

1.8

PENNEMORE CRAIG

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on December 16, 2016, service of the NOTICE OF ENTRY OF ORDER DENYING MOTION FOR RECONSIDERATION was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

null - Treasure Island LLC, Plaintiff(s) vs. Rose LLC, Defendant(s)
Crain lones Varias

remembre	Craig Jones Vargas Contact	Email
	Patrick J. Sheehan	psheehan@fclaw.com
ennemore	Craig, P.C.	
	Contact	Entail
	Adam Miller	amiller@fclaw.com
	John H. Mowbray	jmowbray@fclaw.com
ihumway V	an	
· ·	Contact	Email
	Brent	brent@shumwayvan.com
	Rebekah Griffin	rebekah@shumwayyan.com
	Sam Marshall	samuel@shumwayyan.com

/s/ Adam Miller
An Employee of Fennemore Craig, P.C.

Electronically Filed 12/14/2016 03:19:01 PM

1 ORDR FENNEMORE CRAIG, P.C. CLERK OF THE COURT 2 Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 S Fax: (702) 692-8099 Email: psheehan@lclaw.com ۳ Attorney for Plaintiff, Treasure Island 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC, a Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT, NO.; XI Plaintiff, 12 13 ORDER DENYING MOTION FOR VS. RECONSIDERATION 14 ROSE, LLC, a Nevada limited liability company, 15 Defendant. 16 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 V8. 22 TREASURE ISLAND, LLC, a Nevada limited liability company, 22 Counterdefendant. 23 Defendant Rose, LLC having filed a Motion for Reconsideration of the Court's Findings 24 of Facts and Conclusions of Law, the Court having considered the papers and pleadings on file 25 herein and entertained oral argument regarding the same, 26 27

12-13-16P01:10 RCVD

28

IT IS HEREBY ORDERED that the Motion for Reconsideration is denied. ä. Dated this /// day of December, 2016. Ju Respectfully Submitted By: 'n PENNEMORE CRAIG, P.C. Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101 Attorneys for Plaintiffs/Counterdefendants

VENNEMORE CRAIG

CAS VEGAS

1 JUDG FENNEMORE CRAIG, P.C. 2 **CLERK OF THE COURT** Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorney for Plaintiff, Treasure Island 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 CASE NO.: A-15-719105-B TREASURE ISLAND, LLC. Nevada limited liability company, 11 DEPT. NO.: XI Plaintiff, 12 13 JUDGMENT VS. 14 ROSE, LLC, a Nevada limited liability company, 15 Defendant. 16 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC. Nevada limited liability company, 22 Counterdefendant. 23 This action having come on for trial before the Honorable Judge Gonzalez, presiding, and 24 25

the issues having been duly tried on October 6 and 7, 2016 and the decision having been duly rendered, the Court grants declaratory judgment that Treasure Island's lease with Rose, LLC is terminated. Judgment is also hereby entered for Treasure Island on Rose, LLC's counterclaims.

28

26

27

1	The Judgment is based on the Findings of Fact and Conclusions of Law previously signed by the
2	Court.
3	Dated this 20 day of December, 2016.
4	Sight
5	DISTRICT COURT NUDGE 5W
6	
7	Respectfully Submitted By:
8	
9	FENNEMORE CRANG, P.C.
10	By: 1412 + 13690
11	Patrick 1. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140)
12	1400 Bank of America Plaza 300 South Foorth St. 14 th Floor
13	Las Vegas, NV 89101 Attorneys for Plaintiffs/Counterdefendants
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	

FENNEMORE CRAIG

1 **NEO** FENNEMORE CRAIG, P.C. 2 Patrick J. Sheehan (Bar No. 3812) **CLERK OF THE COURT** John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 4 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorneys for Treasure Island, LLC 7 8 DISTRICT COURT 9 **CLARK COUNTY, NEVADA** 10 TREASURE ISLAND, LLC, a Nevada limited CASE NO.: A-15-719105-B 11 liability company; **DEPT.:** XI 12 Plaintiff, 13 VS. NOTICE OF ENTRY OF JUDGMENT 14 ROSE, LLC, a Nevada limited liability 15 company; 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 19 Counterclaimant, 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 ALL PARTIES AND THEIR ATTORNEYS OF RECORD: TO: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that a 27 JUDGMENT was entered in the above-referenced matter on the 21st day of December, 28

2016, a copy of which is attached hereto. Dated this 22nd day of December, 2016. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan Patrick J. Sheehan (Bar No. 3812)
John H. Mowbray (Bar No. 1140)
1400 Bank of America Plaza
300 South Fourth St. 14th Floor
Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORE CRAIG ATTORNEYS LAS VEGAS

FENNEMORE CRAIG

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on December 22, 2016, service of the NOTICE OF ENTRY OF ORDER DENYING MOTION FOR RECONSIDERATION was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

Fennemore	null - Treasure Island LLC craig Jones Vargas	
	Contact	Email
	Patrick J. Sheehan	psheehan@fclaw.com
Fennemore	Craig, P.C.	
	Contact	Email
	Adam Miller	amiller@fclaw.com
	John H. Mowbray	jmowbray@fclaw.com
Lewis Roca	Rothgerber Christie	
	Contact	Email
	Gabriela Mercado	gmercado@lrrc.com
Lewis Roca	Rothgerber Christie LLP	
	Contact	Email
	Abraham G. Smith	asmith@lrrc.com
	Dan Polsenberg	dpolsenberg@lrrc.com
	Jessie Helm	jhelm@lrrc.com
	Joel Henriod	jhenriod@lrrc.com
Shumway \	/an	
	Contact	Email
	Brent	<u>brent@shumwayvan.com</u>
	Rebekah Griffin	rebekah@shumwayvan.com
	Sam Marshall	samuel@shumwayvan.com

/s/ Adam Miller

An Employee of Fennemore Craig, P.C.

1. JUDG FENNEMORE CRAIG, P.C. 2 CLERK OF THE COURT Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: psheehan@iclaw.com 6 Attorney for Plaintiff, Treasure Island r y DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC, a Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT. NO.: XI Plaintiff, 12 13 JUDGMENT VS. 14 ROSE, LLC, a Nevada limited liability company, 15 Defendant. 16 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant. 19 20 VS. 21 TREASURE ISLAND, LLC, a limited liability company, 22 Counterdesendant. 23 24 This action having come on for trial before the Honorable Judge Gonzalez, presiding, and

This action having come on for trial before the Honorable Judge Gonzalez, presiding, and the issues having been duly tried on October 6 and 7, 2016 and the decision having been duly rendered, the Court grants declaratory judgment that Treasure Island's lease with Rose, LLC is terminated. Judgment is also hereby entered for Treasure Island on Rose, LLC's counterclaims.

28

25

26

27

3,	The Judgment is based on the Findings of Fact and Conclusions of Law previously signed by the
2	Court.
3	Dated this 20 day of December, 2016.
4	Single Control of the
5	DISTRICT COURT AUDGE -
6	
7	Respectfully Submitted By:
8	Approximation of the second of
9	FENNEMORE CRANG, P.C.
10	101/14/2-1- #13690
11	Patrick A. Sifechai (Bar No. 3812) John H. Mowbray (Bar No. 1140)
13	1400 Bank of Apierica Plaza 300 South Foorth St. 14 th Floor
13	Las Vegas, NV 89101 Attorneys for Plaintiffs/Counterdefendants
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	•
26	
27	
28	

PENNEMORE CRAIG

12382791.1

~ 2 ~

ORDR 1. FENNEMORE CRAIG, P.C. 2 **CLERK OF THE COURT** Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: pshechan@fclaw.com 6 Attorney for Treasure Island, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 LLC, a Nevada CASE NO.: A-15-719105-B TREASURE ISLAND, limited liability company, 11 DEPT. NO.: XI Plaintiff, 12 13 ORDER AND JUDGMENT GRANTING VS. TREASURE ISLAND'S MOTION FOR 14 ROSE, LLC, a Nevada limited liability ATTORNEYS FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC company, 15 Defendant. 16 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant. 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited liability company, 22 Counterdefendant. 23 Plaintiff Treasure Island, LLC ("Treasure Island") having filed a motion for attorney's 24 fees, the Court having reviewed the papers and pleadings filed on behalf of Treasure Island and 25 Rose, LLC relating to the same and good cause appearing therefore the Court awards Treasure 26 27 Island \$126,000 in attorney fees against Rose, LLC. 28

The Court enters such an Order based on its findings that the lease agreement between the parties contained an attorneys fees clause providing that the prevailing party in any dispute concerning the lease would be entitled to their reasonable attorneys fees. The Court reviewed the motion and the factors set forth by the Nevada Supreme Court in Schouweiler v. ENC Company, 101 Nev. 827, 834, 712 P2d 786, 790 (1985) and determined that the fees requested of \$126,000 were reasonable. Treasure Island's counsel had the qualities, skill, ability, training, education, experience and standing necessary for the award of the fees. They spent the time required with respect to the specific issues in this case. The litigation was important. The work actually performed by Treasure Island's lawyers was given the proper attention and the final result was successful.

Accordingly, the Court grants Treasure Island's Motion for Attorneys Fees against Rose, LLC in the amount of \$126,000.

Dated this Standary, 2017.

14 15

12

13

16

17

18

19

20 21

22

23

2425

26

27

28

FENNEMORE CRAIG

12439337.1

. 2 -

TOOGE

Ju

Respectfully Submitted By:

FENNEMORE CRAIG, P.C.

By: /-

Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101

Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

Electronically Filed 01/11/2017 02:58:31 PM

1. NEO FENNEMORE CRAIG, P.C. 2 Patrick J. Sheehan (Bar No. 3812) **CLERK OF THE COURT** John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 4 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorneys for Treasure Island, LLC 7 DISTRICT COURT 8 9 CLARK COUNTY, NEVADA 10 TREASURE ISLAND, LLC, a Nevada limited | CASE NO.: A-15-719105-B liability company; 11 DEPT .: XI 12 Plaintiff. 13 VS. NOTICE OF ENTRY OF ORDER AND 14 JUDGMENT GRANTING TREASURE ROSE, LLC, a Nevada limited liability ISLAND'S MOTION FOR ATTORNEYS 15 company; FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that an ORDER 27 AND JUDGMENT GRANTING TREASURE ISLAND'S MOTION FOR ATTORNEYS 28

FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC was entered in the above-referenced matter on the 10th day of January, 2017, a copy of which is attached hereto. Dated this 11th day of January, 2017. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

PENNEMORS CRAIG ATTORNEYS LAS VEDAS

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on January 11, 2016, service of the NOTICE OF ENTRY OF ORDER AND JUDGMENT GRANTING TREASURE ISLAND'S MOTION FOR ATTORNEYS FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

Fennemore	Craig Jones Vargas		
	Contact	Email	
	Patrick J. Sheehan	psheetwn@fclaw.com	
Fennemore	Craig, P.C.		
	Contact	Email	
	Adam Miller	amiller@fclaw.com	
	John H. Mowbray	jmowbray@fclaw.com	
Lewis Roca	Rothgerber Christie		
	Contact	Email	
	Gabriela Mercado	gmercado@irrc.com	
Lewis Roca	Rothgerber Christie LLP		
	Contact	Email	
	Abraham G. Smith	asmith@irrc.com	
	Dan Polsenberg	dpolsenbery@lrrc.com	
	Jessie Helm	fnelm@hrc.com	
	Joel Henriod	Jhenriod@ilrrc.com	
Shumway V	an		
	Contact	Email	
	Brent	brent@shumwayvan.com	
	Rebekah Griffin	rebekah@shumwayyan.com	
	Sam Marshall	samuel@shumwayvan.com	

/s/ Adam Miller
An Employee of Fennemore Craig, P.C.

1. ORDR PENNEMORE CRAIG, P.C. 2 Patrick J. Sheehan (Bar No. 3812) CLERK OF THE COURT John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: pshecharatelaw.com ϵ Attorney for Treasure Island, LLC cy DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC, a Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT. NO.: XI Plaintiff. 12 13 VS. ORDER AND JUDGMENT GRANTING TREASURE ISLAND'S MOTION FOR 14 ROSE, LLC, a Nevada limited liability ATTORNEYS FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC company, 15 1.6 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 1.8 Counterclaimant. 19 20 VS, 21 TREASURE ISLAND, LLC, a Nevada limited liability company, 22 Counterdefendant 23 24 Plaintiff Treasure Island, LLC ("Treasure Island") having filed a motion for attorney's

Plaintiff Treasure Island, LLC ("Treasure Island") having filed a motion for attorney's fees, the Court having reviewed the papers and pleadings filed on behalf of Treasure Island and Rose, LLC relating to the same and good cause appearing therefore the Court awards Treasure Island \$126,000 in attorney fees against Rose, LLC.

28

25

26

27

The Court enters such an Order based on its findings that the lease agreement between the parties contained an attornays fees clause providing that the prevailing party in any dispute concerning the lease would be entitled to their reasonable attorneys fees. The Court reviewed the motion and the factors set forth by the Nevada Supreme Court in Schouweiler v. ENC Company, 101 Nev. 827, 834, 712 P2d 786, 790 (1985) and determined that the fees requested of \$126,000 were reasonable. Treasure Island's counsel had the qualities, skill, ability, training, education, experience and standing necessary for the award of the fees. They spent the time required with respect to the specific issues in this case. The litigation was important. The work actually performed by Treasure Island's lawyers was given the proper attention and the final result was successful.

Accordingly, the Court grants Treasure Island's Motion for Attorneys Fees against Rose, LLC in the amount of \$126,000.

Ju

Dated this See day of January, 2017.

Respectfully Submitted By:

FENNEMORE CRAIG, P.C.,

Patrick J. Sheehan (Bur No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101

23 Altorneys for Treasure Island, LLC

24

22

25

26

27

28

PERNEMORE CRAIG

1.7639337.1

1 JUDG FENNEMORE CRAIG, P.C. 2 **CLERK OF THE COURT** Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 Fax: (702) 692-8099 5 Email: psheehan@fclaw.com 6 Attorney for Treasure Island, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC. a Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT. NO.: XI 12 Plaintiff. 13 VS. FINAL JUDGMENT 14 ROSE, LLC, a Nevada limited liability company, 15 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant. 19 20 VS. 21 TREASURE ISLAND, LLC. Nevada limited liability company, 22 23 Counterdefendant. 24 This action having come on for trial before the Honorable Judge Gonzalez, presiding, and 25 the issues having been duly tried on October 6 and 7, 2016 and the decision having been duly 26 rendered, the Court GRANTS declaratory judgment that Treasure Island's lease with Rose, LLC 27 is terminated as a result of Rose, LLC's breach. The Court dismisses as moot Treasure Island's

28

claim for damages as a result of the breach at this time. Judgment is also hereby entered for Treasure Island on Rose, LLC's counterclaims.

