pp. 752-753. Under those circumstances, a court may disregard the corporate entity and treat the acts as if 16 they were done by the individuals themselves or by the controlling corporation. Id. 17 The Nevada case of Trident Constr. Corp.v. W. Elec., Inc., 18 105 Nev. 423, 427, is instructive as well. In that case, the 19 Nevada Supreme Court addressed the extension of personal 20 liability under a settlement agreement to a corporate officer 21 22 based upon his signature on the settlement agreement without 23 reference to corporate capacity. The court ruled as follows: 24 In Rowland v. Lepire, 99 Nev. 308, 662 P.2d 1332 (1983), this court enunciated the standard of proof for showing 25 alter ego based on an allegation of undercapitalization. "[I]t is incumbent upon the one seeking to pierce the 26 corporate veil, to show by a preponderance of the evidence, that the financial setup of the corporation is 27 only a sham and caused an injustice." Id. at 317, 662 P.2d at 1337. By analogous reasoning, we believe it is 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 10 DISTRICT COURT P.O. BOX 21 MINDEN, NV 89423

incumbent upon the one seeking to extend personal liability to an officer of a corporation for a corporate debt, to show by a preponderance of the evidence, that the officer intended to be personally bound, and that the creditor was looking to the officer as the guarantor of the debt.

Accepting as true all facts asserted in the TAC, the Court 5 concludes as a matter of law that liability under the 6 7 Settlement Agreement cannot be imposed upon Baker, Price and 8 Shackelford through application of the equitable alter ego 9 Plaintiffs cannot enforce the Settlement Agreement doctrine. 10 by piercing the corporate veil to get to Baker, Price and 11 Shackelford when the Settlement Agreement includes specific 12 language releasing them from liability.

13 Similarly, the Plaintiffs seek to enforce the Settlement 14 Agreement to obtain a \$20,000,000 judgment while at the same 15 time claiming the Settlement Agreement to be illusory. While 16 Plaintiffs could perhaps seek to rescind the Settlement 17 Agreement as being illusory or due to C4's nonperformance, the 18 TAC's First Claim for Relief does not make that request. 19 Instead, Plaintiffs desire the benefit of the Settlement 20 Agreement to the exclusion of its Release terms while doubly 21 22 claiming the contract was illusory.

Plaintiffs cannot reap the benefit of the Settlement Agreement while ignoring its release terms. Equity does not "demand" in this case that the individual Defendants pay Plaintiffs \$20,000,000 pursuant to a Settlement Agreement to which they were not a party and which expressly releases them

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 19423

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from liability. Accordingly, the Court concludes as a matter of law that the First Claim for Relief fails to state a claim upon which relief can be granted against Baker, Price and Shackelford.

As already indicated, the allegation in the TAC that the 6 Settlement Agreement was illusory could form the basis to set 7 aside the Settlement Agreement in its entirety, including the 8 In which case, Plaintiffs could pursue personal Release. 9 liability under the Joint Venture Agreement on the theory of 10 alter eqo. Material issues of fact thus exists that prevent a 11 determination with respect to the enforceability of the Release 12 or the impact of the Release on those portions of the remaining 13 14 claims for Relief relating to the Joint Venture Agreement.

15 6. <u>Plaintiff's Cross-Motion for Judgment on the</u>
16 <u>Pleadings is Denied</u>.

17 Plaintiffs' Cross-motion is filed in contravention of 18 NJDCR 6(I) which requires that cross-motions be filed as a 19 separate document unless plead in the alternative. Beyond this 20 deficiency, affirmative defense 33 says: "Plaintiffs executed a 21 written release that expressly released Answering Defendant as 22 an intended third party beneficiary from all liability 23 concerning the incident giving rise to this action and released 24 and discharged any and all claims now being asserted against 25 Answering Defendant." Accepting as true the allegations of the 26 pleadings, the Court finds Baker has stated a claim upon which 27 relief can be granted.

28 THOMAS W. GREGORY DISTRICT ANDCE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NY 51423

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1	IT IS HEREBY ORDERED that Baker's Motion for Judgment on
2	the Pleadings, joined by Price and Shackelford, is GRANTED with
3	respect to the TAC's First Claim for Relief and all other
4	claims to the extent they seek to hold Baker, Price and
6	Shackelford liable under the Settlement Agreement. NRCP 12(c).
0 7	The TAC's First Claim for Relief is dismissed with prejudice.
8	The Court certifies its judgment as final pursuant to NRCP
9	54(b). The motion is DENIED as to the remaining Claims for
10	Relief.
11	IT IS FURTHER ORDERED that Plaintiffs' Cross-Motion for
12	Judgment on the Pleadings is DENIED.
13	Dated this 🖋 day of July, 2015.
14	
15	THEMAS W. GREGORY
16	DISTRICT COURT JUDGE
17	
18	Copies served by mail this X day of July 2015, to:
19	Michael Matuska, Esq.
20	937 Mica Drive Carson City, Nevada 89705
21	Michael K. Johnson, Esq.
22	P.O. Box 4848 Stateline, NV 89449
23	Rick Oshinski, Esq.
24	Mark Forsberg, Esq. 600 East Williams Street, Suite 300
25	Carson City, NV 89701
26 27	Call
28	Vicki Barrett <>
20 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NY 89423	13

