

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

2 PETER GARDNER and CHRISTIAN
3 GARDNER, on behalf of minor child, LELAND
4 GARDNER,
5 Petitioners,

6 vs.

7 THE EIGHTH JUDICIAL DISTRICT COURT
8 OF THE STATE OF NEVADA, IN AND FOR
9 THE COUNTY OF CLARK; AND THE
10 HONORABLE JERRY A. WIESE, II,
11 DISTRICT JUDGE,
12 Respondents,

13 and

14 HENDERSON WATER PARK, LLC dba
15 COWABUNGA BAY WATER PARK; WEST
16 COAST WATER PARKS, LLC; DOUBLE
17 OTT WATER HOLDINGS, LLC,
18 Real Parties in Interest.

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19 **ANSWER TO PETITION FOR WRIT OF MANDAMUS**

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 dba COWABUNGA BAY WATER PARK,
 WEST COAST WATER PARKS, LLC, and
 DOUBLE OTT WATER HOLDINGS, LLC

1 **NRAP 26.1 DISCLOSURE STATEMENT**

2 The undersigned counsel of record certifies that the following are persons
3 and entities described in NRAP 26.1(a), and must be disclosed. These
4 representations are made in order that the Justices of this Court may evaluate
5 possible disqualification or recusal:

6 HENDERSON WATER PARK, LLC dba COWABUNGA BAY WATER
7 PARK is a privately held limited-liability company, organized under the laws of
8 Nevada. It is 39.5% owned by WEST COAST WATER PARKS, LLC, 51.5%
9 owned by DOUBLE OTT WATER HOLDINGS, LLC, and the remaining 9%
10 owned by individual member-investors.

11 WEST COAST WATER PARKS, LLC is a privately held limited-liability
12 company, organized under the laws of Nevada. It has no parent corporation and
13 there is no publically held corporation that owns 10% or more of its stock.

14 DOUBLE OTT WATER HOLDINGS, LLC is a privately held limited-
15 liability company, organized under the laws of Utah. It is 100% owned by O & O
16 INVESTMENT HOLDING, LP.

17 Real Parties in Interest have not been represented by any other attorneys in
18 addition to **THORNDAL ARMSTRONG DELK BALKENBUSH & EISINGER**.

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1 **POINTS & AUTHORITIES**

2 **I. INTRODUCTION AND RELIEF SOUGHT**

3 Exercising its sound discretion, the trial court denied Plaintiffs' Motion for
4 Leave to Amend which sought to add seven (7) individuals as Defendants who
5 were/are members of a Management Committee for Defendant, Henderson Water
6 Park, LLC. Here, the remedy of mandamus does not lie to compel the trial court
7 to permit the addition of these individuals as Defendants in light of: (1) the fact
8 that an appeal is an adequate legal remedy precluding writ relief; (2) long-
9 standing precedent that discretionary acts of the trial court will not be reviewed
10 by a writ of mandamus; and, (3) the applicable protections of NRS 86.371 and
11 86.381 for members and managers of Nevada limited-liability companies.

12 **II. ISSUES PRESENTED**

13 1. Whether Petitioners have carried their NRAP 21(a) burden and
14 demonstrated that extraordinary relief is warranted in the case at bar;

15 2. Whether the district court manifestly abused its discretion in
16 prohibiting Petitioners from amending their complaint to add seven individuals as
17 new Defendants:

18 a. Whether the district court was within its discretion to find that
19 NRS 86.371 and 86.381 are clear and unambiguous and therefore any
20 proposed changes or amendments to said statutes, including but not limited

1 to the adding of an alter ego provision, is for the legislature and not the
2 courts;

3 b. Whether the trial court was manifestly reasonable in finding
4 NRS 86.371 and 86.381 prohibit the claims Petitioners propose against the
5 seven individuals by the statutes' unambiguous language that a member of
6 a limited-liability company is not a proper party to proceedings against the
7 company and is not individually liable for the debts or liabilities of the
8 company; and,

9 c. Whether the district court was within its discretion to find that
10 the alter ego statute for corporations does not apply to limited-liability
11 companies.