Pursuant to NRCP 62(a), execution of this judgment will be stayed for 10 days following written notice of its entry without bond, and for one year thereafter upon the posting of a \$850,000 supersedeas bond with the clerk of the Court. If the appeal is not then resolved, Treasure Island, LLC may request that the amount be increased which the Court has stated it will do so to \$930,000.

Dated this 5th day of January, 2017.

Respectfully Submitted By:

FENNEMORE CRAIG, P.C.

Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor

Las Vegas, NV 89101

Attorneys for Treasure Island, LLC

Approved as to form and content by:

LEWIS ROCA ROTHGERBER CHRISTIE LLP

Daniel F. Polsenberg (Bar No. 2376)

J. Christopher Jorgensen (Bar No. 5382)

Joel D. Henriod (Bar No. 8492)

Abraham G. Smith (Bar No. 13250)

3993 Howard Hughes Parkway, Suite 600

Las Vegas, NV 89169

Attorneys for Rose, LLC

28

FENNEMORE CRAIG

LAS VEGAS

12434828.1

1 NEO FENNEMORE CRAIG, P.C. 2 Patrick J. Sheehan (Bar No. 3812) **CLERK OF THE COURT** John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com б Attorneys for Treasure Island, LLC 7 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA 10 TREASURE ISLAND, LLC, a Nevada limited | CASE NO.: A-15-719105-B liability company: 11 DEPT .: XI 12 Plaintiff. 13 VS. NOTICE OF ENTRY OF FINAL 14 JUDGMENT. ROSE, LLC, a Nevada limited liability 15 company; 16 Defendant. ROSE, LLC, a Nevada limited liability 17 company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that a FINAL 27 JUDGMENT was entered in the above-referenced matter on the 10th day of January, 2017. 28

a copy of which is attached hereto. Dated this 11th day of January, 2017. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan
Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORIS CRAIG ATTERNEYS CAS VEGAS

1 2

FENNEMORE CRAIG AMPANEYS LAS VEGAS

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on January 11, 2016, service of the NOTICE OF ENTRY OF JUDGMENT was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

Fennem	ore Craig Jones Vargas		
Contact		Email	
	Patrick J. Sheehan	psheehan@fclaw.com	
Fennem	ore Craig, P.C.		
	Contact	Email	
	Adam Miller	amilier@fclaw.com	
	John H. Mowbray	jmowbray@fclaw.com	
Lewis Ro	ca Rothgerber Christie		
	Contact	Email	
	Gabriela Mercado	gmercado@lrrc.com	
Lewis Ro	oca Rothgerber Christie LLP		
	Contact	Email	
	Abraham G. Smith	asmith@irrc.com	
	Dan Polsenberg	dpolsenberg@irrc.com	
	Jessie Helm	ihelm@lrc.com	
	Joel Henriod	jhenriod@irrc.com	
Shumwa	y Van		
	Contact	Email	
	Brent	brent@shumwayvan.com	
	Rebekah Griffin	rebekah@shumwayyan.com	
	Sam Marshall	samuel@ishumwayvan.com	

/s/ Adam Miller
An Employee of Fennemore Craig, P.C.

1 JUDG FENNEMORE CRAIG, P.C. 2 CLERK OF THE COURT Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 73 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: pshechan@fclaw.com 6 Attorney for Treasure Island, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND. LLC, Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT. NO.: XI 12 Plaintiff, 13 VS. FINAL JUDGMENT 1.4 ROSE, LLC, a Nevada limited liability company, 15 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 V8. 21 ISLAND, TREASURE LLC. Nevada limited liability company, 22 Counterdefendant, 23

This action having come on for trial before the Honorable Judge Gonzalez, presiding, and the issues having been duly tried on October 6 and 7, 2016 and the decision having been duly rendered, the Court GRANTS declaratory judgment that Treasure Island's lease with Rose, LLC is terminated as a result of Rose, LLC's breach. The Court dismisses as most Treasure Island's

28

24

25

26

27

claim for damages as a result of the breach at this time. Judgment is also hereby entered for 1 Treasure Island on Rose, LLC's counterclaims. Pursuant to NRCP 62(a), execution of this judgment will be stayed for 10 days following 3 written notice of its entry without bond, and for one year thereafter upon the posting of a Ą S 5 do so to \$930,000. γy Dated this Extra of January, 2017. 8 9 10 11 12 Respectfully Submitted By: 13 FENNEMORE CRAIG, P.C. 14 1.5 Patrick J. Sheehan (Bor No. 3812) 18 John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14 Floor 17 Las Vegas, NV 89101 3.8 Attorneys for Treasure Island, LLC 19 Approved as to form and content by: 20 21 LEWIS ROCA ROTHGERBER CHRISTIE LLP 22 Daniel F. Polsenberg (Bar No. 2376) 23 J. Christopher Jorgenson (Bar No. 5382) 24 Joe! D. Henriod (Bar No. 8492) Abraham G. Smith (Bar No. 13250) 25 3993 Howard Hughes Parkway, Suite 600 Las Vegas, NV 89169 26 Attorneys for Rose, LLC 27

\$850,000 supersedeas bond with the clerk of the Court. If the appeal is not then resolved, Treasure Island, LLC may request that the amount be increased which the Court has stated it will JUDGE COURT

28

PROPERTORS CRAIG LAC VENEZ

Other Business Court Matters COURT MINUTES October 15, 2015

A-15-719105-B Treasure Island LLC, Plaintiff(s)
vs.
Rose LLC, Defendant(s)

October 15, 2015 8:30 AM Motion Plaintiff's Motion for Confirmation that Treasure Island May Collect Rent During the Pendency of the Litigation

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Rickard, Jarrod L. Attorney
Sheehan, Patrick J. Attorney

JOURNAL ENTRIES

- Mr. Sheehan sought direction as to whether it is acceptable to collect rent, as long as the Defendant continues to occupy the premises, while parties are disputing whether or not a lease has been terminated; all they ask for is that Defendant stipulates that by the Plaintiff accepting rent, they are not waiving their right to termination. Statement by the Court as to two different options, i.e. rent going to the landlord, or portions going to Escrow. Mr. Rickard stated his client does not care but their preference is that the landlord accepts the payment that is tendered. Following further discussion, COURT ORDERED, motion in GRANTED IN PART; Plaintiff may accept the rent that Defendant tenders. Court further noted no one has stipulated, nor given an advisory opinion, but Plaintiff is not waiving any defenses as a result of accepting any rent that the Defendant tenders.

PRINT DATE: 01/23/2017 Page 1 of 26 Minutes Date: October 15, 2015

COURT MINUTES

October 23, 2015

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

VS.

Rose LLC, Defendant(s)

October 23, 2015

8:30 AM

Mandatory Rule 16

Conference

HEARD BY: Gonzalez, Elizabeth

Other Business Court Matters

COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

Duice Komea

RECORDER:

Jill Hawkins

REPORTER:

PARTIES

PRESENT:

Mowbray, John H. Attorney Rickard, Jarrod L. Attorney

JOURNAL ENTRIES

- Upon Court's inquiry, Mr. Rickard confirmed parties have held their joint case conference, filed the report, and exchanged initial disclosures; with regards to a protective order, they have a pending motion for a deposition, but he does not think they will need a protective order related to confidential documents; there are no ESI issues. Upon counsel's request, COURT ORDERED, motions on the November 13, 2015 Chambers calendar RESET to the oral calendar for November 12, 2015. Counsel advised, other than 3 noticed depositions, 1 of which is the subject of a pending motion, they do not need anything else in order to go to a settlement conference.

Per parties' request, matter REFERRED to Judge Denton (Department XIII) for a settlement conference on December 18, 2015. Counsel DIRECTED to check their clients' availability regarding the December 18th date and notify the Department XI Law Clerk. COURT ORDERED, discovery cut-off SET on February 5, 2016 per parties' agreement; dispositive motions DUE by February 26, 2016. Matter SET for trial on the stack beginning on April 18, 2016, with Calendar Call on April 14, 2016. Jury Demand, if any, to be filed within five (5) business days.

PRINT DATE: 01/23/2017 Page 2 of 26 Minutes Date: October 15, 2015

A-15-719105-B

11-12-15 8:30 AM MOTION FOR PROTECTIVE ORDER REGARDING THE DEPOSITION OF PHILLIP G. RUFFIN...DEFENDANT'S MOTION TO AMEND COUNTERCLAIM

PRINT DATE: 01/23/2017 Page 3 of 26 Minutes Date: October 15, 2015

COURT MINUTES

November 12, 2015

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

VS.

Rose LLC, Defendant(s)

November 12, 2015 8:30 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

Other Business Court Matters

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Rickard, Jarrod L. Attorney

Sheehan, Patrick J. Attorney

JOURNAL ENTRIES

- DEFENDANT'S MOTION TO AMEND COUNTERCLAIM...PLAINTIFF TREASURE ISLAND, LLC'S MOTION FOR PROTECTIVE ORDER REGARDING THE DEPOSITION OF PHILLIP G. RUFFIN

PLAINTIFF TREASURE ISLAND, LLC'S MOTION FOR PROTECTIVE ORDER REGARDING THE DEPOSITION OF PHILLIP G. RUFFIN: Arguments by counsel regarding the relevance of Mr. Ruffin's testimony. COURT ORDERED, motion GRANTED IN PART. The Court will PERMIT Plaintiff to take the deposition of general counsel; afterwards, if Plaintiff makes the determination they would still like to take Mr. Ruffin's deposition Plaintiff may ask the Court to do so and explain why.

DEFENDANT'S MOTION TO AMEND COUNTERCLAIM: COURT ORDERED, Motion GRANTED.

PRINT DATE: 01/23/2017 Page 4 of 26 Minutes Date: October 15, 2015

A-15-719105-B Treasure Island LLC, Plaintiff(s) vs.

Rose LLC, Defendant(s)

November 17, 2015 4:15 PM Telephonic Conference

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Rickard, Jarrod L. Attorney
Sheehan, Patrick J. Attorney

JOURNAL ENTRIES

- Motion for Protective Order Regarding Date for Deposition of Gary Dragul; Ex Parte Application for Order Shortening Time FILED IN OPEN COURT...Opposition to Motion for Protective Order Regarding Date for Deposition of Gary Dragul and Countermotion to Strike Answer if Dragul Does Not Show Up for His Deposition FILED IN OPEN COURT.

Mr. Sheehan requested they argue the motions today. Mr. Rickard argued they had offered to have Mr. Dragul available for deposition on either December 10 or 14 but Treasure Island is unwilling to accept the offer. Court NOTED it does not have as much medical information regarding the sibling. Mr. Rickard stated he was told Mr. Dragul can be available after the Thanksgiving holiday; he was hoping for an email response giving him additional details but he apologizes as he does not have those yet; the sibling appears to be one whom the parents were making decisions for and Mr. Dragul is the second one down the line. Mr. Rickard stated he does not know where the sibling lives.

Mr. Sheehan responded, the deposition had originally been noticed for September 9; Mr. Rickard then said they can produce Mr. Dragul on October 29; a couple of days before the date, Mr. Rickard informed him Mr. Dragul's schedule would prevent him from appearing on the 29th and asked for November 18; unbelievably, 2 days ago he gets the motion for protective order; the motion should be

PRINT DATE: 01/23/2017 Page 5 of 26 Minutes Date: October 15, 2015

A-15-719105-B

denied. COURT ORDERED, protective order GRANTED; a date for the deposition will be determined pending medical information. Mr. Rickard is DIRECTED to provide records explaining why the sibling's medical issues need to be handled by Mr. Dragul; if there is a true medical issue they can work with him; otherwise, the deposition will go forward. The Court will review the records in camera and seal them. Court admonished Mr. Richard to be prepared with dates after Thanksgiving. Mr. Rickard stated he will attempt to provide the medical information to Mr. Sheehan by tonight and to the Court by tomorrow. COURT ORDERED, matter SET for hearing on Thursday, November 19, 2015.

11-19-15 8:15 AM HEARING: MOTION FOR PROTECTIVE ORDER REGARDING DATE FOR DEPOSITION OF GARY DRAGUL; EX PARTE APPLICATION FOR ORDER SHORTENING TIME...OPPOSITION TO MOTION FOR PROTECTIVE ORDER REGARDING DATE FOR DEPOSITION OF GARY DRAGUL AND COUNTERMOTION TO STRIKE ANSWER IF DRAGUL DOES NOT SHOW UP FOR HIS DEPOSITION

PRINT DATE: 01/23/2017 Page 6 of 26 Minutes Date: October 15, 2015

Other Business Co	ourt Matters	COURT MINUTES	November 20, 2015
A 15 710105 D	Tuonguno Iolo	and IIC Disintiff(s)	
A-15-719105-B	reasure isia	and LLC, Plaintiff(s)	
	VS.		
	Rose LLC, D	efendant(s)	

November 20, 2015 3:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

PARTIES PRESENT:

JOURNAL ENTRIES

- HEARING: MOTION FOR PROTECTIVE ORDER REGARDING DATE FOR DEPOSITION OF GARY DRAGUL; EX PARTE APPLICATION FOR ORDER SHORTENING TIME...OPPOSITION TO MOTION FOR PROTECTIVE ORDER REGARDING DATE FOR DEPOSITION OF GARY DRAGUL AND COUNTERMOTION TO STRIKE ANSWER IF DRAGUL DOES NOT SHOW UP FOR HIS DEPOSITION

Court reviewed the briefing and documents relating to withdrawal of both motion and countermotion. If the parties wish to proceed further with any issues related to the deposition, they may file separate motions.

CLERK'S NOTE: A copy of the above minute order was distributed to parties via electronic mail. / dr 11-20-15

PRINT DATE: 01/23/2017 Page 7 of 26 Minutes Date: October 15, 2015

Other Business Court Matters

COURT MINUTES

February 11, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

VS.

Rose LLC, Defendant(s)

February 11, 2016

8:30 AM

Status Check

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Sheehan, Patrick J.

Attorney

Van, Michael C.

Attorney

JOURNAL ENTRIES

- Mr. Van not present at call of the case. Court directed Law Clerk to call his office. Matter TRAILED.

Matter RECALLED. Mr. Van participated via telephone.

Mr. Van advised discovery is not done; he and Mr. Sheehan had talked; when he substituted in he realized they were right up the discovery cut-off. Mr. Van asked to move the trial for 60 days.