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1 2 3 4 5 6	Case No. 11-CV-0296 Dept. No. II JUL 28 2015 Douglas Count District Court Cle	ZOIS JUL 28 AM 10: 05 BOBBIE R. WILLIAMS		
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8	IN AND FOR THE C	OUNTY OF DOUGLAS		
9	JEFFREY CAIN, an individual;			
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THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BON 218 MINDEN, NV 89423	1			

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Based upon the papers and pleadings on file herein and good cause appearing, Baker's Motion for Judgment on the Pleadings is GRANTED in part and DENIED in part. Plaintiffs' Cross-Motion for Judgment on the Pleadings is DENIED.

Parties and Procedural Posture

This case is set for jury trial in September 2015. Plaintiffs filed their initial Complaint on August 14, 2011. The Court has previously ruled on two Motions to Dismiss as well as Motions for Summary Judgment. Plaintiffs filed their Third Amended Complaint (the TAC) on March 30, 2015.

This case started out with seven named defendants: DR Rawson(Rawson); C4 Worldwide Inc., a now defunct Nevada corporation (C4); Richard Price (Price); Joe Baker (Baker); Mickey Shackelford (Shackelford); Michael Kavanagh (Kavanagh); and Jeffrey Edwards (Edwards).

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THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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P.O. BOX 218 MINDEN, NV 89423

and Shackelford personally liable for \$20,000,000 under the Settlement Agreement based upon the alter ego doctrine. (TAC 127). The TAC alleges the following causes of action: 5 First Claim for Relief: Breach of Contract (the Settlement 6 Agreement) 7 Second Claim for Relief: Fraud 8 Third Claim for Relief: Civil Conspiracy 9 Fourth Claim for Relief: Negligence 10 Fifth Claim for Relief: Conversion 11 [There is no Sixth or Seventh Claim for Relief] 12 13 Eighth Claim for Relief: Constructive Trust 14 Ninth Claim for Relief: Intentional Interference with 15 Contractual Relations. 16 <u>Analysis</u> 17 1. The Pending Motions. 18 Baker moves for judgment on the pleadings claiming that 19 Baker is a third-party beneficiary of the Settlement Agreement. 20 As such, he claims pursuant to the terms of that agreement, he 21 has been expressly released from liability for all of the 22 claims for relief set forth in the TAC. 23 Plaintiffs oppose Baker's motion claiming that because C4 24 and Rawson did not perform under the Settlement Agreement, 25 Baker was not released. Plaintiffs further argue that the 26 release language of the Settlement Agreement (hereinafter 27 collectively referred to as "the Release") only applies to 28 'HOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 5 DISTRICT COURT

P.O. BOX 218 MINDEN, NV 89423

1 claims "arising out of C4's financial misfortunes and resultant 2 inability to pay," and therefore cannot be construed to release 3 the remaining defendants from liability for Plaintiff's tort 4 claims. 5 In Plaintiffs' opposition to Baker's Motion for Judgment 6 on the Pleadings, Plaintiffs assert a Cross-Motion for Judgment 7 on the Pleadings seeking the dismissal of Baker's thirty-third 8 affirmative defense of "release." 9 2. Standard of Review. 10 NRCP 12(c) provides as follows: 11 Motion for Judgment on the Pleadings. After the pleadings 12 are closed but within such time as not to delay the trial, any party may move for judgment on the pleadings. If, on a 13 motion for judgment on the pleadings, matters outside the 14 pleadings are presented to and not excluded by the court, the motion shall be treated as one for summary judgment 15 and disposed of as provided in Rule 56, and all parties shall be given reasonable opportunity to present all 16 material made pertinent to such a motion by Rule 56. 17 Bernard v. Rockhill Dev. Co., 103 Nev. 132, 135-136 (1987) 18 provides: 19 A Rule 12(c) motion is designed to provide a means of disposing of cases when material facts are not in dispute 20and a judgment on the merits can be achieved by focusing 21 on the content of the pleadings. 35 C. Wright & A. Miller, Federal Practice and Procedure § 1367 (1969). The motion for a judgment on the pleadings has utility only 22 when all material allegations of fact are admitted in the 23 pleadings and only questions of law remain. Id. See also Duhame v. United States, 119 F.Supp. 192 (Ct.Cl.1954). 24 Moreover, a defendant will not succeed on a motion under Rule 12(c) if there are allegations in the plaintiff's 25 pleadings that, if proved, would permit recovery. 5 C. Wright & A. Miller, Federal Practice and Procedure § 1368 26 (1969).27 11111 28 THOMAS W. GREGORY DISTRICT JUDGE SINTH JUDICIAL 6 DISTRICT COURT P.O. BOX 218

MINDEN, SV 89423

3. <u>Procedural Propriety</u>.