12 **III. FACTS NECESSARY TO UNDERSTAND ISSUES PRESENTED BY**
13 **THE PETITION**

14 The underlying lawsuit was brought by Peter and Christian Gardner on
15 behalf of their son, Leland Gardner. Leland was a six-year-old kindergarten
16 student who was not wearing a life vest at the time he was rescued from the deep
17 end of the wave pool at the Cowabunga Bay Water Park on May 27, 2015.
18 Petitioners' July 28, 2015 Complaint named Henderson Water Park, LLC which
19 does business as Cowabunga Bay, and oversees the park's operations. Petitioners
20 also named two other limited liability companies that are each members of

1 Henderson Water Park, LLC: West Coast Water Parks, LLC and Double OTT
2 Water Holdings, LLC.¹ Then, Petitioners' May 5, 2016 Motion for Leave to
3 Amend sought to add seven (7) individuals as Defendants who were/are members
4 of the Management Committee for Henderson Water Park, LLC. Defendants
5 opposed the Motion for Leave to Amend as it flies in the face of longstanding
6 Nevada law and statutory protections for managers and members of limited-
7 liability companies found at NRS 86.371 and 86.381.

8 Petitioners argue that their claims against these seven (7) individuals
9 (proposed new Defendants) have merit and that their Motion for Leave to Amend
10 should have been granted. However, Petitioners overlook an essential flaw in
11 their argument for amendment: In order for any of Petitioners claims to be viable
12 against the proposed seven (7) Individual Defendants, Petitioners MUST
13 overcome the definite protections of NRS Chapter 86, which they cannot do.
14 Unlike corporations, which may be pierced under very limited circumstances,
15 there are no exceptions which allow one to "pierce" a limited-liability company.
16 NRS 86.381 *unambiguously* sets forth that, "A member of a limited-liability
17 company is not a proper party to proceedings... against the company."

18 If leave to amend had been granted, the claims Petitioners sought to assert
19 against the seven (7) individuals would have immediately been subject to

20 ¹ These two entities were subsequently dismissed pursuant to summary judgment
granted in their favor on September 13, 2016 and entered on October 10, 2016.

1 dismissal, making the Motion for Leave to Amend futile. In that regard the trial
2 court's decision was not only correct, but well within its discretion. The
3 availability of an appeal (although not immediate) further precludes writ relief.

4 **IV. REASONS WHY WRIT SHOULD NOT ISSUE**

5 A. AN ADEQUATE REMEDY EXISTS IN THE FORM OF AN 6 APPEAL FROM THE DISTRICT COURT'S ORDER, AND 7 PETITIONERS HAVE FAILED TO MEET THEIR BURDEN OF 8 DEMONSTRATING THAT EXTRAORDINARY RELIEF IS 9 WARRANTED HERE

8 Mandamus is an extraordinary remedy, and the decision to entertain such
9 a petition is addressed solely to the Supreme Court's discretion. *State ex rel.*
10 *Masto v. Second Judicial Dist. Court of State*, 125 Nev. 37, 43-44, 199 P.3d 828,
11 832 (2009) (emphasis added) (citing *Poulos v. District Court*, 98 Nev. 453, 455,
12 652 P.2d 1177, 1178 [1982]). In general, a writ may issue only when petitioner
13 has no plain, adequate, and speedy legal remedy, such as an appeal. *Id.* (citing
14 NRS 34.170, and *Pan v. Dist. Ct.*, 120 Nev. 222, 224, 88 P.3d 840, 841 [2004]
15 [noting that an appeal is generally an adequate legal remedy precluding writ
16 relief]).

17 In fact, this writ petition could be denied solely on procedural grounds if
18 the Court determines that Petitioners have an adequate remedy in the form of an
19 appeal from the district court's order or that Petitioners have failed to meet their
20 burden of demonstrating that extraordinary relief is warranted. *See Pan*, 120 Nev.