Mr. Sheehan confirmed he would work with Mr. Van on discovery but would prefer not to move the trial date; counsel can take discovery up to that date; it is a pretty simple case, and the only discovery they took was on Defendant's principal, basically 2 witnesses; Plaintiff is willing to let Defendant have Mr. Anthony's deposition and agree to move back dispositive motions. Court noted its calendar's schedule if this case does not go on the current stack; if counsel can stipulate to some of the deadlines and shorten any motions that might be better. Mr. Sheehan added Plaintiff is willing to get rid of the trial and have the Court decide this based on the briefs. Court DIRECTED the parties to discuss a schedule to finish discovery, file briefing, or set an evidentiary hearing with briefing. COURT ORDERED, matter SET for status check on the Chambers calendar for next Friday, February 19, regarding a written stipulation or an email sent to the Law Clerk indicating counsel have reached

PRINT DATE: 01/23/2017 Page 8 of 26 Minutes Date: October 15, 2015

A-15-719105-B

a gentleman's agreement. Court noted the April 18 stack goes for 5 weeks.

Mr. Sheehan asked Mr. Van to call him tomorrow to discuss dates for Mr. Anthony's deposition and some briefs.

PRINT DATE: 01/23/2017 Page 9 of 26 Minutes Date: October 15, 2015

A-15-719105-B Treasure Island LLC, Plaintiff(s)
vs.
Rose LLC, Defendant(s)

February 19, 2016 3:00 AM Status Check Status Check:

Agreement/Written

Stipulation

Regarding Schedule

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

PARTIES PRESENT:

JOURNAL ENTRIES

- Stipulation and order signed. Matter OFF CALENDAR.

PRINT DATE: 01/23/2017 Page 10 of 26 Minutes Date: October 15, 2015

COURT MINUTES

April 14, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

VS.

Rose LLC, Defendant(s)

April 14, 2016

8:45 AM

All Pending Motions

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

Other Business Court Matters

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Marshall, Samuel

Attorney Attorney

Sheehan, Patrick J. Van, Michael C.

Attorney

JOURNAL ENTRIES

- CALENDAR CALL...DEFENDANT'S MOTION TO CONTINUE TRIAL, PERMISSION TO TAKE THE DEPOSITION OF PHIL RUFFIN, AND EXTEND DISCOVERY ON AN ORDER SHORTENING TIME (SECOND REQUEST)

With respect to the motion to continue, Mr. Van advised parties had agreed to a 60-day continuance and go to mediation. Mr. Sheehan disagreed. Mr. Van advised he cannot start trial on Monday (April 18), argued as to the 30(b)(6) deposition, and requested to pass this 60 days and go to mediation within 30; if the matter is not resolved, it is his request to be allowed to take a 2-hour deposition of Mr. Ruffin, and then they will be ready for trial. Mr. Sheehan advised that Mr. Van had asked him about mediation this week; he gave opposing counsel dates, something along April 20th, but he never heard back, so they are here today. CONFERENCE AT BENCH, per Mr. Van's request. COURT ORDERED, trial to COMMENCE on Wednesday, May 25, 2016 at 10:00 AM.

PRINT DATE: 01/23/2017 Page 11 of 26 Minutes Date: October 15, 2015

COURT MINUTES

June 13, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

VS.

Rose LLC, Defendant(s)

June 13, 2016

9:30 AM

Settlement Conference

HEARD BY: Scotti, Richard F.

Other Business Court Matters

COURTROOM: RJC Courtroom 11D

COURT CLERK: Shelly Landwehr

RECORDER:

REPORTER:

PARTIES

PRESENT: Marshall, Samuel

Attorney

Sheehan, Patrick J.

Attorney

Van, Michael C.

Attorney

JOURNAL ENTRIES

- Court noted parties were unable to settle this matter.

A-15-719105-B Treasure Island LLC, Plaintiff(s)
vs.
Rose LLC, Defendant(s)

July 08, 2016 3:00 AM Status Check

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

PARTIES PRESENT:

JOURNAL ENTRIES

- Pursuant to the stipulation and order regarding trial date filed on 5/19/16, the Court having reviewed the parties' briefs and the related exhibits and being fully informed, determines that given the declaration of Mr. Krouham submitted as Exhibit 9 to Defendant's brief that a trial is necessary. Parties are RESET on the stack beginning 9/6/16. New Trial Setting Order will ISSUE.

CLERK'S NOTE: A copy of the above minute order was distributed to parties via the E-Service Master List. / dr 7-11-16

PRINT DATE: 01/23/2017 Page 13 of 26 Minutes Date: October 15, 2015

Other Business Court Matters

COURT MINUTES

September 01, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

Rose LLC, Defendant(s)

September 01, 2016 8:45 AM **All Pending Motions**

COURTROOM: RJC Courtroom 14C **HEARD BY:** Gonzalez, Elizabeth

COURT CLERK: Dulce Romea

RECORDER: Debbie Winn

REPORTER:

PARTIES

PRESENT: Marshall, Samuel Attorney

Sheehan, Patrick J. **Attorney**

JOURNAL ENTRIES

- CALENDAR CALL...PLAINTIFF'S MOTION TO STRIKE DAVID KROUHAM

CALENDAR CALL: One to two days estimated for trial. COURT ORDERED, Bench Trial RESET to COMMENCE on Thursday, October 6, 2016 at 9:30 AM.

PLAINTIFF'S MOTION TO STRIKE DAVID KROUHAM: COURT ORDERED, motion ADVANCED from tomorrow's Chambers calendar. Arguments by counsel. Court noted Mr. Krouham's deposition may be taken or he can be excluded. Mr. Marshall stated Defendant agrees that Mr. Krouham's deposition be taken. COURT ORDERED, motion to strike DENIED; however, the Court GRANTS the request for deposition noting counsel have agreed it can be taken by telephone.

With regards to Mr. Ruffin, Mr. Sheehan stated the Defendant is now trying to do a trial subpoena even though they cannot take his deposition as Mr. Ruffin has said no several times. Court stated anyone can subpoenaed for trial; the Court may quash the subpoena.

Mr. Marshall argued that not being able to depose Mr. Ruffin does not mean that he does not have to show up for trial; aside from Mr. Krouham, they also need to find out what Mr. Ruffin would say.

PRINT DATE: 01/23/2017 Page 14 of 26 October 15, 2015 Minutes Date:

A-15-719105-B

Court stated they do not, since Mr. Ruffin did not provide an affidavit. COURT ORDERED, Mr. Ruffin's testimony cannot be preserved nor his deposition taken prior to trial. However, the Court will consider a motion to quash the subpoena.

PRINT DATE: 01/23/2017 Page 15 of 26 Minutes Date: October 15, 2015

A-15-719105-B Treasure Island LLC, Plaintiff(s)
vs.
Rose LLC, Defendant(s)

September 16, 2016 3:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

PARTIES PRESENT:

JOURNAL ENTRIES

- NOTICE OF ISSUANCE OF TRIAL SUBPOENA FOR PHIL RUFFIN...
- ...NOTICE OF ISSUANCE OF TRIAL SUBPOENA FOR BRAD ANTHONY...
- ...NOTICE OF ISSUANCE OF TRIAL SUBPOENA FOR JERRY GRIFFIS...
- ...NOTICE OF ISSUANCE OF TRIAL SUBPOENA FOR NAJAM KHAN

Court notes resolved on September 1st.

CLERK'S NOTE: A copy of the above minute order was distributed via the E-Service Master List. / dr 9-19-16

PRINT DATE: 01/23/2017 Page 16 of 26 Minutes Date: October 15, 2015

Other Business Court Matters

COURT MINUTES

September 22, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

Rose LLC, Defendant(s)

September 22, 2016 8:30 AM **All Pending Motions**

COURTROOM: RJC Courtroom 14C **HEARD BY:** Gonzalez, Elizabeth

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Marshall, Samuel Attorney

Sheehan, Patrick J. **Attorney**

JOURNAL ENTRIES

- PLAINTIFF'S MOTION TO QUASH SUBPOENA REGARDING PHILLIP G. RUFFIN ON ORDER SHORTENING TIME...PLAINTIFF'S MOTION TO QUASH SUBPOENA REGARDING PHILLIP G. RUFFIN ON ORDER SHORTENING TIME

Argument by Mr. Sheehan as to Mr. Ruffin's information being completely irrelevant to this case, that the Opposition only indicates Mr. Ruffin being a decision maker at the early amendment, and that Mr. Brad Anthony will be appearing for the trial as Plaintiff has accepted that subpoena. Argument by Mr. Marshall as to the standard for quashing a subpoena; upon inquiry of the Court regarding non-privileged information Mr. Ruffin may have that is relevant to the issues at trial, Mr. Marshall argued it goes to motive, and the basis of communication; Mr. Ruffin authorized the lawsuit; additionally, the other witnesses have to fly in, but Mr. Ruffin can drive in from 4 miles away. Following reply by Mr. Sheehan, COURT ORDERED, motion to quash GRANTED; it does not appear that there is any information that Mr. Ruffin possesses that is relevant to the proceedings before this Court that is related to non-privileged information.

10-6-16 9:30 AM **BENCH TRIAL**

Page 17 of 26 PRINT DATE: 01/23/2017 October 15, 2015 Minutes Date:

COURT MINUTES

October 06, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

Rose LLC, Defendant(s)

October 06, 2016

9:30 AM

Bench Trial

HEARD BY: Gonzalez, Elizabeth

Other Business Court Matters

COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER:

Iill Hawkins

REPORTER:

PARTIES

PRESENT: Marshall, Samuel Attorney

Sheehan, Patrick J.

Attorney

Van, Michael C.

Attorney

JOURNAL ENTRIES

- DAY 1

Pursuant to the stipulation of the parties, COURT ORDERED, all exhibits, with the exception of 54, 57, and 63 as those are deposition transcripts, are ADMITTED. Opening statements by Mr. Sheehan and Mr. Van. Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued. (See worksheet.) At the hour of 2:40 PM, the Plaintiff RESTED. Arguments by Mr. Van and Mr. Sheehan regarding Mr. Van's motion for dismissal as a matter of law noting breach of contract cannot proceed. COURT ORDERED, motion DENIED.

Testimony and exhibits presented. (See worksheet.) COURT ORDERED, trial CONTINUED. EVENING RECESS.

10-7-16 10:00 AM **BENCH TRIAL**

PRINT DATE: 01/23/2017 Page 18 of 26 Minutes Date: October 15, 2015

COURT MINUTES

October 07, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

VS.

Rose LLC, Defendant(s)

October 07, 2016

10:00 AM Bench Trial

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

Other Business Court Matters

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Marshall, Samuel Attorney

Sheehan, Patrick J. Attorney Van, Michael C. Attorney

JOURNAL ENTRIES

- DAY 2

Also present: Brad Anthony, Client Representative for the Plaintiff.

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued. (See worksheet.) COURT ORDERED, Exhibits 66, 67 and 68 ADMITTED per stipulation. At the hour of 2:56 PM Defendant RESTED. No rebuttal case by the Plaintiff.

Closing arguments Mr. Sheehan and Mr. Van. The Court determined that the Defendant cannot raise Operadora's failure to be named as cc as defense under the circumstances presented in this case. The Court finds Mr. Anthony's testimony related to Mr. Dragul's request to change the notice more credible than Mr. Dragul's testimony related to the issue; the notice of default on May 14 and the notice of termination on May 28 were served in substantial compliance with the notice provisions of the lease, given Mr. Dragul's request to Mr. Anthony; there is no evidence of breach of the covenant

PRINT DATE: 01/23/2017 Page 19 of 26 Minutes Date: October 15, 2015

A-15-719105-B

of good faith and fair dealing by Treasure Island. For that reason, the Court FINDS for the Plaintiff and against the Defendant in this matter.

Counsel to prepare findings of fact and conclusions of law.

PRINT DATE: 01/23/2017 Page 20 of 26 Minutes Date: October 15, 2015

COURT MINUTES

December 08, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

VS.

Rose LLC, Defendant(s)

December 08, 2016 8:30 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

Other Business Court Matters

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Marshall, Samuel Attorney

Polsenberg, Daniel F. Attorney Sheehan, Patrick J. Attorney Smith, Abraham G. Attorney Van, Michael C. Attorney

JOURNAL ENTRIES

- DEFENDANT/COUNTERCLAIMANT, ROSE, LLC'S MOTION FOR STAY OF EXECUTION DURING PENDENCY OF APPEAL AND WAIVER OF SUPERSEDEAS BOND ON AN ORDER SHORTENING TIME...DEFENDANT/COUNTERCLAIMANT, ROSE, LLC'S MOTION FOR RECONSIDERATION, TO AMEND FINDINGS OF FACT, TO AMEND THE JUDGMENT, OR, IN THE ALTERNATIVE, FOR A NEW TRIAL ON AN ORDER SHORTENING TIME

Brad Anthony, Client Representative for Plaintiff, present with Mr. Sheehan.

DEFENDANT/COUNTERCLAIMANT, ROSE, LLC'S MOTION FOR RECONSIDERATION, TO AMEND FINDINGS OF FACT, TO AMEND THE JUDGMENT, OR, IN THE ALTERNATIVE, FOR A NEW TRIAL ON AN ORDER SHORTENING TIME: Following arguments by counsel as to whether the findings constitute a judgment, COURT noted the word "judgment" does not appear and ORDERED, Plaintiff to prepare a separate judgment on declaratory relief issues and run it by opposing counsel prior to submission to the Court.

PRINT DATE: 01/23/2017 Page 21 of 26 Minutes Date: October 15, 2015

DEFENDANT/COUNTERCLAIMANT, ROSE, LLC'S MOTION FOR STAY OF EXECUTION DURING PENDENCY OF APPEAL AND WAIVER OF SUPERSEDEAS BOND ON AN ORDER SHORTENING TIME: Court noted a stay would be premature if a judgment has not been entered. Mr. Polsenberg explained a stay can be ordered that would be effective upon entry of judgment and notice of appeal. Court so noted. Mr. Polsenberg further requested a nominal bond; security would be necessary for the difference of what Senor Frogs pays them and what they pay Treasure Island; however, they do not have information on what the bond amount should be and the parties should brief it with evidence. Mr. Sheehan disagreed, noting that this issue has been fully briefed and they simply need to figure out the additional space; \$1.5 million is very conservative.

COURT ORDERED, Mr. Polsenberg's request for additional briefing GRANTED. Matter continued to December 14, 2016 at 8:30 AM for the Court to hear the issue on the amount of the bond to take effect. Parties to determine briefing schedule, as long as the briefs are submitted by the day before. Mr. Polsenberg to file his brief by Monday, December 12, at noon.

Mr. Sheehan to prepare the order denying the motion for reconsideration as well as the judgment.

The Motion for Attorney's Fees will not be advanced from the December 23rd Chambers calendar per Mr. Sheehan's agreement to an extension of the filing of Defendant's opposition.

PRINT DATE: 01/23/2017 Page 22 of 26 Minutes Date: October 15, 2015

COURT MINUTES

December 14, 2016

A-15-719105-B

Treasure Island LLC, Plaintiff(s)

VS.