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2 Preliminarily, Plaintiffs challenge the Motion for 3 Judgment on the Pleadings claiming it is essentially a motion 4 for reconsideration of the earlier motions to dismiss and for 5 summary judgment. The Court rejects this argument. This is 6 Baker's first Motion for Judgment on the Pleadings, and his 7 first attempt to seek adjudication on the TAC. See Hoffman v. 8 Tonnemacher, 593 F.3d 908, 909 (2010). NRCP 12(c) allows for 9 the filing of a motion on the pleadings "After the pleadings 10 are closed but within such time as not to delay the trial, any 11 party may move for judgment on the pleadings." 12

Plaintiffs also oppose Price and Shackelford's request to join in Baker's Motion. Since the facts, issues and analysis are exactly the same for all three Defendants, Price and Shackelford are allowed to join in Baker's Motion.

4. The Settlement Agreement and the Release.

18 The Court rejects Plaintiffs' argument that the Release of 19 Baker, Price and Shackelford is not effective because C4 failed 20 to perform. Pursuant to the terms of the Settlement Agreement, 21 C4 agreed to be financially obligated to Plaintiffs "in 22 consideration of the Releases." Settlement Agreement, 1.1. 23 The Release is not conditioned upon payment of the \$20,000,000 24 but rather the Settlement Agreement reflects an unconditional 25 general release given in exchange for a promise to pay 26 The language of the Settlement \$20,000,000 at a later date. 27 Agreement includes: "The Cains, their successors, predecessors, 28

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

parents, assigns, agents, employees, officers, directors, insurers, and all other affiliated persons, firms, or corporations, hereby fully and forever releases and discharges...."(Emphasis added).

Importantly, Plaintiffs seek to enforce the Settlement 6 Agreement and have already obtained judgments against four 7 defendants based upon the Settlement Agreement. The fact that 8 C4 did not pay \$20,000,000 might give Plaintiffs grounds to 9 rescind the Settlement Agreement altogether, but Plaintiffs 10 cannot both seek to enforce the Settlement Agreement while at H1 12 the same time repudiating the Release - the express 13 consideration for the Settlement Agreement.

Plaintiffs' argument that the Release is narrowly drawn and does not preclude their recovery on the tort claims in this action is also not well founded. The Release is very broad and if enforceable would encompass Plaintiffs' tort claims.

5. The First Claim for Relief is Dismissed.

In relevant part the First Claim for Relief alleges as follows:

22. Plaintiffs have satisfied all conditions precedent on their part, or such conditions have been waived or excused, under the February 28, 2010, Settlement Agreement.

23. Rawson and C4 have breached the Settlement Agreement by failing to pay the Twenty Million Dollars (\$20,000,000) obligation owed to Plaintiffs, or any part thereof....

25. Plaintiffs are entitled to judgment against Rawson and C4 in the amount of Twenty Million Dollars (\$20,000,000), plus interest at the rate of nine percent

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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1 (9%) per annum from December 31, 2009 until paid. 2 Based on these allegations, Plaintiffs sought to enforce 3 the Settlement Agreement against Rawson and C4 and have in fact 4 obtained judgments against Rawson and C4 for \$20,000,000 plus 5 interest based on the Settlement Agreement. 6 The TAC goes on to allege: 7 26. At the time C4 and Rawson executed the 8 Settlement Agreement, each of the individual Defendants knew or should have known that the Settlement Agreement 9 was illusory in that C4 was a mere shell corporation with no ability to repay the amounts owed, and Rawson had no 10 intention of repaying the loan. 11 Plaintiffs are informed and believe, and thereon 27. allege, that at all times relevant herein C4 was a mere 12 sham and was organized and operated as the alter ego of the individual Defendants named herein for their personal 13 benefit and advantage, in that the individual Defendants have at all times herein mentioned exercised total 14 The individual Defendants dominion and control over C4. 15 and C4 have so intermingled their personal and financial affairs that C4 was, and is, the alter ego of the 16 individual Defendants, and should be disregarded. By reason of the failure of C4, each individual Defendant 17 should be and is liable to Plaintiff for the relief pray for herein. (Emphasis added). 18 Based on these allegations, Plaintiffs are seeking to impose 19 liability upon the remaining Defendants for the \$20,000,000 C4 20 promised to pay under the terms of the Settlement Agreement 21 22 pursuant to the alter ego doctrine. 23 Under California law, which applies pursuant to the terms 24 25 The Court does not in this Order address whether 1 Plaintiffs' success in enforcing the Settlement 26 Agreement against C4 and Rawson through default 27 judgments has any legal impact on Plaintiffs' obligation under the Settlement Agreement to Release 28 Baker, Price and Shackelford. THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 9 DISTRICT COURT P.O. BOX 218