1 at 224. This is true even if an appeal is not immediately available because the
2 challenged Order is interlocutory in nature; the fact that an order may ultimately
3 be challenged on appeal from the final judgment generally precludes writ relief.
4 Id. at 225 (citing *Co. of Washoe v. City of Reno*, 77 Nev. 152, 360 P.2d 602
5 [1961]).

6 Importantly, it is Petitioners who carry the burden of demonstrating that
7 extraordinary relief is warranted. Id. at 228; *see also Mineral County v. State,*
8 *Dep't of Conserv.*, 117 Nev. 235, 117 Nev. 235, 20 P.3d 800 (2001). Here,
9 Petitioners implore this High Court to accept the Petition and promulgate new
10 case law on the personal liability for members and managers of Nevada LLC's.
11 Yet, the Court has **already** declined to decide this issue at least once before. *See,*
12 *e.g., Webb v. Shull*, 270 P.3d 1266, 1271 n.3 (Nev. 2012); *see also* footnote 2,
13 hereinbelow. For all of these reasons, Petitioners cannot meet their burden under
14 NRAP 21 to show that the exceptional remedy of a writ of mandamus is
15 warranted here.

16 B. THE DISTRICT COURT'S DENIAL OF LEAVE TO AMEND
17 WAS THE RESULT OF DUE CONSIDERATION, WAS
18 MANIFESTLY REASONABLE, AND DOES NOT AMOUNT TO
19 AN ABUSE OF DISCRETION

19 "A motion for leave to amend is addressed to the **sound discretion of the**
20 **trial court** and its action in denying the motion should not be held to be error

1 unless that discretion has been abused.” *Stephens v. S. Nevada Music Co.*, 89
2 Nev. 104, 105, 507 P.2d 138, 139 (1973) (emphasis added). Errors committed in
3 the exercise of judicial discretion will **not** be made the subject of review or be
4 corrected by a writ of mandamus. *Wilmurth v. District Court*, 80 Nev. 337, 340,
5 393 P.2d 302 (1964). In fact, it has been the law in this state for 150 years that
6 “mandamus will not lie to review discretionary acts of the trial court.” *Id.*, citing
7 *Pinana v. District Court*, 75 Nev. 74, 334 P.2d 843 (1959); *State v. McFadden*,
8 46 Nev. 1, 205 P. 594 (1922); *State v. District Court*, 40 Nev. 163, 161 P. 510
9 (1916); *State v. Curler*, 26 Nev. 347, 67 P. 1075 (1902); *Hoole v. Kinkead*, 16
10 Nev. 217 (1881); *State ex rel. Hetzel v. Board of Commissioners of Eureka*
11 *County*, 8 Nev. 309 (1873); *State v. Curler*, 4 Nev. 445 (1869).

12 When the Nevada Supreme Court does elect to consider a writ of
13 mandamus, it generally applies a **manifest abuse of discretion** standard. *See*
14 *Hidalgo v. Eighth Judicial Dist. Court*, 124 Nev. 330, 334, 184 P.3d 369, 372
15 (2008). In *State v. Eighth Judicial Dist. Court of Nev.*, 127 Nev. 927, 931-32, 267
16 P.3d 777, 780 (2011) this Court further defined that standard:

17 In the context of mandamus, this court considers whether the district
18 court's... ruling was a manifest abuse or arbitrary or capricious
19 exercise of its discretion. See NRS 34.160; Round Hill Gen. Imp.
20 Dist. v. Newman, 97 Nev. 601, 603-04, 637 P.2d 534, 536 (1981).
An arbitrary or capricious exercise of discretion is one “founded on
prejudice or preference rather than on reason,” BLACK’S DICTIONARY
119 (9th ed. 2009) (defining “arbitrary”), or “contrary to the
evidence or established rules of law,” *id.* at 239 (defining