Rose LLC, Defendant(s)

December 14, 2016 8:30 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

Other Business Court Matters

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT: Marshall, Samuel Attorney

Polsenberg, Daniel F. Attorney Sheehan, Patrick J. Attorney Smith, Abraham G. Attorney

JOURNAL ENTRIES

- ARGUMENT RE: BOND...DEFENDANT/COUNTERCLAIMANT, ROSE, LLC'S MOTION FOR STAY OF EXECUTION DURING PENDENCY OF APPEAL AND WAIVER OF SUPERSEDEAS BOND ON AN ORDER SHORTENING TIME

Court acknowledged supplemental briefing. Court noted that on a motion to seal a proposed redaction needs to be submitted, and ORDERED, proposed redaction SET for Status Check on the Chambers calendar for January 6, 2016. Mr. Marshall submitted a Verification of Gary Dragul. Verification MARKED as Court's Exhibit 1. (See worksheet.)

Mr. Polsenberg argued that this is a simple appeal on a simple issue; Plaintiff is relying on a technicality but has not met that technicality; what he would suggest is that the status quo be maintained; Plaintiff cannot come in and lease the upstairs and the Defendant comes in and unwinds all of that; if they do not have a stay he would have to file a lis pendens. Mr. Sheehan responded that Rose LLC has nothing; the appeal is going to be at least 2 years and it will be 6 months before mediation; he has an affidavit from Matt Bear, the number real estate agent in town, supporting the

PRINT DATE: 01/23/2017 Page 23 of 26 Minutes Date: October 15, 2015

A-15-719105-B

amount of the loss of rent, the total of which goes to \$2,138,620.00. Mr. Polsenberg advised he has seen appeals done on an expedited basis, and he will move this case as quickly as possible. COURT ORDERED, motion GRANTED; loss of use of the upstairs will NOT BE INCLUDED as part of the bond; however, the other items of page 2 of the brief will be included. BOND SET at \$850,000.00 for the first year; if at the conclusion of the year the case is not over counsel can come back and ask the amount to be increased to \$930,000.00.

Colloquy regarding proposed judgment and proposed order denying reconsideration. Court signed the proposed order and returned it to Mr. Sheehan for filing; counsel also DIRECTED to re-do the proposed judgment.

12-23-16	CHAMBERS	MOTION FOR ATTORNEY FEES
1-6-17	CHAMBERS	STATUS CHECK: PROPOSED REDACTION

PRINT DATE: 01/23/2017 Page 24 of 26 Minutes Date: October 15, 2015

Other Business Court Matters COURT MINUTES December 23, 2016

A-15-719105-B Treasure Island LLC, Plaintiff(s)
vs.
Rose LLC, Defendant(s)

December 23, 2016 3:00 AM Motion for Attorney Fees

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

PARTIES PRESENT:

JOURNAL ENTRIES

- The Court having reviewed Treasure Island's Motion for Attorneys Fees and the related briefing and being fully informed, GRANTS the motion given the lease provisions. After consideration of the Brunzell factors, the fees requested in the amount of \$126,000 are reasonable and awarded. Counsel for Plaintiff is directed to submit a proposed order consistent with the foregoing within ten (10) days and distribute a filed copy to all parties involved in this matter. Such order should set forth a synopsis of the supporting reasons proffered to the Court in briefing. This Decision sets forth the Court's intended disposition on the subject but anticipates further order of the Court to make such disposition effective as an order.

CLERK'S NOTE: A copy of the above minute order was distributed via the E-Service Master List. / dr 12-28-16

PRINT DATE: 01/23/2017 Page 25 of 26 Minutes Date: October 15, 2015

Other Business Co	ourt Matters	COURT MINUTES	December 30, 2016
A-15-719105-B	Treasure Isla	and LLC, Plaintiff(s)	
	vs. Rose LLC, D	Defendant(s)	

December 30, 2016 3:00 PM Minute Order

HEARD BY: Gonzalez, Elizabeth COURTROOM: RJC Courtroom 14C

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

PARTIES PRESENT:

JOURNAL ENTRIES

- Ex Parte Application for Interim Stay FILED IN OPEN COURT.

The Court has reviewed the Ex parte Application for Interim Stay and does not find good cause to grant the requested relief as a bond has previously been set at the hearing on the motion to stay and judgment was entered on December 21, 2016.

COURT FURTHER ORDERED, matter SET for a Telephonic Conference on Tuesday, January 3, 2017 at 3:30 PM. Mr. Polsenberg is DIRECTED to set up the call.

1-3-17 3:30 PM TELEPHONIC CONFERENCE RE: EX PARTE APPLICATION FOR INTERIM STAY

CLERK'S NOTE: Minute Order AMENDED to reflect Court's directive for a conference call. Parties notified by distributing this amended minute order via electronic mail. / dr 12-30-16

PRINT DATE: 01/23/2017 Page 26 of 26 Minutes Date: October 15, 2015

TREASURE ISLAND, LLC, a Nevada limited liability company, Case No.: A-15-719105-B Plaintiff Dept. No.: ΧI Judge: Judge Gonzalez V. Court Clerk: DUICE ROMEA COURT RECORDER: JILL HAWKINS ROSE, LLC, a Nevada limited liability company, STIPULATED EXHIBIT LIST Defendant ROSE, LLC, a Nevada limited liability company, Trial Date: October 6, 2016 + BENCH Counterclaimant Trial Time: 9:30 a.m. v. COUNSEL FOR PLIF: PATRICK TREASURE ISLAND, LLC, a Nevada SHEEHAN, ESG. limited liability company, COUNSEL FOR DEPT: MICHAEL VAN, ESO. LSAMUEL MARSHALL BSQ. Counterdefendant **EXHIBIT** DATE DATE NO. BATES NO. **OBJECTION** DESCRIPTION **OFFERED** ADMITTED Lease Agreement between Treasure Island, LLC and ROSE000001-1 10-6-16 NO 10-6-16 Rose, LLC, dated April ROSE000030 13, 2011. First Amendment to Lease Agreement between ROSE000031-2 Treasure Island, LLC and ROSE000032 Rose, LLC, dated October

10, 2011.

3

4

Second Amendment to Lease Agreement between

Rose, LLC, dated December 22, 2011. Email correspondence between Brad Anthony

Treasure Island, LLC and

and Elizabeth Gold, dated

December 16, 2011.

ROSE000033

ROSE000094

10%-16

NO

NO.	EXHIBIT DESCRIPTION	BATES NO.	DATE OFFERED	OBJECTION	DATE ADMITTED
5	Letter from Griffis to Dragul dated January 31, 2012.	TILLC000001	10-6-16	NO	10-6-16
6	Third Amendment to Lease Agreement between Treasure Island, LLC and Rose, LLC, dated April 20, 2012.	ROSE000034- ROSE000035			
7	Letter from Kahn to California Service Center dated May 3, 2012 with sight plans.	TILLC000002 - TILLC000004		The same of the sa	
8	Letter from Anthony to Rose, LLC dated August 31, 2012.	TILLC000005 - TILLC000006			
9	Letter from Anthony to Rose, LLC dated September 19, 2012.	TILLC000007 - TILLC000008			
10	Letter from Gold to Treasure Island, LLC dated September 26, 2012.	TILLC000009 - TILLC000010			
11	Unsigned letter from Griffis to Dragul dated November 12, 2012.	TILLC000011			
12	Fourth Amendment to Lease Agreement between Treasure Island, LLC and Rose, LLC, dated April 18, 2013.	ROSE000036- ROSE000038			
13	Letter from Anthony to Rose, LLC dated May 10, 2013.	TILLC000012- TILLC000014			
14	Letter dated November 12, 2013 from Meade to Treasure Island, LLC and Senior Frogs.	TILLC000015 - TILLC000016			
15	Two-page email exchange regarding Bang the Drum All Day, cease and desist, dated January 17, 2014.	TILLC000017 - TILLC000018			
16	Email correspondence between Brad Anthony, Gary Dragul, and Najam Khan, dated March 5, 2014.	ROSE000085- ROSE000086	10-6-16	NO	10-6-16

NO.	EXHIBIT DESCRIPTION	BATES NO.	DATE OFFERED	OBJECTION	DATE ADMITTED
17	Email correspondence between Brad Anthony and Elizabeth Gold, dated March 12, 2014.	ROSE000095 - ROSE000097	10-6-16	10	10-6-16
18	Email correspondence between Brad Anthony and Elizabeth Gold, dated March 19, 2014.	ROSE000098 - ROSE000100			
19	Email correspondence between Brad Anthony, Elizabeth Gold, and Gary Dragul, dated March 25, 2014.	ROSE000101- ROSE000103			
20	Email correspondence between Brad Anthony and Elizabeth Gold, dated April 4, 2014.	ROSE000104			
21	Email correspondence between Brad Anthony and Elizabeth Gold, dated April 7, 2014.	ROSE000105 - ROSE000106			
22	Email correspondence between Brad Anthony and Elizabeth Gold, dated April 15, 2014.	ROSE000107 - ROSE000108	4932		
23	Email correspondence between Brad Anthony, Elizabeth Gold, and Gary Dragul, dated April 21, 2014.	ROSE000111			
24	Email correspondence between Brad Anthony and Elizabeth Gold, dated April 24, 2014.	ROSE000087			
25	Email correspondence between Brad Anthony and Elizabeth Gold, dated April 25, 2014, at 7:53 am.	ROSE000088- ROSE000089			
26	Email correspondence between Brad Anthony and Elizabeth Gold, dated April 25, 2014, at 8:51am.	ROSE000090			
27	Email correspondence between Brad Anthony and Elizabeth Gold, dated April 25, 2014, at 15:58 pm.	ROSE000109 - ROSE000110	10-6-16	LO .	10-6-16

NO.	EXHIBIT DESCRIPTION	BATES NO.	DATE OFFERED	OBJECTION	DATE ADMITTED
28	Fifth Amendment to Lease Agreement between Treasure Island, LLC and Rose, LLC, dated April 30, 2014.	ROSE000039- ROSE000043	10-6-16	NO	10-6-16
29	Subordination, Non- Disturbance and Attorney Agreement between Rose, LLC and Senor Frogs Las Vegas, LLC, dated May 6, 2014.	ROSE000044- ROSE000051			
30	Amended Sublease, dated May 6, 2014.	TILLC000039 - TILLC000082			
31	Letter from Kim to Solomon dated June 12, 2014.	TILLC000019			
32	Letter from Williams to Gary Dragul dated August 13, 2014.	TILLC000020			
33	Letter dated September 17, 2014 from Anthony to Andrew Solomon.	TILLC000021 - TILLC000023			
34	September 22, 2014 USPS tracking invoice.	TILLC000024			
35	Letter from Griffis to Rose, LLC dated January 2, 2015.	TILLC000025			
36	Letter dated January 7, 2015 from Gold to Treasure Island, LLC, attention Griffis.	TILLC000026			
37	Letter dated January 15, 2015 from Anthony to Dragul.	TILLC000027 - TILLC000028			
38	Letter dated May 14, 2015 from Anthony to Dragul.	TILLC000029 - TILLC000030			
39	Fed Ex Tracking for May 14, 2015 Default Letter.	TILLC000096			
40	Correspondence dated May 28, 2015, from Brenoch R. Wirthlin, Esq. to Gary J. Dragul regarding Termination of Lease.	ROSE000052	10-6-16	no	10-6-16

NO.	EXHIBIT DESCRIPTION	BATES NO.	DATE OFFERED	OBJECTION	DATE ADMITTED
41	May 28, 2015 letter noticing termination of lease and Fed Ex delivery confirmations.	TILLC000083 - TILLC000091	10-6-16	NO	10-6-16
42	Correspondence dated May 29, 2015, from Gary Dragul to Najam Khan and Brad Anthony, Esq. regarding Treasure Island Lease Notice.	ROSE000053- ROSE000062			
43	Letter dated May 29, 2015 from Dragul to Kahn and Anthony.	TILLC000031 - TILLC000032			
44	Correspondence with attachments and fax confirmation dated June 3, 2015, from Gary J. Dragul to Najam Khan, and shipping label with June rent check payment.	ROSE000063- ROSE000070			
45	Correspondence with attachments and fax confirmation dated June 3, 2015, from Gary J. Dragul to Najam Khan, cc: Brad Anthony, and shipping label with June rent check payment to Jerry Griffis, regarding Treasure Island Payment Notice, attached hereto in electronic format.	ROSE000071- ROSE000078			
46	Facsimile transmission dated June 3, 2015, from Rose, LLC to Treasure Island, LLC, attention Brad Anthony, six pages.	TILLC000033 - TILLC000038			
47	Refusal of FedEx delivery of June rent check to Jerry Griffis, dated June 4, 2015, attached hereto in electronic format.	ROSE000079			
48	Refusal of FedEx delivery of June 3, 2015 correspondence to Brad Anthony, dated June 4, 2015.	ROSE000080	10-6-16	10	10-6-16

NO.	EXHIBIT DESCRIPTION	BATES NO.	DATE OFFERED	OBJECTION	DATE ADMITTED
49	Refusal of FedEx delivery of June 3, 2015 correspondence to Najam Khan, dated June 4, 2015.	ROSE000081	10-6-16	NO	10-6-16
50	June 1, 2015 Email from Abigail Watts-FitzGerald to Patrick Sheehan.	TILLC000097			
51	Copy of check no. 6451, in the amount of \$168,127.00, made payable to Treasure Island, LLC from Rose, LLC, dated October 30, 2015.	ROSE000084			
52	Delivery confirmation from USPS for October 30, 2015 letter sent to Mexico.	TILLC000092 - TILLC000093			
53	Correspondence dated October 31, 2015, from Brad R. Anthony to Susan Markusch regarding Percentage Rent, with Certified Mail envelope dated October 30, 2015.	ROSE000082- ROSE000083	10-6-16	NO	10-6-16
54	Deposition of Gary Dragul	EXHIBITSH	levoto.Se	e DEPOSITION	1206.*
55	December 23, 2015 Letter from Susan E. trench re: "Loan Repayment" letter.	TILLC000094	10-6-16	NO	10-6-16
56	March 21, 2016 Letter from Susan Trench re: Loan Repayment.	TILLC000095	10-6-16	NO	10-6-16
57	Deposition of Brad Anthony taken on March 30, 2016.	EXHIBIT SHI	LED DEP. SC	e DEDOS/NOM	V 206-K
58	Rose, LLC's Trial Brief dated June 29, 2016.	**	10-6-16	NO	10-6-16
59	Affidavit of David Krouham in Support of Rose's Trial Brief,				
60	Affidavit of Gary Dragul in Support of Rose's Trial Brief.	*			
61	Treasure Island, LLC's Trial Brief dated June 29, 2016.		10-6-16	ko ,	10-6-16