MINDEN, NV 89423

ł of the Settlement Agreement, the alter ego doctrine is 2 described as follows: 3 "The essence of the alter ego doctrine is that justice be done." Mesler v. Bragg Management Co., 39 Cal. 3d 290, 4 301 (1985). 5 The alter eqo doctrine is strictly limited by the demands of equity; it applies "only in narrowly defined 6 circumstances and only when the ends of justice so 7 require." [Citation omitted]. The alter ego doctrine will only be applied to avoid an inequitable result. Alter ego 8 is essentially a theory of vicarious liability under which the owners of a corporation may be held liable for harm 9 for which the corporation is responsible where, because of the corporation's utilization of the corporate form, the 10 party harmed will not be adequately compensated for its Doney v. TRW, Inc., 33 Cal.App.4th 245, 249 damages. 11 (1995). 12 The theory is used only "when a corporation" is used by an individual or individuals, or by another corporation, to 13 perpetrate a fraud, circumvent a statute, or accomplish some other wrongful or inequitable purpose." McClellan v. 14 Northridge Park Townhome Owners Assn., 89 Cal.App.4th at 15 pp. 752-753. Under those circumstances, a court may disregard the corporate entity and treat the acts as if 16 they were done by the individuals themselves or by the controlling corporation. Id. 17 The Nevada case of Trident Constr. Corp.v. W. Elec., Inc., 18 105 Nev. 423, 427, is instructive as well. In that case, the 19 Nevada Supreme Court addressed the extension of personal 20 liability under a settlement agreement to a corporate officer 21 22 based upon his signature on the settlement agreement without 23 reference to corporate capacity. The court ruled as follows: 24 In Rowland v. Lepire, 99 Nev. 308, 662 P.2d 1332 (1983), this court enunciated the standard of proof for showing 25 alter ego based on an allegation of undercapitalization. "[I]t is incumbent upon the one seeking to pierce the 26 corporate veil, to show by a preponderance of the evidence, that the financial setup of the corporation is 27 only a sham and caused an injustice." Id. at 317, 662 P.2d at 1337. By analogous reasoning, we believe it is 28 THOMAS W. GREGORY DISTRICT JUDGE SINTH JUDICIAL 10 DISTRICT COURT P.O. BOX 218

MINDEN, NV 89423

incumbent upon the one seeking to extend personal liability to an officer of a corporation for a corporate debt, to show by a preponderance of the evidence, that the officer intended to be personally bound, and that the creditor was looking to the officer as the guarantor of the debt.

5 Accepting as true all facts asserted in the TAC, the Court 6 concludes as a matter of law that liability under the 7 Settlement Agreement cannot be imposed upon Baker, Price and 8 Shackelford through application of the equitable alter ego 9 doctrine. Plaintiffs cannot enforce the Settlement Agreement 10 by piercing the corporate veil to get to Baker, Price and 11 Shackelford when the Settlement Agreement includes specific 12 language releasing them from liability.

13 Similarly, the Plaintiffs seek to enforce the Settlement 14 Agreement to obtain a \$20,000,000 judgment while at the same 15 time claiming the Settlement Agreement to be illusory. While 16 Plaintiffs could perhaps seek to rescind the Settlement 17 Agreement as being illusory or due to C4's nonperformance, the 18 TAC's First Claim for Relief does not make that request. 19 Instead, Plaintiffs desire the benefit of the Settlement 20 Agreement to the exclusion of its Release terms while doubly 21 22 claiming the contract was illusory.

Plaintiffs cannot reap the benefit of the Settlement Agreement while ignoring its release terms. Equity does not "demand" in this case that the individual Defendants pay Plaintiffs \$20,000,000 pursuant to a Settlement Agreement to which they were not a party and which expressly releases them

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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from liability. Accordingly, the Court concludes as a matter of law that the First Claim for Relief fails to state a claim upon which relief can be granted against Baker, Price and Shackelford.

As already indicated, the allegation in the TAC that the 6 Settlement Agreement was illusory could form the basis to set 7 aside the Settlement Agreement in its entirety, including the 8 Release. In which case, Plaintiffs could pursue personal 9 liability under the Joint Venture Agreement on the theory of 10 alter ego. Material issues of fact thus exists that prevent a 11 determination with respect to the enforceability of the Release 12 or the impact of the Release on those portions of the remaining 13 claims for Relief relating to the Joint Venture Agreement. 14

15 6. <u>Plaintiff's Cross-Motion for Judgment on the</u>
16 <u>Pleadings is Denied</u>.

17 Plaintiffs' Cross-motion is filed in contravention of 18 NJDCR 6(I) which requires that cross-motions be filed as a 19 separate document unless plead in the alternative. Beyond this 20 deficiency, affirmative defense 33 says: "Plaintiffs executed a 21 written release that expressly released Answering Defendant as 22 an intended third party beneficiary from all liability 23 concerning the incident giving rise to this action and released 24 and discharged any and all claims now being asserted against 25 Answering Defendant." Accepting as true the allegations of the 26 pleadings, the Court finds Baker has stated a claim upon which 27 relief can be granted. $\overline{28}$