1 “capricious”). *See generally City Council v. Irvine*, 102 Nev. 277,
2 279, 721 P.2d 371, 372 (1986) (concluding that “[a] city board acts
3 arbitrarily and capriciously when it denies a license without any
4 reason for doing so”). A manifest abuse of discretion is “[a] clearly
5 erroneous interpretation of the law or a clearly erroneous application
6 of a law or rule.” *Steward v. McDonald*, 330 Ark. 837, 958 S.W.2d
7 297, 300 (Ark. 1997); *see Jones Rigging and Heavy Hauling v.*
8 *Parker*, 347 Ark. 628, 66 S.W.3d 599, 602 (Ark. 2002) (stating that
a manifest abuse of discretion “is one exercised improvidently or
thoughtlessly and without due consideration”); *Blair v. Zoning*
Hearing Hd. of Tp. of Pike, 676 A.2d 760, 761 (Pa. Commw. Ct.
1996) (“[M]anifest abuse of discretion does not result from a mere
error in judgment, but occurs when the law is overridden or
misapplied, or when the judgment exercised is manifestly
unreasonable or the result of partiality, prejudice, bias or ill will.”).

9 Therefore, unless the district court’s denial of leave to amend was clearly
10 “manifest abuse” or an “arbitrary or capricious exercise of discretion,” it should
11 not be disturbed and certainly not in the extraordinary context of a writ. Here, the
12 trial court properly supported its determination with Findings of Fact and
13 Conclusions of Law, as demonstrated by the written Order Denying Plaintiffs’
14 Motion for Leave to Amend Complaint entered June 30, 2016 and filed July 5,
15 2016. (GARD144-147)

16 C. THE CLEAR AND UNAMBIGUOUS STATUTES IN QUESTION
17 HERE SUPPORT THE DENIAL OF PETITIONERS’ MOTION TO
18 AMEND AND ANY CHANGE IS THE PREROGATIVE OF THE
LEGISLATURE, NOT THE COURTS

19 Significantly, there is no basis to pierce the veil of a Nevada limited-
20 liability company in order to reach the individual members of the LLC’s

1 Management Committee. By contrast, the analysis under Nevada law for piercing
2 a corporate veil is statutory under NRS 78.747² and the standard for doing so
3 extremely stringent. However, *even greater protections are extended under NRS*
4 *Chapter 86 to limited-liability companies* such as Henderson Water Park, LLC.
5 As the questions presented in the Writ Petition concern the limitations on liability
6 for Nevada business entities under the Nevada statutes (specifically NRS 86.371
7 and 86.381), “[i]t is the prerogative of the Legislature, not this court, to change or
8 rewrite a statute.” *Holiday Ret. Corp. v. State DIR*, 128 Nev. Adv. Op. 13, 274
9 P.3d 759, 761 (2012) (citing *Breen v. Caesars Palace*, 102 Nev. 79, 86-87, 715
10 P.2d 1070, 1075 [1986]). The rules of statutory construction mandate if the
11 statute text is clear and unambiguous on its face corollary evidence of the
12 meaning of the statutes from other sources, such as legislative history or case law
13 from other jurisdictions, shall not be considered.

15 ² NRS 78.747 provides that “no stockholder, director or officer of a *corporation* is
16 individually liable for a debt or liability of the corporation, unless the stockholder,
17 director or officer acts as the alter ego of the corporation.” (emphasis added). This
18 provision does **not** refer to LLCs, their members or managers — and, by its terms,
19 governs only *corporate* shareholders and officers. There has been no decision by
20 this High Court that the alter ego doctrine applies with equal force to LLC
members or managers. *See, e.g., Webb v. Shull*, 270 P.3d 1266, 1271 n.3 (Nev.
2012) (“The parties assume that NRS 78.747, which is part of the statutory
chapter governing corporations, applies to the alter ego assertion against Shull and
Celebrate, an LLC. Accordingly, for purposes of this appeal, we likewise *assume,*
without deciding, that the statute applies and analyze their alter ego arguments
under that standard.”) (emphasis added).