NO.	EXHIBIT DESCRIPTION	BATES NO.	DATE OFFERED	OBJECTION	DATE ADMITTED
62	Affidavit of Brad Anthony in Support of TI's Trial Brief.	-	10-6-16	NO	10-6-16
63	Deposition of David Krouham taken on September 15, 2016.	* EXPIBIT	シャスモカつきわ	see DEPOSIN	ON 106 #
64	September 11, 2015 Notice of Lease Default sent by Rose to TI	<u>.</u>	10-6-16	NO	10-6-16
65	November 18, 2015 Notice of Lease Default sent by Rose to TI	*	10-6-16	NO	10-6-16
66	CHECK DATED 2-6-14 FOR \$126,272.00	i generi	10-7-16	STIP	10-7-16
67	CETTER FROM T.I. TO ROSE 1-31-12 W/BACK-UP	2014	10-7-16	SOP	10-7-16
68	SUPPLARY OF CHECKS W/ BACK-UP		10-7-16	STIP	10-7-16
,				:	A CONTRACTOR OF THE CONTRACTOR
					months to the control of the control
				S	The state of the s
					va manadad manamata (Mario) de despris de mesto.
Tes H				1. The second se	
				BAJJA mamma marrari 14440000000000000000000000000000000000	
				COLOR COLOR STREET, ST	
			Management of 6		And the second s

EXHIBIT(S) LIST

Case No.: A719105	Trial Date: OCTOBER 6, 2016 & BENCH
Dept. No.: XI	Judge: HON. EZIZABETH GONZALEZ
	Court Clerk: OULCE ROMEZ
Plaintiff: TREASURE ISLAND, LLC	Recorder: JILL HAWKINS
	Counsel for Plaintiff: PATRICK SHEEHAN, ESQ.
ye	
Defendant: ROSE LLC	Counsel for Defendant: MICHAEZ VAN, EJB.,
	CANLLET MADELLA ESD

TRIAL BEFORE THE COURT

DEMONSTRATIVE EXHIBITS

Exhibit Number	Exhibit Description	Date Offered	Objection	Date Admitted
0-1	SUMMARY OF CHECKS (1 page)	White procession and the		Marked 10-7-16
D-2	SUMMARY OF CHECKS (1 page) CALENDAR/TIMEZINE (MR. VAN'S CLOSING ARGUMET	b -		10-7-16
0-3	5 REASONS KHYT. I. IS ENTITED TO PREVAIL (OPENIU	HEEHAN'S WTATEMENT)	10-7-16
			annannannan a marianta an	
- :			·	and the state of t
		A CONTRACTOR OF THE CONTRACTOR		
				COLUMN TO THE PROPERTY OF THE

EXHIBIT(S) LIST

Case No.:	A719105	Hearing Date: DECEMBER 14, 2016
Dept. No.:	XI	Judge: HON. EZIZABETH GONZALEZ
		Court Clerk: DULCE ROMEA
Plaintiff: <u>TF</u>	REASURE ISLAND, LLC	Recorder: JILL HAWKINS
		Counsel for Plaintiff: PATRICK SHEEHAN
	VS.	
Defendant:	ROSE, LLC	Counsel for Defendant: DANIEL POLSENBERG;
		ABRAHAM SMITH, SAMUEZ MARSHALL

HEARING BEFORE THE COURT

COURT'S EXHIBITS

Exhibit Number	Exhibit Description	Date Offered	Objection	Date Admitted
1	VERIFICATION OF GARY J. DRAGUL			Narked 12-14-14
.v. cvckcommunicana				A

OF THE STATE OF TH				
·				***************************************
			CONTRACTOR OF A STATE	
		The state of the s		
4		Manufacture Comm	***************************************	
			,	

Certification of Copy

State of Nevada	٦	gg.
County of Clark	}	SS:

I, Steven D. Grierson, the Clerk of the Court of the Eighth Judicial District Court, Clark County, State of Nevada, does hereby certify that the foregoing is a true, full and correct copy of the hereinafter stated original document(s):

AMENDED NOTICE OF APPEAL; AMENDED CASE APPEAL STATEMENT; DISTRICT COURT DOCKET ENTRIES; CIVIL COVER SHEET; FINDINGS OF FACT AND CONCLUSIONS OF LAW; NOTICE OF ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW; ORDER DENYING MOTION FOR RECONSIDERATION; NOTICE OF ENTRY OF ORDER DENYING MOTION FOR RECONSIDERATION; JUDGMENT; NOTICE OF ENTRY OF JUDGMENT; ORDER AND JUDGMENT GRANTING TREASURE ISLAND'S MOTION FOR ATTORNEYS FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC; NOTICE OF ENTRY OF ORDER AND JUDGMENT GRANTING TREASURE ISLAND'S MOTION FOR ATTORNEYS FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC; FINAL JUDGMENT; NOTICE OF ENTRY OF FINAL JUDGMENT; DISTRICT COURT MINUTES; EXHIBITS LIST

TREASURE ISLAND, LLC,

Plaintiff(s),

VS.

ROSE, LLC,

Defendant(s),

now on file and of record in this office.

Case No: A-15-719105-B

Dept No: XI

IN WITNESS THEREOF, I have hereunto Set my hand and Affixed the seal of the Court at my office, Las Vegas, Nevada This 23 day of January 2017.

Steven D. Grierson, Clerk of the Court

Heather Ungermann, Deputy Clerk

Electronically Filed 01/17/2017 03:45:47 PM

NOAS 1 Daniel F. Polsenberg (SBN 2376) JOEL D. HENRIOD (SBN 8492) **CLERK OF THE COURT** ABRAHAM G. SMITH (SBN 13,250) LEWIS ROCA ROTHGÈRBER CHRISTIE LLP 3993 Howard Hughes Parkway, Suite 600 **Electronically Filed** Las Vegas, Nevada 89169-5996 4 Jan 30 2017 10:28 a.m. (702) 949-8200 DPolsenberg@LRRC.com JHenriod@LRRC.com Elizabeth A. Brown 5 Clerk of Supreme Court ASmith@LRRC.com 6 MICHAEL C. VAN (SBN 3876) SAMUEL A. MARSHALL (SBN 13,718) 8 SHUMWAY VAN 8985 South Eastern Avenue, Suite 100 Las Vegas, Nevada 89123 $(702)\ 478-7770$ Michael@ShumwayVan.com Samuel@ShumwayVan.com 10 11 Attorneys for Defendant/Counterclaimant Rose, LLC 12 13 DISTRICT COURT 14 CLARK COUNTY, NEVADA 15 TREASURE ISLAND, LLC, a Nevada limited Case No. A-15-719105-B liability company, Dept. No. 11 16 Plaintiff, 17 AMENDED NOTICE OF APPEAL vs.18 Rose, Llc, a Nevada limited liability 19 company, Defendant. 20 21 ROSE, LLC, a Nevada limited liability 22 company, 23 Counterclaimant. 24 25 TREASURE ISLAND, LLC, a Nevada limited liability company, 26 Counterdefendant. 27 28

AMENDED NOTICE OF APPEAL

Please take notice that defendant/counterclaimant Rose, LLC hereby appeals to the Supreme Court of Nevada from:

- 1. All judgments and orders in this case;
- 2. "Findings of Fact and Conclusion of Law," filed November 7, 2016, notice of entry of which was served electronically on November 7, 2016 (Exhibit A);
- 3. "Order Denying Motion for Reconsideration," filed December 14, 2016, notice of entry of which was served electronically on December 16, 2016 (Exhibit B);
- 4. "Judgment," filed December 21, 2016, notice of entry of which was served electronically on December 22, 2016 (Exhibit C);
- 5. "Order and Judgment Granting Treasure Island's Motion for Attorneys Fees in the Amount of \$126,000 Against Rose, LLC," filed January 10, 2017, notice of entry of which was served electronically on January 11, 2017 (Exhibit D);
- "Final Judgment," filed January 10, 2017, notice of entry of which 6. was served electronically on January 11, 2017 (Exhibit E); and
- 7. All rulings and interlocutory orders made appealable by any of the foregoing.

Dated this 17th day of January, 2017.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

23

28

22

21

MICHAEL C. VAN (SBN 3876) SAMUEL A. MARSHALL (SBN 13,718)

25

SHUMWAY VAN 8985 South Eastern Avenue, Suite 100 Las Vegas, Nevada 89123

702) 478-7770

27

By /s/ Joel D. Henriod Daniel F. Polsenberg (SBN 2376) JOEL D. HENRIOD (SBN 8492) ABRAHAM G. SMITH (SBN 13,250)

3993 Howard Hughes Parkway Suite 600 Las Vegas, Nevada 89169

 $(702)\ 949-8200$

Attorneys for Defendant/Counterclaimant Rose, LLC



EXHIBIT A

EXHIBIT A

1 NEO FENNEMORE CRAIG, P.C. 2 **CLERK OF THE COURT** Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 4 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorneys for Treasure Island, LLC 7 DISTRICT COURT 8 9 CLARK COUNTY, NEVADA 1.0 TREASURE ISLAND, LLC, a Nevada limited | CASE NO.: A-15-719105-B liability company; 11 DEPT .: XI 12 Plaintiff. 13 VS. NOTICE OF ENTRY OF FINDINGS OF 14 FACT AND CONCLUSIONS OF LAW ROSE, LLC, a Nevada limited liability 15 company; 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 ALL PARTIES AND THEIR ATTORNEYS OF RECORD: TO: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that the 27 FINDINGS OF FACT AND CONCLUSIONS OF LAW was entered in the above-28

referenced matter on the 7th day of November, 2016, a copy of which is attached hereto. Dated this 7th day of November, 2016. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan Patrick J. Sheehan (Bar No. 3812)
John H. Mowbray (Bar No. 1140)
1400 Bank of America Plaza
300 South Fourth St. 14th Floor
Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORE CRAIG ATTORNEYS LAS YEOAS

FEHNEMORE CRAIG ATTORNEYS LAS VSGAN

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on November 7, 2016, service of the NOTICE OF ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

Fennemoi	e Craig Jones Vargas Contact	Email
	Patrick J. Sheehan	psheehan@fclaw.com
Fennemoi	e Craig, P.C.	
	Contact	Email
	Adam Miller	amiller@fclaw.com
	John H. Mowbray	Nuompusix@icjam.com
shumway	Van	
	Contact	Email
	Brent	brent@shumwayvan.com
	Rebekah Griffin	rebekah@shumwayyan.com
	Sam Marshall	samuel@shumwayvan.com

/s/ Adam Miller
An Employee of Fennemore Craig, P.C.

1 Patrick J. Sheehan (NV Bar No. 3812) John H. Mowbray (NV Bar No. 1140) 2 CLERK OF THE COURT FENNEMORE CRAIG, P.C. 300 S. 4th Street, Suite 1400 3 Las, Vegas, Nevada 89101 Telephone: (702) 692-8000 Facsimile: (702) 692-8099 5 Email: psheeban@fclaw.com Attorney for Plaintiff Treasure Island, LLC 6 DISTRICT COURT 7 CLARK COUNTY, NEVADA 8 CASE NO.: A-15-719105-B TREASURE ISLAND, LLC, a Nevada 9 limited liability company, DEPT. NO.: XXIX 10 Plaintiff, 11 **FINDINGS OF FACT AND** ٧. CONCLUSIONS OF LAW 12 ROSE, LLC, a Nevada limited liability company, 1.3 Defendant. 14 15 ROSE, LLC, a Nevada limited liability company, 16 Counterclaimant. 17 V. 18 TREASURE ISLAND, LLC, a Nevada limited 19 liability company, 20 Counterclaimant. 21 22 FINDINGS OF FACT. 8. 23 On or about April 13, 2011, Plaintiff, Treasure Island, entered into a Lease 1. 24 Agreement ("Lease") with Defendant, Rose, LLC ("Rose"). 25 Pursuant to the terms of the Lease, Treasure Island leased space to Rose inside the 2. 26 Treasure Island Hotel and Casino in Las Vegas, Nevada (the "Property"). 27

One of Rose's obligations under the Lease was to timely pay rent.

3.

28

FEGINEMORE CRAIG

LAS VEGAS

4. Per the Lease, rent came in two forms: minimum monthly rent, and quarterly rent in an amount equal to 7% of modified gross sales.

- 5. The Lease provided that the rent for gross sales would be paid pursuant to a certain formula and that, within 30 days of the end of each quarter during the lease term, Rose would deliver to landlord a writing setting forth the amount of tenant's gross sales made during each month of the preceding calendar quarter and, concurrently therewith, pay the landlord the percentage rent due and payable for the preceding calendar quarter.
- 6. In August, 2012, Treasure Island became aware that Rose was delinquent in paying several of its contractors.
- 7. Due to a concern that this failure to pay construction costs could result in a lien against the Property, Treasure Island, through its General Counsel, Brad Anthony ("Anthony"), sent Rose a letter reminding it that no liens were permitted under the Lease.
- 8. This letter was sent in strict compliance with the Lease's notice requirements which stated that any notices would be sent to Rose at a certain address attention Susan Markusch with a carbon copy to Operadora.
- 9. Shortly after that letter was sent, Gary Dragul, President of Rose ("Dragul"), called Mr. Anthony to discuss the letter that Rose received and to request further relief from the loan repayment obligation it had with Treasure Island.
- 10. During that call, Dragul specifically requested that Anthony send all future correspondences dealing with the Treasure Island-Rose relationship directly and only to him.
- 11. Although Mr. Dragul testified that his memory of the conversation was different in that he believed Mr. Anthony suggested that Rose designate one person from Rose whom Treasure Island could deal with in the future he nevertheless agreed that he did in fact tell Mr. Anthony to make all future communications to him. The Court finds that Mr. Dragul did in fact tell Brad Anthony to send all future notices to him and him alone (not Operadora or anyone else).

2 %

By way of a Fifth Amendment to the lease the notice addresses were changed to state that any notices to Rose were to be sent to a certain address without specifying any individual and to Operadora at both the original address listed and to a Miami law firm.

15 16

1.7

18

20

21

22

24

23

25 26

27

28

FRANCEMORE CHAIG

PENNEMORE CHAIG ACCORNEYS LAS VOIAS

12. Mr. Anthony's testimony regarding Mr. Dragul's request to change the notice was
much more credible than Mr. Dragul's testimony related to the issue. For example, during his
deposition Mr. Dragul stated he did not recall any conversation with Mr. Anthony after the
August 31st letter which contained the notices set forth in the lease. However, during the first day
of testimony upon examination of his own counsel he outlined what he believed occurred during
the conversation. Then, upon questioning from the Court he also outlined what he believed
occurred during the conversation. Then, upon being cross-examined by Plaintiff's counsel he
again stated that he did not recall any conversation taking place. Plaintiff's counsel asked the
question as follows:

- Q. ...Sir, do you recall a telephone conversation that you had with Mr. Anthony following receipt of this letter [the August 31, 2012 letter]?
- A. [by Mr. Dragul] I do not.