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BON 218 MINDEN, NV 89423

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1 IT IS HEREBY ORDERED that Baker's Motion for Judgment on 2 the Pleadings, joined by Price and Shackelford, is GRANTED with 3 respect to the TAC's First Claim for Relief and all other claims to the extent they seek to hold Baker, Price and 5 Shackelford liable under the Settlement Agreement. NRCP 12(c). 6 The TAC's First Claim for Relief is dismissed with prejudice. 7 The Court certifies its judgment as final pursuant to NRCP 8 54(b). The motion is DENIED as to the remaining Claims for 9 Relief. 10 IT IS FURTHER ORDERED that Plaintiffs' Cross-Motion for 11 12 Judgment on the Pleadings is DENIED. 13 Dated this 🖋 day of July, 2015. 14 15 THOMAS W. ORY DISTRICT COURT JUDGE 16 17 Copies served by mail this day of July 2015, to: 18 19 Michael Matuska, Esg. 937 Mica Drive 20 Carson City, Nevada 89705 21 Michael K. Johnson, Esq. P.O. Eox 4848 22 Stateline, NV 89449 23 Rick Oshinski, Esq. 24 Mark Forsberg, Esq. 600 East Williams Street, Suite 300 25 Carson City, NV 89701 26 27 Vicki Barrett 28THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 13 DISTRICT COURT P.O. BOX 218

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7	IN THE NINTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA		
8	IN AND FOR THE COUNTY OF DOUGLAS		OUGLAS
9	PEGGY CAIN, an individual;		
. 10	JEFFREY CAIN, an individual; and HELI OPS INTERNATIONAL,		
11	LLC, an Oregon limited liability company,		
12	Plaintiffs,		
13	vs.		
14	DR RAWSON, an individual; C4	ORDER I	DENYING PLAINTIFF'S
15	WORLDWIDE, INC., a Nevada corporation; RICHARD PRICE,	THIRD	MOTION TO COMPEL
16	an individual; JOE BAKER, an individual; MICKEY		
17	SHACKELFORD, an individual; MICHAEL K. KAVANAGH, an		
18	individual; JEFFREY EDWARDS, an individual; and DOES 1-10,		
19	inclusive,		
20	Defendants.		
21	THIS MATTER comes before t	he court a	t the request of
22	Plaintiffs, Peggy Cain and Jeffrey Cain and Heli Ops		
23	International, LLC (the "Cains") on their Third Motion to		
24	Compel, filed on March 9, 2015. On March 19, 2015, defendants		
25	Richard Price ("Price") and Mickey Shackelford ("Shackelford")		
26	filed their opposition. On March 26, 2015, defendant, Joe		
27			
28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423	Baker ("Baker") filed his opposition. On March 30, 2015, the 1		

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į i 1 Cains filed their reply.

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THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL

DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

2	The court has considered all the pleadings and evidence
3	submitted by the parties, the record, and applicable court
1	rules. The court finds and orders as follows:

The Cains seek an order compelling defendants Baker, Price and Shackelford to produce additional documents pursuant to discovery requests propounded on December 26, 2014, including Form W2s, Form 1099s and personal tax returns for tax years 2009 and 2010. The specific discovery requests are Requests for Production of Documents Nos. 18, 19 and 20, which provide as follows:

REQUEST FOR PRODUCTION NO. 18: Provide any and all documents showing expenses incurred on behalf of C4 Worldwide, Inc.

15 <u>REQUEST FOR PRODUCTION NO. 19:</u> Provide any and all documents showing payments received from C4 Worldwide, Inc., including cancelled checks, bank statements and promissory notes.

REQUEST FOR PRODUCTION NO. 20: Provide any and all Form W2s, Form 1099s and any and all personal tax returns for tax years 2009 and 2010.

1. Requests for Production Nos. 18 and 19

21 With respect to Requests for Production Nos. 18 and 19, 22 the Defendants have each either responded by asserting that 23 they have no responsive documents in their possession, custody 24 or control, or that they have produced any responsive documents 25 in their possession, custody or control. The Cains' motion 26 The Cains' fails to explain why these responses are deficient. 27 11111 28

motion with respect to Requests for Productions Nos. 18 and 19 are DENIED.

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2. <u>Requests for Production No. 20</u>

Defendants have asserted that their tax forms and returns 5 are protected from discovery pursuant to the Nevada Supreme 6 Court's decision in Hetter v. District Court, 110 Nev. 513 7 The Cains dispute this, seeking discovery of the (1994). 8 Defendants' W2s, Form 1099s and personal income tax returns for 9 two reasons: (1) to discover how payments to the Defendants 10 from C4 were characterized as either "income, repayment of 11 12 expenses, loans, etc." Motion, page 6, line 13. (2) to discover Defendants' personal financial information for their 13 14 punitive damages claims.

A. <u>Characterization of Payments from C4</u>. The Cains do not need and are not entitled to complete copies of the Defendants' personal income tax returns or W2s and Form 1099s from entities or employers other than C4 to ascertain how any payments from C4 to the Defendants were characterized.

All three of the Defendants have affirmed in their written 21 responses to Request for Production No. 20 that they did not 22 receive W2s or Form 1099s from C4 for the tax years 2009 and 23 Shackelford and Price each state: "Answering Defendant 2010. 24 has no form W2s or Form 1099s that are responsive to Request 25 for Production No. 20. Answering Defendant was never issued 26 Form W2s or Form 1099s by or on behalf of C4 Worldwide, Inc." 27 28 Motion, Exhibit 7 and 8, p.2.