Moreover, the statutes have no stated exceptions to these limitations on liability and no mention of any ability to “pierce” the LLC. Although the Nevada corporation statutes include an alter ego exception to the corporate protections, the LLC statutes do **not** contain a similar exception, creating a negative inference that the Nevada legislature did not intend for it to apply to LLCs. (*Suing the Man Behind the Curtain: Can Nevada LLC Members be Liable Under the Alter Ego Doctrine?* by Ryan Lower, Esq., Nevada Lawyer, November, 2014, pg. 16, citing to *Dep’t. of Taxation v. DaimlerChrysler*, 121 Nev. 541, 548, 119 P.3d 135, 139 [2005] [“omissions of subject matters from statutory provisions are presumed to have been intentional”]). In that regard, Petitioners’ reliance on the 1991 drafters notes (GARD134-143) is misplaced. Although the alter ego doctrine in Nevada was originally based in common law, it was codified by our Nevada Legislature only as to Chapter 78 corporations in 2001, ten years *after* the legislative history on which Petitioners rely so heavily. *Compare* GARD 134-143 *and* NRS 86.371 added by 1991 Nev. Ch. 442, §310, p.1300 (1991 Nev. AB 655) *with* NRS 78.747(1), added by 2001 Nev. Stat. 601, §1, p. 3170 (2001 Nev. SB 577). Unlike Nevada’s corporation statute (NRS Chapter 78), however, the alter ego doctrine was not included in Nevada’s LLC statute (NRS Chapter 86). The 2001 Legislature’s omission of a similar alter ego exception to the LLC protections must be presumed to have been intentional. Therefore, under Nevada’s

1 statutory scheme, the limitations on liability for members and managers of
2 LLCs are explicit and indisputable.

3 If the district court was within its sound discretion to find: (1) that NRS
4 86.371 and 86.381 are clear and unambiguous in their limits on LLC manager
5 liability and capacity to be sued; and, (2) that it is the role of the Legislature, not
6 the courts, to modify those statutes; then this Honorable Court need go no further.
7 The lower court's decision was well within its purview and the Supreme Court
8 need not address the remaining arguments under mandamus review.

9 D. MERELY HOLDING A POSITION AS AN LLC MEMBER OR
10 MANAGER CANNOT SUBJECT AN INDIVIDUAL TO DIRECT
11 LIABILITY BECAUSE ACTIONS UNDERTAKEN BY AN LLC
12 ARE DONE THROUGH A SEPARATE LEGAL ENTITY

12 Longstanding Nevada business law insulates individual LLC managers
13 from direct liability. “The concept of limited liability through corporate
14 organization and investment has been legally recognized in Nevada since
15 before the granting of its statehood.” *In re Twin Lakes Village, Inc.*, 2 B.R.
16 532, 545 (D. Nev. 1980). The capacity of an individual, including one acting in a
17 representative capacity, to sue or be sued shall be determined by the law of this
18 State. NRCP 17(b). Importantly, a “limited-liability company is an entity distinct
19 from its managers and members,” and the actions undertaken by an LLC are done
20 through the separate legal entity. NRS 86.201(3); *Cf. Canarelli v. Eighth Judicial*

1 *Dist. Court of Nev.*, 127 Nev. Adv. Rep. 72, 265 P.3d 673, 677, (2011)
2 (explaining that under the common law, a corporation is a legal entity that exists
3 separate and distinct from its shareholders, officers, and directors), citing
4 BLACK'S LAW DICTIONARY 340 (6th ed. 1990) (“The corporation is distinct from
5 the individuals who comprise it.”). Of course, an LLC, like any organizational
6 entity, must act through individuals or other entities with the authority to act on
7 behalf of the LLC.