Transcript at page 33 lines 2-5 and also at page 34 lines 5-7. This just after his response to the Court clearly acknowledging the conversation. See pages 18 and 19. Indeed, the next letter between the parties references the conversation between Mr. Anthony and Mr. Dragul so the conversation must have taken place and it must of taken place in between the August 31st correspondence and September 19th correspondence which followed.

- 13. The Court finds that the parties agreed that any further notices would be sent solely to Mr. Dragul.
- 14. On September 19, 2012, Anthony sent a letter following up on Mr. Dragul's request regarding the construction loan repayment.
- 15. Mr. Anthony complied with Dragul's request for how notice should be provided and sent the letter directly to Dragul and without Operadora being carbon copied.
- 16. In the years that followed, Treasure Island sent numerous communications to Rose.
 - 17. In each instance where money owed to Treasure Island was delinquent, barring

8

13 1

15

16 1.7

1.8

19 20

21 22

23 24

25

26 27

28

FRANKEMORE CRAIG Atrechards LAU VERNA

one², the communication was sent to Dragul and Operadora was not copied.

- 18. In all of its communications with Treasure Island, Rose did not carbon copy its subtenant once. Nor was any evidence presented to show that Rose forwarded any of the communications it received from Treasure Island to Operadora.
- On April 30, 2015, Rose breached the Lease when it failed to pay the 7% gross 19. sales portion of the rent for the first quarter of 2015.
 - 20. As a result, on May 14, 2015, Treasure Island sent Rose a notice.
- 21. Mr. Dragul Rose's President testified that his company had many tenants and that if any tenant failed to pay rent when due he would begin proceedings to evict that tenant 10 days after said tenant defaulted on his rental obligations.
- 22. Pursuant to Mr. Dragul's instruction the Notice was sent to Mr. Dragul and not to Susan Markusch or Operadora.
- Out of an abundance of caution, Mr. Anthony emailed a copy of the notice to the 23. only other officer of Rose, LLC its legal counsel, Elizabeth Gold.
 - Ms. Gold was the person who signed all of the contracts in this matter. 24.
- 25. The letter advised Rose, LLC that it was delinquent on its rent and that it had ten days to cure that delinquency or it would be in default.
- Pursuant to the express terms of the parties' Lease Agreement, if the overdue rent 26. payment was not paid within ten days of the notice, Treasure Island had the right to terminate the parties' lease.
- The Court finds that Rose, LLC did in fact receive the notice and did not pay the 27. full amount of overdue rent between May 14 and May 28.
- This nonpayment occurred despite Rose having been paid \$247,500 from its 28. subtenant for the months of January, February and March, which amount represents roughly the equivalent of the rent monies owed to Treasure Island pursuant to Rose's lease with Treasure

The only exception to this was a letter from Jerry Griffis, Treasure Island's Chief Financial Officer, which did include notice to Operadora since the subject of that letter was Operadora itself not paying food charges owed to Treasure Island.

16 17

18 19

20 21

22 23

24

25 26

27

28

Island.

- 29. The evidence showed that Elizabeth Gold received a copy of the notice of default no later than May 15, 2015, since she called Brad Anthony on that day and requested additional time to pay the overdue rent, which Mr. Anthony said Treasure Island would not give Rose.
- 30. Mr. Anthony so testified and Elizabeth Gold did not testify in the trial to dispute this testimony. Mr. Anthony's testimony in this regard is corroborated by a letter which Ms. Gold drafted on May 29 which referenced her being emailed the May 14th Notice.
- 31. The Court finds that Mr. Dragul was advised of the May 14 Notice shortly after Ms. Gold's receipt of the same. This is because Mr. Dragul testified he spoke with Ms. Gold every morning and several times a day. See transcript at page 40 lines 3-9.
- 32. Although Mr. Dragul testified that he personally did not receive a copy of the Notice until he received a phone call from David Krouham on May 28 or 29 his testimony is not credible.
- 33. In Mr. Dragul's deposition, he testified he believed he was advised of the Notice on May 26.
- 34. Although Mr. Dragul coyly testified that he did not see a copy of the notice until he returned to his office he was obviously told about the Notice.
- 35. Plaintiff's counsel asked Mr. Dragul if he was told about the notice even though he did not see the notice and he testified, "I don't remember." See transcript at page 49 lines 17-19.
- 36. The Court believes it is clear the Mr. Dragul was advised of the Notice by May 15 and certainly well before May 28.
- 37. In addition to Rose receiving the notice through Ms. Gold, the evidence showed that Ms. Markusch (the person mentioned under the original notice provision) also was aware of the notice since she sent a partial payment for the outstanding rent due shortly after the May 14 notice was received.
- 38. Rose, LLC had its own sublease with an entity called Señor Frogs Las Vegas, LLC ("Señor Frogs").

- Señor Frogs is a subsidiary of Operadora.
- 40. Pursuant to an express provision in the sublease between Rose and Seffor Frogs, Rose had a duty to provide a copy of any default notices it received from Treasure Island to Seffor Frogs/Operadora.
 - 41. Rose never sent a copy of the May 14th default notice to Señor Frogs/Operadora.
- 42. On May 28, Treasure Island terminated its lease with Rose via a letter sent by its counsel, Brenoch Wirthlin.
- 43. Following receipt of this Notice of Termination Rose attempted to pay the rent, which Mr. Dragul admitted was overdue since it was due on April 30th.
- 44. However, Treasure Island had already terminated the lease and this action seeking declaratory relief by both parties began.
- 45. Upon finding out about Treasure Island's termination of Rose's lease, Seffor Frogs/Operadora hired counsel from Florida to contact Treasure Island.
 - 46. Said counsel did contact Treasure Island (through its counsel).
- 47. That communication was memorialized in an email setting forth Seffor Frogs/Operadora's position at the time.
- 48. The email dated June 3, 2015, does not mention the fact that Schor Frogs would have paid any overdue amounts owed by Rose to Treasure Island.
- 49. The testimony showed that Señor Frogs had already paid Rose approximately \$247,500 for the three months involved in the rent delinquency by Rose-January, February and March, 2015.
 - 50. The email states:

"Pat — thank you for your time today. This email will confirm our discussions. The letter from Mr. Wirthlin to Rose, LLC and Operadora Andersons S.A. de C.V. dated May 28, 2015, was sent to my client for notice purposes only under Section 11 of the Fifth Amendment to Lease Agreement between Rose, LLC and Treasure Island, LLC. As we discussed, under Section 9 of the Fifth Amendment, my client is not affected by a default by Rose, LLC as the prime tenant.

As we further discussed, Rose, LLC is disputing the default. You have confirmed with me that your client does not plan on taking any action

until the dispute with Rose, LLC is resolved, whether by court action or settlement between the two parties. None of this will impact adversely on my client, which will be permitted to continue its sub-tenance. If your client prevails and terminates Rose, LLC's tenancy, at that point you would then negotiate a lease directly with my client in accordance with Section 9 of the Fifth Amendment.

Thanks again for your assistance. Please copy me on any further correspondence. My contact information is below."

51. Following this email Señor Frogs did not intervene in this case and is not a party to this action and thus its rights are not subject to this action.

CONCLUSIONS OF LAW

- 1. The court finds that the lease between Rose and Treasure Island has been terminated.
- 2. Rose's argument that the termination was not proper because the May 14 default notice sent to Rose was not sent to the attention of Susan Markusch is without merit for the following reasons any one of which would be sufficient:
 - A. The parties orally modified the lease when Mr. Dragul told Mr. Anthony to send all future correspondence to him and him alone sometime between August 31 and September 19, 2012

"[P]arties to a written contract who agree to new terms may orally modify the contract." Jensen v. Jensen, 104 Nev. 95, 98 (Nev. 1983)(internal citations omitted). "Moreover, parties' consent to modification can be implied from conduct consistent with the asserted modification." Id. "Parol evidence can be admitted to show an oral agreement modifying a contract." Id. citing Silver Dollar Club v. Cosgriff Neon Co., 80 Nev. 108, 110, 389 P.2d 923, 924 (1964). This is the case despite a provision stating that the contract can only be modified in writing:

Parties may change, add to, and totally control what they did in the past. They are wholly unable by any contractual action in the present, to limit or control what they may wish to do contractually in the future. Even where they include in the written contract an express provision that it

27

can only be modified or discharges by a subsequent agreement in writing, nevertheless their later oral agreement to modify or discharge their written contract is both provable and effective to do so.

Silver Dollar Club v. Cosgriff Neon Co., 80 Nev. 108, 111, 389 P.2d 923, 924 (1964) citing Simpson on Contracts § 63, at 228 (emphasis added).

- B. Under the doctrine of estoppel. To prevail on an argument of estoppel, the party asserting the defense must prove four elements:
 - 1. The party to be estopped must be apprised of the true facts;
 - 2. He must intend that his conduct shall be acted upon, or must so act that the party asserting estoppel has a right to believe it was so intended.
 - 3. The party asserting the estoppel must be ignorant of the true state of facts:
 - 4. He must have relied on his detriment on the conduct of the party to be estopped. In addition silence can raise an estoppel quite as effectively as can words. *Teriano v. Nev. State Bank*, 121 Nev. 217, 223, 112 P3.d 1058, 1062 (2005).

Here, Rose was aware of Treasure Island's decision not to send numerous notices to the attention of Susan Markusch after Mr. Dragul had instructed Mr. Anthony to send all notices to his attention. Thus, Rose was aware that all future notices after August 31, 2012 were being sent to Mr. Dragul and not Ms. Markusch. Similarly, when Mr. Dragul asked Mr. Anthony to send all future notices to his attention he obviously intended that his conduct would be acted upon by Anthony. Next, Treasure Island was clearly ignorant to any change in direction by Rose to change the person who the notice needed to be sent to from Mr. Dragul back to Ms. Markusch since the evidence showed Dragul never changed his direction to have all notices sent to his attention and his attention alone. Finally, Treasure Island met the last element since it relied to its detriment by sending the notice to the attention Mr. Dragul instead of Ms. Markusch.

1.5

Estoppel is also applicable since the evidence showed that numerous notices were sent to the attention of Mr. Dragul and not Ms. Markusch after the August 31, 2012 letter and neither Dragul or Rose objected. See also, Cheqer, Inc. v. Plainters and Decorators, 98 Nev. 609, 614, 655 P2.d 996, 998-99 (1982 ("This court has noted that the silence can raise in estoppel quite as effectively as can words"); Goldstein v. Hanna, 97 Nev. 559, 562 (Nev. 1981) (internal citations omitted) ("Thus, 'a person remaining silent when ought, in the excess of good faith, to have spoken, will not be allowed to speak when he ought in the exercise of good faith, remain silent."")

- C. The Court finds that as a result of the conversation between Mr. Dragul and Mr. Anthony, Rose waived its right to claim the notice should have been sent to the attention of Ms. Markusch instead of Mr. Dragul. His conduct in requesting that any future notices be sent to him and him alone was an intentional relinquishment of any requirement on Treasure Island's part to send the notice to attention of Ms. Markusch. In addition, the failure to raise any issues concerning the subsequent notices, which were all sent to the attention of Mr. Dragul and not Ms. Markusch evidence of intention to waive the right and thus a waiver is implied from said conduct. Mahban v. MGM Grand Hotels, Inc., 100 Nev. 593, 596, 691 P2.d 421, 423-24 (1984). See also, Havas v. Atlantic Ins. Co., 96 Nev. 586, 588 (Nev. 1980) (internal citations omitted). (The intent of waiver may be expressed or implied from the circumstances.)
- D. Rose's claim is also without merit since it received actual notice and Ms. Markusch herself received notice. In Stonehenge Land Co. v. Beazer Homes investments, LLC, 893 N.E. 2.d 855, 863 (Ohio Ct. App. 2008) the court held that, "Where there is evidence of actual notice, a technical deviation from a contractual notice requirement will not bar the action for breach of contract brought against a party that had actual notice." See also, e.g., Polizzotto v. D'Agostino, 129 So. 534, 536 (La. 1930) ("[M]ere informalities do not violate notice so long as they do not mislead, and give the necessary

information to the proper party."); Bd. of Comm'rs v. Turner Marine Bulk, Inc., 629 So. 2d 1278, 1283 (La. Ct. App. 1993) ("Where adequate notice is in fact given and its receipt is not contested, technicalities of form may be overlooked."). In this case it is clear Rose received actual notice and thus suffered no harm.

- E. Treasure Island substantially complied with any notice obligations to Rose. In Hardy Cos v. SNMARK, LLC, 126 Nev. 528, 536 (Nev. 2010) the court found that substantial compliance with notice provisions is met when the owner has actual knowledge and is not prejudiced. In this case it was clear Rose had actual knowledge of the notice and the opportunity to cure the default during the ten-day notice period. This provides the fifth reason why Rose's argument that the notice to it was ineffective has no merit.
- Rose may not raise Treasure Island's failure to carbon copy Operadora as a defense given the circumstances in this case.
 - A. Rose cannot raise any claims regarding Treasure Island's failure to notice Sefior Frogs since that claim belongs to Sefior Frogs. Sefior Frogs is not a party to this case. Instead, the issue only involves whether or not Treasure Island's termination of the Rose Lease was effective. Any notice obligations to Sefior Frogs were a separate obligation that Treasure Island had to Sefior Frogs and that is not an issue that could be raised by Rose pursuant to established law. *Pierce v. Centry Ins.*, 421 N.E. 2d 1252 (App. Ct. Mass. 1981). (Notice to the insured and notice to the mortgagee have discrete purposes, however, and it is difficult to see how, as to the party who receives notice, a failure to give notice to the other, can be anything but merely formal. . . This quality of separate obligations has been noted particularly, where, as in the instant case, the insurance policy contains a so-called 'standard mortgage clause.' (Citations omitted.) Under that clause 'the result has been that the Courts have held that the agreement of the company with the mortgagee being separate and divisible from that with the mortgagor. . .) See also, e.g.,

Ellegood v. Am. States Ins. Co., 638 N.E.2d 1193, 1195 (Ill. App. Ct. 1994) ("[P]laintiff, who admittedly received notice and failed to pay the premium, seeks to void defendant's purported cancellation based on the fortuitous fact that defendant is unable to establish that it notified the mortgagee. We agree . . . that this would result in an 'unjustified windfall' to the insured."); Bradley v. Assocs. Disc. Corp., 58 So. 2d 857, 859 (Fla. 1952) (finding that a defect in the notice's content did not invalidate the notice where the defect was relevant only to a third party); cf. Bryce v. St. Paul Fire & Marine Ins. Co., 783 P.2d 246, 247 (Ariz. App. 1989) ("Appellee's failure to give timely notice of the cancellation to the mortgagee [as required by statute] had no effect on the proper notice of cancellation given appellant by the premium finance company."); Allstate Ins. Co. v. McCrae, 384 S.E.2d 1, 2 (N.C. 1989) ("Only defective notification to the insured renders cancellation of the policy ineffective and extends the liability of the insurer.").