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

The Cains presented a copy of a February 17, 2015 letter 1 2 prepared by Baker's counsel in response to the Cains' meet and 3 confer efforts (and pre-dating the Cains' March 9, 2015 Motion), in which Baker's counsel confirms that Baker's "2009 5 and 2010 tax returns do not evidence any transaction involving 6 funds to or from C4." See Motion, Exhibit 12. At the Cains' 7 request Baker followed up that correspondence with a March 11, 8 2015 Supplemental Response to Request for Production in which 9 he confirms, "Responding party received no Form W-2s and/or 10 Form 1099s for the tax years 2009 and/or 2010 relating to C4 11 Worldwide. Supplement: Responding party is not in possession of 12 such requested documents involving transactions involving C4." 13 See Baker Opposition, Exhibit 9.1 14 15 The court cannot compel the production of something that 16 does not exist. The Cains' motion with respect to the 17 production of W2s and 1099s from C4 is DENIED. 18 Punitive Damage Claim. Nevada law is clear that Β. 19 discovery of tax returns may not be had "for the mere asking." 20 Hetter, supra, 109 Nev. at 520. Before tax returns or 21 financial records are discoverable on the issue of punitive 22 damages, "the plaintiff must demonstrate some factual basis for 23 24 The February 17, 2015 letter was drafted in response to the 1, Cains' meet and confer efforts. On February 24, 2015, the 25 Cains' counsel requested that Baker set forth his "representations concerning the tax returns" in a supplemental response. The Cains filed their motion on March 9, 2015. 26 Baker served his supplemental response on March 11, 2015. The court does not find that the supplemental response was prompted 27 by the Motion to Compel. The Cains are not entitled to recover their attorney's fees pursuant to NRCP 37(a)(4)(A) under these

28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BON 218 MINDEN, NY 89423

circumstances.

1 its punitive damage claim." 2 The Cains claim to have met their burden on the basis of 3 the following six factual allegations: 4 1. The Cains wire transferred \$1,000,000 on November 30, 5 2009. 6 2. Pursuant to the Joint Venture Agreement, the loan 7 proceeds were to be deposited into a separate account and were 8 to be used to purchase CMOs. 9 3. The loan proceeds were deposited into C4's general 10 Wells Fargo account xxxx 2177. 11 4. In December 2009, the Defendants diverted \$804,327.20 12 from account xxxx 2177. 13 5. Richard Price was a signatory on account xxx 2177 and 14 spoke with Jeff Cain about the wire transfer before it was 15 16 made. 17 6. Richard Price and Joe Baker were signatories on the 18 Bank of America Account Nos. xxxx 3175 and xxxx 9695. 19 Punitive damages are only available based upon one of the 20 Cains' non-contract claims for fraud, civil conspiracy and 21 conversion, and if Plaintiffs establish by clear and convincing 22 evidence that the Defendants have been guilty of "oppression, 23 fraud or malice." NRS 42.005(1). None of the allegations 24 asserted above demonstrate a basis for finding "oppression, 25 fraud or malice" on the part of Price, Baker or Shackelford. 26 The Cains fail to meet their burden under the Hetter decision. 27 Their Motion to Compel the production of the Defendants' 285

THOMAS W. GREGORY DISTRICT JUDGE SINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

personal income tax returns is therefore also DENIED but without prejudice. The Cains may renew their motion under the Hetter decision, if as discovery continues they discover new information demonstrating the existence of "oppression, fraud or malice" on the part of Price, Baker or Shackelford.

C. <u>Continuing Duties</u>.

The parties are subject to a continuing duty to supplement all disclosure and discovery responses. NRCP 26(e). If information that should be produced is not, and such refusal is properly evidenced through a motion to compel, then sanctions generally will be imposed pursuant to NRCP 37(a)(4).

D. Attorney's Fees.

The court finds the Defendants have incurred attorney's fees and costs in filing their oppositions herein and are entitled to an award of attorney's fees and costs under NRCP 37(a)(4)(A). The court finds reasonable attorney's fees to be \$500 for Price and Shakelford's counsel and \$500 for Baker's counsel, payable within thirty days. The Cains' motions for an award of attorney's fees is DENIED.

IT IS SO ORDERED.

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THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL

DISTRICT COURT P.O. BON 218 MINDEN, NV 89423

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Dated this 🛃 day of May, 2015.

THOMAS W. DISTRICT JUDG

Copies served by mail this $\int day$ of May, 2015, to: 2 Michael Matuska, Esq. 937 Mica Drive 3 Carson City, Nevada 89705 4 Rick Oshinski, Esq. Mark Forsberg 5 504 E. Musser Street, Suite 302 Carson City, NV 89701 6 7 Michael Johnson, Esq. P.O. Box 4848 8 Stateline, NV 89449 9 Jeffrey Edwards 595 Chivas Court 10 Orange Park, Florida 33073 11 12 icki Barrett 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28THOMAS W. GREGORY DISTRICT JUDGE MINTH JUDICIAL 7 DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