8 This Court instructed in *Weddell v. H2O, Inc.*, 271 P.3d 743, 748 (Nev.
9 2012) that “[l]imited-liability companies (LLCs) are business entities created ‘to
10 provide a corporate-styled liability shield with pass-through tax benefits of a
11 partnership.’” (citing *White v. Longley*, 2010 MT 254, 358 Mont. 268, 244 P.3d
12 753, 760 (Mont. 2010); *Gottsacker v. Monnier*, 2005 WI 69, 281 Wis. 2d 361,
13 697 N.W.2d 436, 440 (Wis. 2005) (stating that “[f]rom the partnership form, the
14 LLC borrows characteristics of informality of organization and operation,
15 internal governance by contract, direct participation by members in the company,
16 and no taxation at the entity level. From the corporate form, the LLC borrows the
17 characteristic of protection of members from investor-level liability.” [internal
18 citation omitted]). The protection of LLC members from investor-level liability
19 was codified at NRS 86.381: “A member of a limited-liability company is **not a**
20 **proper party** to proceedings by or against the company, except where the object

1 is to enforce the member's right against or liability to the company." (emphasis
2 added) Petitioners' personal injury action does not fall into that specific and
3 narrow exception.

4 Petitioners' argument that they are entitled to bring claims for negligence
5 directly against the individual members of the LLC's Management Committee is
6 misguided when viewed in light of NRS 86.381 (discussed above) as well as
7 NRS 86.371. This unambiguous statute (NRS 86.371) makes it clear that, "[N]o
8 member or manager of any LLC formed under the law of this State is
9 *individually liable* for the debts or liabilities of the company." Substituting the
10 names of the parties in interest into this statute is instructive: "No member or
11 manager of Henderson Water Park, LLC (any LLC formed under the law of this
12 State) is individually liable for the debts or liabilities of Henderson Water Park,
13 LLC (the company)." Under the unequivocal protections of NRS Chapter 86,
14 there is simply no basis to break through the protections of Henderson Water
15 Park, LLC to maintain a direct action against the seven (7) individual members of
16 the Management Committee.

17 Even Petitioners concede that there is no Nevada jurisprudence on point.
18 (Petition at 13:4-9; 20:6-7). At the same time, the creation of business entities is
19 strictly a state function, and the nuances and differences from state to state are
20 meaningful and significant. States make intentional decisions in their statutory

1 constructions to lure businesses to their state, and Nevada and Delaware are both
2 very popular states for business formation due largely to those protections.
3 Petitioners would undermine those protections in order to allow them to maintain
4 their suit against the managers of a Nevada LLC. To that end, the case law cited
5 by Petitioners is all distinguishable as it relates to other jurisdictions and
6 interprets dissimilar statutes. As such, federal and extra-jurisdictional case law
7 carry no weight with regard to interpreting the distinct language of the Nevada
8 LLC statutes.

9 Petitioners repeat that they seek to bring “direct claims” against the
10 individual members of the Management Committee but they cannot overcome the
11 presumption that actions undertaken by the limited-liability company are done
12 through the separate, independent legal entity and are not acts of individual,
13 private citizens. Petitioners attempt to circumvent the district court’s Order which
14 precludes individual liability of or alter ego claims against the seven (7)
15 managers of this Nevada LLC by arguing a “direct liability” theory or cause of
16 action. This is nothing more than a thinly-veiled disguise to assert a claim for the
17 allegedly negligent management of the LLC by its Management Committee.
18 However, a third party has no standing to sue for duties owed by an LLC’s
19 managers to the company. Even, *arguendo*, if the Court were to accept
20 Petitioners’ faulty premise, it still falls short of permitting a direct cause of action

1 because it is only the LLC or its members who can sue for alleged
2 mismanagement. Merely holding a position as a manager or member of an LLC
3 cannot subject an individual to liability to a third party. *See*, Rest. 3d of Agency
4 §7.02 (“An agent is subject to tort liability to a third party harmed by the agent’s
5 conduct only when the agent’s conduct breaches a duty that the agent owes to the
6 third party.”) If accepted, Petitioners’ interpretation of the Nevada statutes would
7 do away with the statutory protections in Chapter 86 that were specifically
8 intended by the Legislature to protect the LLCs, and their members and
9 managers.