- B. Even if Rose could raise the issue of Treasure Island's failure to notice Señor Frogs/Operadora it is estopped from doing so. Dragul told Anthony to send any default notices to him and not anyone else. As a result, when Anthony sent the notices to Dragul and not anyone else Rose cannot argue that said notice was defective pursuant to the estoppel law and reasons cited above.
- C. Rose waived any claims for the same reasons also. Similarly, Dragul's insistence that any notices be sent to him and him alone constitutes a waiver of any argument that Treasure Island should have sent the notice to Señor Frogs/Operadora.
- D. Rose's failure to send the notice to Seffor Frogs under its own obligation precludes Rose from alleging that the notice was ineffective since Seffor Frogs was not carbon copied. This is true under the doctrine of materiality. If Rose felt that Treasure Island's obligation to send the notice of default to Seffor Frogs was a material term of its (as opposed to Seffor Frogs) contractual rights with Treasure Island then it clearly would have sent the notice on to Seffor Frogs pursuant to its own contractual obligation. Rose

not sending the notice to Señor Frogs pursuant to its own contractual obligations shows that although the notice obligation from Treasure Island to Señor Frogs might have been material to Señor Frogs, Rose did not believe it was material to it since it failed to send on the notice to Señor Frogs pursuant to its own obligations.

E. The unclean hands doctrine also applies. First, since Rose received the rent from its subtenant and did not turn those monies over to Treasure Island. The facts were clear that the subtenant Operadora would pay Rose \$82,500 per month under the sublease and Rose would in effect take those same monies and pay those over to the landlord, Although the subtenant Señor Frogs paid Rose \$247,500 for January, February and March of 2015 Rose did not take those monies and pay the landlord Treasure Island. It cannot now complain that Treasure Island's failure to notice Señor Frogs somehow excuses its non-performance under these circumstances. Similarly, the unclean hands doctrine prevents Rose from arguing that Treasure Island's failure to carbon copy Operadors on the May 14th Notice excuses Rose's non-performance since it had the same obligation and failed to do so. Again Rose had clear contractual obligations to send any default notices it received to Señor Frogs. The evidence is clear that Rose never sent any notices it received from Treasure Island to Señor Frogs including the May 14th Notice. Therefore it cannot now allege that it is somehow excused for its non-performance under its contract with Treasure Island because Treasure Island did not carbon copy Operadora.

The unclean hands doctrine generally bars a party from receiving equitable relief because of that party's own inequitable conduct. It precludes a party from attaining an equitable remedy when that party's connection with the subject-matter or transaction in litigation has been unconscientious, unjust, or marked by the want of good faith. Park v. Park, 126 Nev. 745 (2010) ("the District Court found a connection between Appellant's misconduct, breach of contract, and cause of action for unjust enrichment. ... substantial evidence supports the District Court's decision to bar Appellant's unjust enrichment

26

27

FENGEMORE CRAIG

claim under the unclean hands doctrine."). While unclean hands is generally regarded as an argument that sounds in equity, the Ninth Circuit has recognized that "[t]he unclean hands doctrine applies not only to equitable claims, but also to legal ones." Adler v. Fed. Republic of Nigeria, 219 F.3d 869 (9th Cir. 2000). Here Rose's failure to pay the rent to begin with after being paid the same by its subtenant coupled with its insistence that Treasure Island not provide Operadora notice, and, perhaps most importantly, failing to provide Operadora the default notice itself, despite its specific contractual obligation to do so, caused all the harm to occur. If notice to Operadora was so important to Rose, it should have sent the notice to Operadora itself. It follows logically that since Operadora had already paid Rose the rent necessary to cover the quarterly rent that was due, Rose did not want Operadora to know that Rose had not paid the rent to Treasure Island. In any event, pursuant to the unclean hands doctrine, Rose is prevented from relying upon the lack of notice to Operadora to excuse its default since its own actions were marked by the want of good faith. It would be unjust to allow it to use Treasure Island's failure to copy Señor Frogs to excuse its non-payment of rent under the circumstances of this case.

- 4. Based on the foregoing, the court concludes that Treasure Island's termination of Rose, LLC's lease was effective and therefore, the lease is of no further force and effect.
- 5. The Court also denies Defendant's counterclaims for the reasons listed above. In addition, Treasure Island has accepted the rent and thus Rose's claim that Treasure Island breached the lease by failing to accept the rent is without merit. Indeed, the Court is unaware of any claim that a tenant can make for the failure of the landlord to accept rent. At all times Treasure Island allowed Rose to continue to lease the space pending the outcome of this litigation and Treasure Island's failure to accept the rent for a few months pending the Court's decision on whether the acceptance of the rent would not act as a waiver of Treasure Island's right to terminate this lease is not an actual breach.

Dated this ____ day of November, 2016. 1. Court Judge JW Submitted by: FENNEMORE CRAIG, P.C. ĕ Patrick J. Sheeban (Bar No. 3812) John H. Mowbray (Bar No. 3812)
John H. Mowbray (Bar No. 1140)
1400 Bank of America Plaza
300 South Fourth St. 14th Floor
Las Vegas, NV 89101
Attorneys for Treasure Island, LLC

FEHNEMORE CRAIN
ATTORNEYS
LAS VEGAS

3

4

5 6

7

8

10

1. 1.

12

13

14 15

16

17

1.8

19

20

21

33

23

24 25

26

27

28

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on November , 2016, service of the FINDINGS OF FACT AND CONCLUSIONS OF LAW was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List

For Case

null - Treasure Island LLC, Plaintiff(s) vs. Rose LLC, Defendant(s)

Fennemore Craig Jones Vargas

Contact Patrick J. Sheehan **Email** pskechac@felow.com

Fennemore Craig, P.C.

Contact Email
Adam Miller amiller@fclaw.com
John H. Mowbray imowlang@fclaw.com

Shumway Van Contact

> Brent Gabriela Mercado Kamra Fuller

Rebekah Griffin Rebin Cordova Sam Marshall

Email bsenfasbungwayyan.com Gabrielangashungwayyan.com

kamra gishumwayyan com rebekah gishumwayyan com robi*n di*shumwayyan com

samaci@shumwayyan.com

An Employee of Fennemore Craig, P.C.

EXHIBIT B

EXHIBIT B

Electronically Filed 12/16/2016 05:30:37 PM

1 NEO FENNEMORE CRAIG, P.C. 2 **CLERK OF THE COURT** Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 4 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorneys for Treasure Island, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC, a Nevada limited | CASE NO.: A-15-719105-B liability company; 11 DEPT .: XI 12 Plaintiff, 1.3 VS. NOTICE OF ENTRY OF ORDER 14 DENYING MOTION FOR ROSE, LLC, a Nevada limited liability RECONSIDERATION 15 company; 16 Defendant. ROSE, LLC, a Nevada limited liability 17 company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 ALL PARTIES AND THEIR ATTORNEYS OF RECORD: TO: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that an ORDER 27 DENYING MOTION FOR RECONSIDERATION was entered in the above-referenced 28

matter on the 14th day of December, 2016, a copy of which is attached hereto. Dated this 16th day of December, 2016. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan
Patrick J. Sheehan (Bar No. 3812)
John H. Mowbray (Bar No. 1140)
1400 Bank of America Plaza
300 South Fourth St. 14th Floor
Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORE CRAIG ATTONNEYS 5.48 VSGAS

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on December 16, 2016, service of the NOTICE OF ENTRY OF ORDER DENYING MOTION FOR RECONSIDERATION was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

Fennemo	re Craig Jones Vargas Contact	Email
	Patrick J. Sheehan	psheehan@fclaw.com
ennemo	re Cralg, P.C.	
	Contact	Email
	Adam Miller	amiller@fciaw.com
	John H. Mowbray	imowbray@fclaw.com
humwa	/ Van	
	Contact	Email
	8rent -	brent@shumwayvan.com
	Rebekah Griffin	rebekah@shumwayyan.com
	Sam Marshall	samuel@shumwayvan.com

/s/ Adam Miller
An Employee of Fennemore Craig, P.C.

Electronically Filed 12/14/2016 03:19:01 PM

1 ORDR FENNEMORE CRAIG, P.C. CLERK OF THE COURT 2 Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 S Fax: (702) 692-8099 Email: psheehan@lclaw.com ۳ Attorney for Plaintiff, Treasure Island 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC, a Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT, NO.; XI Plaintiff, 12 13 ORDER DENYING MOTION FOR VS. RECONSIDERATION 14 ROSE, LLC, a Nevada limited liability company, 15 Defendant. 16 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 V8. 22 TREASURE ISLAND, LLC, a Nevada limited liability company, 22 Counterdefendant. 23 Defendant Rose, LLC having filed a Motion for Reconsideration of the Court's Findings 24 of Facts and Conclusions of Law, the Court having considered the papers and pleadings on file 25 herein and entertained oral argument regarding the same, 26 27

12-13-16P01:10 RCVD

IT IS HEREBY ORDERED that the Motion for Reconsideration is denied. ä. Dated this /// day of December, 2016. Ju Respectfully Submitted By: 'n PENNEMORE CRAIG, P.C. Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101 Attorneys for Plaintiffs/Counterdefendants

VENNEMORE CRAIG

CAS VEGAS

EXHIBIT C

EXHIBIT C

1 **NEO** FENNEMORE CRAIG, P.C. 2 Patrick J. Sheehan (Bar No. 3812) **CLERK OF THE COURT** John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 4 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorneys for Treasure Island, LLC 7 8 DISTRICT COURT 9 **CLARK COUNTY, NEVADA** 10 TREASURE ISLAND, LLC, a Nevada limited CASE NO.: A-15-719105-B 11 liability company; **DEPT.:** XI 12 Plaintiff, 13 VS. NOTICE OF ENTRY OF JUDGMENT 14 ROSE, LLC, a Nevada limited liability 15 company; 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 19 Counterclaimant, 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 ALL PARTIES AND THEIR ATTORNEYS OF RECORD: TO: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that a 27 JUDGMENT was entered in the above-referenced matter on the 21st day of December, 28

2016, a copy of which is attached hereto. Dated this 22nd day of December, 2016. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan Patrick J. Sheehan (Bar No. 3812)
John H. Mowbray (Bar No. 1140)
1400 Bank of America Plaza
300 South Fourth St. 14th Floor
Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORE CRAIG ATTORNEYS LAS VEGAS

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on December 22, 2016, service of the NOTICE OF ENTRY OF ORDER DENYING MOTION FOR RECONSIDERATION was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

null - Treasure Island LLC, Plaintiff(s) vs. Rose LLC, Defendant(s)		
ennemore Craig Jones Vargas Contact		Email
	Patrick J. Sheehan	psheehan@fclaw.com
Fennemore C	Craig, P.C.	
	Contact	Email
	Adam Miller	amiller@fclaw.com
	John H. Mowbray	jmowbray@fclaw.com
Lewis Roca R	tothgerber Christie	
	Contact	Email
	Gabriela Mercado	gmercado@lrrc.com
Lewis Roca R	othgerber Christie LLP	
	Contact	Email
	Abraham G. Smith	asmith@lrrc.com
	Dan Polsenberg	dpolsenberg@lrrc.com
	Jessie Helm	jhelm@lrrc.com
	Joel Henriod	jhenriod@Irrc.com
Shumway Va	n	
	Contact	Email
	Brent	<u>brent@shumwayvan.com</u>
	Rebekah Griffin	<u>rebekah@shumwayvan.com</u>
	Sam Marshall	samuel@shumwayvan.com

/s/ Adam Miller

An Employee of Fennemore Craig, P.C.

1. JUDG FENNEMORE CRAIG, P.C. 2 CLERK OF THE COURT Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: psheehan@iclaw.com 6 Attorney for Plaintiff, Treasure Island r y DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC, a Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT. NO.: XI Plaintiff, 12 13 JUDGMENT VS. 14 ROSE, LLC, a Nevada limited liability company, 15 Defendant. 16 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant. 19 20 VS. 21 TREASURE ISLAND, LLC, a limited liability company, 22 Counterdesendant. 23 24 This action having come on for trial before the Honorable Judge Gonzalez, presiding, and

This action having come on for trial before the Honorable Judge Gonzalez, presiding, and the issues having been duly tried on October 6 and 7, 2016 and the decision having been duly rendered, the Court grants declaratory judgment that Treasure Island's lease with Rose, LLC is terminated. Judgment is also hereby entered for Treasure Island on Rose, LLC's counterclaims.

28

25

26

3,	The Judgment is based on the Findings of Fact and Conclusions of Law previously signed by the
2	Court.
3	Dated this 20 day of December, 2016.
4	Single Control of the
5	DISTRICT COURT AUDGE -
6	
7	Respectfully Submitted By:
8	Approximation of the second of
9	FENNEMORE CRANG, P.C.
10	101/14/2-1- #13690
11	Patrick A. Sheehai (Bar No. 3812) John H. Mowbray (Bar No. 1140)
13	1400 Bank of Apierica Plaza 300 South Foorth St. 14 th Floor
13	Las Vegas, NV 89101 Attorneys for Plaintiffs/Counterdefendants
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	

PENNEMORE CRAIG

12382791.1

~ 2 ~

EXHIBIT D

EXHIBIT D

Electronically Filed 01/11/2017 02:58:31 PM

1. NEO FENNEMORE CRAIG, P.C. 2 Patrick J. Sheehan (Bar No. 3812) **CLERK OF THE COURT** John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 4 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorneys for Treasure Island, LLC 7 DISTRICT COURT 8 9 CLARK COUNTY, NEVADA 10 TREASURE ISLAND, LLC, a Nevada limited | CASE NO.: A-15-719105-B liability company; 11 DEPT .: XI 12 Plaintiff. 13 VS. NOTICE OF ENTRY OF ORDER AND 14 JUDGMENT GRANTING TREASURE ROSE, LLC, a Nevada limited liability ISLAND'S MOTION FOR ATTORNEYS 15 company; FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that an ORDER 27 AND JUDGMENT GRANTING TREASURE ISLAND'S MOTION FOR ATTORNEYS 28

FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC was entered in the above-referenced matter on the 10th day of January, 2017, a copy of which is attached hereto. Dated this 11th day of January, 2017. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

PENNEMORS CRAIG ATTORNEYS LAS VEDAS

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on January 11, 2016, service of the NOTICE OF ENTRY OF ORDER AND JUDGMENT GRANTING TREASURE ISLAND'S MOTION FOR ATTORNEYS FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

null - Treasure Island LLC, Plaintiff(s) vs. Rose LLC, Defendant(s) Fennemore Craig Jones Vargas			
	Contact	Email	
	Patrick J. Sheehan	psheetwn@fclaw.com	
Fennemore	Craig, P.C.		
	Contact	Email	
	Adam Miller	amiller@fclaw.com	
	John H. Mowbray	jmowbray@fclaw.com	
Lewis Roca	Rothgerber Christie		
	Contact	Email	
	Gabriela Mercado	gmercado@irrc.com	
Lewis Roca	Rothgerber Christie LLP		
	Contact	Email	
	Abraham G. Smith	asmith@irrc.com	
	Dan Polsenberg	dpolsenbery@lrrc.com	
	Jessie Helm	fnelm@hrc.com	
	Joel Henriod	Jhenriod@ilrrc.com	
Shumway V	/an		
	Contact	Email	
	Brent	brent@shumwayvan.com	
	Rebekah Griffin	rebekah@shumwayyan.com	
	Sam Marshall	samuel@shumwayvan.com	

/s/ Adam Miller
An Employee of Fennemore Craig, P.C.