	Case No. 11-CV-0296	ED NO	
2 3 4	Dept. No. II Douglas Co District Court	Clerk BOBBIE R. WILLIAMS	
5 6 7	IN THE NINTH JUDICIAL DISTRICT	BY DEPUTY	
8	IN AND FOR THE COUNTY OF DOUGLAS PEGGY CAIN, an individual;		
10	JEFFREY CAIN, an individual; and HELI OPS INTERNATIONAL, LLC, an Oregon limited liability company,		
12	Plaintiffs, vs.	ORDER GRANTING, IN PART, JOE	
14 15 16	DR RAWSON, an individual; C4 WORLDWIDE, INC., a Nevada corporation; RICHARD PRICE, an individual; JOE BAKER, an individual; MICKEY	BAKER'S MOTION FOR (1) HEARING AND/OR TO BIFURCATE TRIAL AND (2) TO STAY A PORTION OF TRIAL PROCEEDINGS	
17 18 19	SHACKELFORD, an individual; MICHAEL K. KAVANAGH, an individual; JEFFREY EDWARDS, an individual; and DOES 1-10, inclusive, Defendants.		
20 21	THIS MATTER comes before the Court on Defendant Joe		
22 23	Baker's (Baker) Motion for (1) Hearing and/or to Bifurcate Trial and (2) To Stay a Portion of Trial Proceedings filed on		
24 25	July 17, 2015. Defendants Richard Price (Price) and Mickey Shackelford (Shackelford) joined in Baker's motion on July 31,		
26 27	2015. Plaintiff's Peggy Cain, Jeffrey Cain and Heli Ops		
28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BON 218 MINDEN, NV 89423	International, ELC (Plaintiffs) lifed an opposition to notion		

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for (1) Hearing and/or to Bifurcate Trial and (2) To Stay a Portion of Trial Proceedings on July 31, 2015. Baker filed a Reply Brief Re: Plaintiff's Opposition to Motion for (1) Hearing and/or to Bifurcate Trial and (2) To Stay a Portion of Trial Proceedings on August 10, 2015.

Procedural Background

On November 20, 2012, the Court entered an Order Denying 8 Renewed Motion to Dismiss Re Personal Jurisdiction or for 9 Summary Judgment, and Granting Second Motion for Leave to 10 In ruling on the motion, the Court confined the parties 11 Amend. 12 to the pleadings and corresponding affidavits relating to the 13 challenge to personal jurisdiction. In so doing, the Court 14 determined the Cains had made a prima facie showing of 15 jurisdictional facts to defeat the pending motion. Consistent 16 with the law, the Court made clear that the Cains "still must 17 establish personal jurisdiction by a preponderance of the 18 evidence at a hearing or the trial." Order dated November 20, 19 2012, citing Trump v. Eighth Judicial District Court, 109 Nev. 20 687, 694 (1993). 21

Baker's pending motion, joined by Price and Shackelford, requests that the Court hold a separate hearing or bifurcate the trial such that the Court would rule on the issues of personal jurisdiction and alter ego separate from and prior to the jury trial. The Cains agree that they must prove personal jurisdiction and alter ego by a preponderance of the evidence and that the Court is to determine those issues as opposed to

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

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the jury. The Cains posit, however, that all of the issues are so intertwined that it would be a better use of resources to try all issues together.

A pre-trial conference was held on August 10, 2015, the same day that briefing closed on the pending motion. During the course of the pre-trial conference, the parties agreed to vacate the September 15, 2015 jury trial setting and continue the trial until April 19, 2016. The parties also agreed to set a hearing for December 8, 2015 to address all outstanding motions.

<u>Analysis</u>

There are compelling reasons in this case to try the non-13 jury issues of personal jurisdiction and alter ego in advance 14 of seating a jury. Given the agreement of all remaining 15 16 parties to continue the trial that was to begin one month from 17 now and set a motions hearing, it is now practical to try the 18 issues of personal jurisdiction and alter ego at the time of 19 the motions hearing. This is particularly true when 20 considering the case is now four years old.

The issue of personal jurisdiction over Baker, Price and Shackelford has permeated much of the pre-trial litigation in this case. That is not surprising considering that Baker, Price and Shackelford are being sued in their individual capacity for their involvement as officers in a Nevada corporation when neither reside in Nevada and have had few, if any, personal contacts with Nevada.

THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 19423

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When the Court first ruled on personal jurisdiction in 2 2012, discovery had yet to be completed and the issue was 3 decided upon affidavits at the lower prima facie standard. 4 Now, nearly three years later, discovery has been completed, 5 including the depositions of Baker, Price and Shackelford 6 earlier this week. There should now be a much clearer picture 7 regarding personal jurisdiction.

9 Also, when the Court ruled on personal jurisdiction in 2012, the Cains had yet to add the theory of alter ego to their Complaint. Like personal jurisdiction, the parties agree that alter ego is a determination for the Court. Alter ego is very intertwined with personal jurisdiction. The parties will be relying upon many of the same facts for each issue. It would make no sense for the Court to hear these issues separately.

16 Combined, these two issue have dominated pre-trial 17 litigation. The Court's determination of each will greatly 18 impact the course of the case. The issues also appear to the 19 Court to be very triable issues and have in common the 20 potential for being dispositive.