10
11 E. BECAUSE LLCs EXPRESSLY PROTECT MANAGERS FROM
12 LIABILITY, AND NO ALTER EGO EXCEPTION WAS MADE
TO NEVADA’S LLC STATUTE BY THE LEGISLATURE,
PETITIONERS CANNOT PIERCE THE LLC VEIL

13 NRS 86.381’s unequivocal protection of members of an LLC is
14 unmistakable: “**A member of a limited-liability company is not a proper party**
15 **to proceedings by or against the company**, except where the object is to
16 enforce the member’s right against or liability to the company.” (emphasis added)
17 Moreover, NRS 86.371 further specifies that, “...no member or manager of any
18 LLC formed under the law of this State is individually liable for the debts or
19 liabilities of the company.”

1 Nevada is known for its strictness in sticking to the law when it comes to
2 enforcing limitations on liability provided by business entities formed under any
3 of the provisions of NRS Title 7. **“The corporate cloak is not lightly thrown**
4 **aside.”** *Nevada Tax Comm’n v. Hicks*, 73 Nev. 115, 310 P.2d 852 (1957). In fact,
5 in the past twenty years, the Nevada courts have only pierced the corporate veil
6 one time, and undersigned counsel could not find even one example where a
7 Nevada state court pierced the protections of an LLC. *See Polaris Indus. Corp. v.*
8 *Kaplan*, 103 Nev. 598 747 P.2d 884 (1987) ; *Cf. Webb v. Shull, supra.* Under the
9 explicit protections of NRS Chapter 86, there is simply no basis to break through
10 the protections of the limited-liability companies named as Defendants and the
11 district court made a reasonable determination within its discretion that
12 Petitioners’ proposed amendment to add seven (7) individuals as Defendants
13 would have been futile.

14 V. CONCLUSION

15 WHEREFORE, the district court did not abuse its discretion in its Order
16 denying Petitioners’ Motion for Leave to Amend because the pertinent
17 protections of NRS 86.371 and 86.381 for members and managers of Nevada
18 limited-liability companies apply in this case. Any modifications or exceptions to
19 those clear and unambiguous statutes are solely the purview of the Legislature.
20 Additionally, there is an adequate legal remedy precluding writ relief in this

1 matter and long-standing precedent holding that discretionary acts of the trial
2 court will not be reviewed by a writ of mandamus. As such, the Petition should
3 be denied, the Order of the district court upheld, and the addition of claims
4 against the seven (7) individual LLC managers prohibited as futile.

5 Dated this 31st day of October, 2016.

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20

1 **CERTIFICATE OF COMPLIANCE**

2 I hereby certify that I have read this appellate brief, and to the best of my
3 knowledge, information, and belief, it is not frivolous or interposed for any
4 improper purpose. I further certify that this brief complies with all applicable
5 Nevada Rules of Appellate Procedure, in particular N.R.A.P. 28(e)(1), which
6 requires every assertion in the brief regarding matters in the record to be
7 supported by a reference to the page and volume number, if any, of the transcript
8 or appendix where the matter relied on is to be found. I understand that I may be
9 subject to sanctions in the event that the accompanying brief is not in conformity
10 with the requirements of the Nevada Rules of Appellate Procedure.

11 I further certify that this brief complies with the formatting requirements of
12 NRAP 32(a)(4), the typeface requirements of NRAP 32(a)(5) and the typestyle
13 requirements of NRAP 32(a)(6) as this brief was prepared in a proportionally
14 spaced typeface using Times New Roman 14 pt. font. I also certify that this brief
15 complies with the page or type volume limitations of NRAP 32(a)(7) as it does
16 not exceed thirty (30) pages. Dated this 31st day of October, 2016.

17 **THORNDAL, ARMSTRONG, DELK,**
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