Under these circumstances, the Court finds that the best course is to bifurcate the issues of personal jurisdiction and alter ego from the issues to be tried to a jury. Now that the jury trial has been continued out until April of 2016, it will be of benefit to all parties to have a full evidentiary hearing regarding personal jurisdiction and alter ego as part of the motions hearing already scheduled for December 8, 2015. This

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THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL DISTRICT COURT P.O. BOX 218 MINDEN, NV 89423

will make for the best use of judicial resources. The parties will then have the benefit of knowing the determination of these issues in advance of trial.

4 IT IS HEREBY ORDERED that Baker's Motion for Hearing 5 and/or to Bifurcate Trial, joined by Price and Shackelford, is 6 GRANTED. A full evidentiary hearing on the issues of personal 7 jurisdiction and alter ego will be held during the motions 8 hearing set to begin on December 8, 2015. At the hearing, the 9 Cains will bear the burden and the burden is a preponderance of 10 11 the evidence. Trump, 109 Nev. at 693. 12 IT IS FURTHER ORDERED that Baker's Motion to Stay a 13 Portion of Trial Proceedings, joined by Price and Shackelford, 14 is DENIED as being moot given the continuance of the trial. 15 Dated this /7 day of August, 2015. 16 17 THOMAS W. 18 DISTRICT COURT JUDGE 19 Copies served by mail this () day of August, 2015, to: 20 Michael Matuska, Esq. 21 2310 South Carson Street, #6 Carson City, Nevada 89701 22 23 Michael K. Johnson, Esq. P.O. Box 4848 24 Stateline, Nevada 89449 25 Rick Oshinski, Esq. Mark Forsberg, Esg. 26 600 East Williams Street, Suite 300 Carson City, Nevada 89701 27 28 THOMAS W. GREGORY DISTRICT JUDGE NINTH JUDICIAL 5 DISTRICT COURT

P.O. BOX 218 MINDEN, NV 89423 STATE OF NEVADA COUNTY OF DOUGLAS

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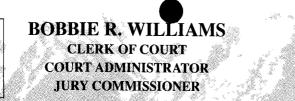
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4 I, BOBBIE WILLIAMS, Clerk of the Court, State of Nevada, 5 and ex-officio Clerk of the District Court, Ninth Judicial District of the State of Nevada, in and for the said County of Douglas; said 6 Court being a Court of Record, having common law jurisdiction, and a 7 Clerk and a Seal, do hereby certify that the foregoing are true 8 copies of the following originals in Case No. 11-CV-0296 (CAIN VS. 9 RAWSON, ET. AL): Notice of Appeal, Case Appeal Statement(s); 10 District Court Docket Entries; Judgment(s) or Order(s) appealed 11 from; Notice of entry of the Judgment(s) or order(s) appealed from 12 except ORDER DENYING PLAINTIFF'S THIRD MOTION TO COMPEL AND ORDER 13 GRANTING, IN PART, JOE BAKER'S MOTION FOR (1) HEARING AND/OR TO 14 BIFURCATE TRIAL AND (2) TO STAY A PORTION OF TRIAL PROCEEDINGS and 15 Supreme Court Filing Fee (\$250.00). 16 17 IN TESTIMONY WHEREOF, I have 18

hereunto set my hand and affixed my Official Seal at Minden, in said County and State this <u>9</u> day of <u>MUUMBUR</u>, 2015 CLERK OF THE COURT By: <u>Ma <u>Ataganu</u> Deputy Apurt Clerk</u>

ss



District Court Clerk's Office (775) 782-9820 Tahoe Justice Court (775) 586-7200

East Fork Justice Court (775) 782-9955

Transmittal to the Supreme Court

To: Nevada Supreme Court 201 South Carson Street Carson City, Nevada 89710 Date: December 9, 2015

Re: District Court Case #:

Douglas

County

11-CV-0296

District Court Case Name:

CAIN VS. D.R. RAWSON, ET.AL.

THREE CERTIFIED COPIES of the following documents are transmitted to the Supreme Court pursuant to the July 22, 1996 revisions to the Nevada Rules of Appellate Procedure. Checked items are **NOT** included in this appeal:

****** Notice of Appeal

- ****** Case Appeal Statement
- $\sqrt{1}$ Request to Waive Filing of Appeal Bond
- $\sqrt{1}$ Order Granting Request to Waive Filing of Appeal Bond
- $\sqrt{1}$ Notice RE: Rough Draft Transcripts
- ****** District Court Docket entries
- ****** Judgment(s) or order(s) appealed from
- $\sqrt{4}$ Order (NRAP FORM 4)
- ** Notice of entry of the judgment(s) or order(s) appealed from except ORDER DENYING PLAINTIFF'S THIRD MOTION TO COMPEL AND ORDER GRANTING, IN PART, JOE BAKER'S MOTION FOR (1) HEARING AND/OR TO BIFURCATE TRIAL AND (2) TO STAY A PORTION OF TRIAL PROCEEDINGS
- $\sqrt{1}$ Certification order directing entry of judgment pursuant to NRCP 54(b)
- $\sqrt{4}$ District Court Minutes
- √√ Exhibit List
- ****** Supreme Court filing fee (\$250.00), if applicable

Respectfully,

BOBBIE WILLIAMS CLERK OF THE COURT

By: Court Clerk

Items checked are not applicable or not available.

P.O. Box 218 • Minden, Nevada 89423