1. ORDR PENNEMORE CRAIG, P.C. 2 Patrick J. Sheehan (Bar No. 3812) CLERK OF THE COURT John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: pshecharatelaw.com ϵ Attorney for Treasure Island, LLC cy DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC, a Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT. NO.: XI Plaintiff. 12 13 VS. ORDER AND JUDGMENT GRANTING TREASURE ISLAND'S MOTION FOR 14 ROSE, LLC, a Nevada limited liability ATTORNEYS FEES IN THE AMOUNT OF \$126,000 AGAINST ROSE, LLC company, 15 1.6 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 1.8 Counterclaimant. 19 20 VS, 21 TREASURE ISLAND, LLC, a Nevada limited liability company, 22 Counterdefendant 23 24 Plaintiff Treasure Island, LLC ("Treasure Island") having filed a motion for attorney's

Plaintiff Treasure Island, LLC ("Treasure Island") having filed a motion for attorney's fees, the Court having reviewed the papers and pleadings filed on behalf of Treasure Island and Rose, LLC relating to the same and good cause appearing therefore the Court awards Treasure Island \$126,000 in attorney fees against Rose, LLC.

28

25

26

The Court enters such an Order based on its findings that the lease agreement between the parties contained an attornays fees clause providing that the prevailing party in any dispute concerning the lease would be entitled to their reasonable attorneys fees. The Court reviewed the motion and the factors set forth by the Nevada Supreme Court in Schouweiler v. ENC Company, 101 Nev. 827, 834, 712 P2d 786, 790 (1985) and determined that the fees requested of \$126,000 were reasonable. Treasure Island's counsel had the qualities, skill, ability, training, education, experience and standing necessary for the award of the fees. They spent the time required with respect to the specific issues in this case. The litigation was important. The work actually performed by Treasure Island's lawyers was given the proper attention and the final result was successful.

Accordingly, the Court grants Treasure Island's Motion for Attorneys Fees against Rose, LLC in the amount of \$126,000.

Ju

Dated this See day of January, 2017.

Respectfully Submitted By:

FENNEMORE CRAIG, P.C.,

Patrick J. Sheehan (Bur No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101

23 Altorneys for Treasure Island, LLC

24

22

25

26

27

28

PERNEMORE CRAIG

1.7639337.1

EXHIBIT E

EXHIBIT E

1 NEO FENNEMORE CRAIG, P.C. 2 Patrick J. Sheehan (Bar No. 3812) **CLERK OF THE COURT** John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com б Attorneys for Treasure Island, LLC 7 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA 10 TREASURE ISLAND, LLC, a Nevada limited | CASE NO.: A-15-719105-B liability company: 11 DEPT .: XI 12 Plaintiff. 13 VS. NOTICE OF ENTRY OF FINAL 14 JUDGMENT. ROSE, LLC, a Nevada limited liability 15 company; 16 Defendant. ROSE, LLC, a Nevada limited liability 17 company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that a FINAL 27 JUDGMENT was entered in the above-referenced matter on the 10th day of January, 2017. 28

a copy of which is attached hereto. Dated this 11th day of January, 2017. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORIS CRAIG ATTERNEYS CAS VEGAS

FENNEMORE CRAIG AMPANEYS LAS VEGAS

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on January 11, 2016, service of the NOTICE OF ENTRY OF JUDGMENT was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

Fennem	ore Craig Jones Vargas	
	Contact	Email
	Patrick J. Sheehan	psheehan@fclaw.com
Fennem	ore Craig, P.C.	
	Contact	Email
	Adam Miller	amilier@fclaw.com
	John H. Mowbray	jmowbray@fclaw.com
Lewis Ro	ca Rothgerber Christie	
	Contact	Email
	Gabriela Mercado	gmercado@lrrc.com
Lewis Ro	oca Rothgerber Christie LLP	
	Contact	Email
	Abraham G. Smith	asmith@irrc.com
	Dan Polsenberg	dpolsenberg@irrc.com
	Jessie Helm	ihelm@lrc.com
	Joel Henriod	jhenriod@irrc.com
Shumwa	y Van	
	Contact	Email
	Brent	brent@shumwayvan.com
	Rebekah Griffin	rebekah@shumwayyan.com
	Sam Marshall	samuel@ishumwayvan.com

/s/ Adam Miller
An Employee of Fennemore Craig, P.C.

1 JUDG FENNEMORE CRAIG, P.C. 2 CLERK OF THE COURT Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 73 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: pshechan@fclaw.com 6 Attorney for Treasure Island, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND. LLC, Nevada CASE NO.: A-15-719105-B limited liability company, 11 DEPT. NO.: XI 12 Plaintiff, 13 VS. FINAL JUDGMENT 1.4 ROSE, LLC, a Nevada limited liability company, 15 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 V8. 21 ISLAND, TREASURE LLC. Nevada limited liability company, 22 Counterdefendant, 23

This action having come on for trial before the Honorable Judge Gonzalez, presiding, and the issues having been duly tried on October 6 and 7, 2016 and the decision having been duly rendered, the Court GRANTS declaratory judgment that Treasure Island's lease with Rose, LLC is terminated as a result of Rose, LLC's breach. The Court dismisses as most Treasure Island's

28

24

25

26

claim for damages as a result of the breach at this time. Judgment is also hereby entered for 1 Treasure Island on Rose, LLC's counterclaims. Pursuant to NRCP 62(a), execution of this judgment will be stayed for 10 days following 3 written notice of its entry without bond, and for one year thereafter upon the posting of a Ą S 5 do so to \$930,000. γy Dated this Extra of January, 2017. 8 9 10 11 12 Respectfully Submitted By: 13 FENNEMORE CRAIG, P.C. 14 1.5 Patrick J. Sheehan (Bor No. 3812) 18 John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14 Floor 17 Las Vegas, NV 89101 3.8 Attorneys for Treasure Island, LLC 19 Approved as to form and content by: 20 21 LEWIS ROCA ROTHGERBER CHRISTIE LLP 22 Daniel F. Polsenberg (Bar No. 2376) 23 J. Christopher Jorgenson (Bar No. 5382) 24 Joe! D. Henriod (Bar No. 8492) Abraham G. Smith (Bar No. 13250) 25 3993 Howard Hughes Parkway, Suite 600 Las Vegas, NV 89169 26 Attorneys for Rose, LLC 27

\$850,000 supersedeas bond with the clerk of the Court. If the appeal is not then resolved, Treasure Island, LLC may request that the amount be increased which the Court has stated it will JUDGE COURT

28

PROPERTORS CRAIG LAC VENEZ

CERTIFICATE OF SERVICE

I hereby certify that on the 17th day of January, 2017, I served the foregoing "Amended Notice of Appeal" on counsel by the Court's electronic filing system and by courtesy email to the persons and addresses listed below:

PATRICK J. SHEEHAN

JOHN H. MOWBRAY

FENNEMORE CRAIG, P.C.

300 South Fourth Street, Suite 1400

Las Vegas, Nevada 89101

PSheehan@FCLaw.com

JMowbray@FCLaw.com

/s/ Jessie M. Helm An Employee of Lewis Roca Rothgerber Christie LLP

Electronically Filed 01/17/2017 03:46:31 PM

ASTA 1 DANIEL F. POLSENBERG (SBN 2376) JOEL D. HENRIOD (SBN 8492) **CLERK OF THE COURT** ABRAHAM G. SMITH (SBN 13,250) LEWIS ROCA ROTHGERBER CHRISTIE LLP 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169-5996 4 (702) 949-8200 DPolsenberg@LRRC.com JHenriod@LRRC.com 5 ASmith@LRRC.com 6 MICHAEL C. VAN (SBN 3876) SAMUEL A. MARSHALL (SBN 13,718) 8 SHUMWAY VAN 8985 South Eastern Avenue, Suite 100 Las Vegas, Nevada 89123 $(702)\ 478-7770$ Michael@ShumwayVan.com Samuel@ShumwayVan.com 10 11 Attorneys for Defendant/Counterclaimant Rose, LLC 12 13 DISTRICT COURT 14 CLARK COUNTY, NEVADA 15 TREASURE ISLAND, LLC, a Nevada limited Case No. A-15-719105-B liability company, Dept. No. 11 16 Plaintiff, 17 AMENDED CASE vs. 18 APPEAL STATEMENT ROSE, LLC, a Nevada limited liability 19 company, Defendant. 20 21 Rose, LLC, a Nevada limited liability 22 company, 23 Counterclaimant, 24 25 TREASURE ISLAND, LLC, a Nevada limited liability company, 26 Counterdefendant. 27 28



AMENDED CASE APPEAL STATEMENT 2 Name of appellants filing this case appeal statement: 1. Defendant/Counterclaimant ROSE, LLC 3 4 2. Identify the judge issuing the decision, judgment, or order appealed from: 5 THE HONORABLE ELIZABETH G. GONZALEZ 6 3. Identify each appellant and the name and address of counsel for each appellant: 8 Attorneys for Appellant Rose, LLC 9 DANIEL F. POLSENBERG 10 JOEL D. HENRIOD ABRAHAM G. SMITH 11 LEWIS ROCA ROTHGERBER CHRISTIE LLP 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 12 $(702)\ 949-8200$ 13 MICHAEL C. VAN SAMUEL A. MARSHALL 14 SHUMWAY VAN 15 8985 South Eastern Avenue, Suite 100 Las Vegas, Nevada 89123 (702) 478-7770 16 17 Identify each respondent and the name and address of appellate counsel, if known, for each respondent (if the name of a respondent's appellate 18 counsel is unknown, indicate as much and provide the name and address of that respondent's trial counsel): 19 Attorneys for Respondents Treasure Island, LLC 20 PATRICK J. SHEEHAN 21 JOHN H. MOWBRAY FENNEMORE CRAIG, P.C. 22 300 South Fourth Street, Suite 1400 Las Vegas, Nevada 89101 23 (702) 692-8000 Indicate whether any attorney identified above in response to question 3 24 5. or 4 is not licensed practice law in Nevada and, if so, whether the district court granted that attorney permission to appear under SCR 42 (attach a 25 copy of any district court order granting such permission): 26 N/A 27



28

6. 1 Indicate whether appellant was represented by appointed or retained counsel in the district court: 2 Retained counsel 3 7. Indicate whether appellant is represented by appointed or retained 4 counsel on appeal: 5 Retained counsel 6 8. Indicate whether appellant was granted leave to proceed in forma pauperis, and the date of entry of the district court order granting such 7 leave: 8 N/A 9 9. Indicate the date the proceedings commenced in the district court, e.g., date complaint, indictment, information, or petition was filed: 10 Complaint filed May 28, 2015 11 10. Provide a brief description of the nature of the action and result in the 12 district court, including the type of judgment or order being appealed and the relief granted by the district court: 13 This is an action for breach of lease. Rose pays rent to 14 Treasure Island in two methods, monthly rent and quarterly percentage rent based on Rose's subtenant's, Senor Frog's, quarterly gross sales. Rose missed a percentage rent payment in 15 early 2015 and Treasure Island failed to provide Rose with notice of its missed payment in accordance with the written contracts 16 between the parties. The district court ruled in favor of Treasure Island on the basis that there was an alleged verbal agreement 17 between the parties, prior to the last lease amendment, which placed additional notice requirements on Treasure Island, wherein 18 it was agreed that Treasure Island would not comply with the notice provisions as outlined in the lease. 19 20 On December 7, 2016, Rose appealed from the "Findings of Fact and Conclusions of Law," entered on November 7, 2016, 21 terminating its lease with Treasure Island. Rose now appeals from the final order and judgment as well as an award of attorneys' fees. 22 11. Indicate whether the case has previously been the subject of an appeal or 23 an original writ proceeding in the Supreme Court and, if so, the caption and Supreme Court docket number of the prior proceeding. 24 Rose, LLC v. Treasure Island, LLC - Case No. 71941 25 12. Indicate whether this appeal involves child custody or visitation: 26 This case does not involve child custody or visitation. 27 28



13. If this is a civil case, indicate whether this appeal involves the possibility of settlement:

Although Rose has made several attempts to settle this matter, Treasure Island refuses to entertain a reasonable settlement that would involve Rose remaining a tenant of Treasure Island.

Dated this 17th day of January, 2017.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By <u>/s/ Joel D. Henriod</u>

DANIEL F. POLSENBERG (SBN 2376) JOEL D. HENRIOD (SBN 8492) ABRAHAM G. SMITH (SBN 13,250) 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 (702) 949-8200

MICHAEL C. VAN (SBN 3876) SAMUEL A. MARSHALL (SBN 13,718) SHUMWAY VAN 8985 South Eastern Avenue, Suite 100 Las Vegas, Nevada 89123 (702) 478-7770

Attorneys for Defendant/Counterclaimant Rose, LLC



CERTIFICATE OF SERVICE

I hereby certify that on the 17th day of January, 2017, I served the foregoing "Amended Case Appeal Statement" on counsel by the Court's electronic filing system and by courtesy email to the persons and addresses listed below:

PATRICK J. SHEEHAN JOHN H. MOWBRAY

FENNEMORE CRAIG, P.C.

300 South Fourth Street, Suite 1400

Las Vegas, Nevada 89101

PSheehan@FCLaw.com

JMowbray@FCLaw.com

/s/ Jessie M. Helm An Employee of Lewis Roca Rothgerber Christie LLP

ewis Roca

CASE SUMMARY CASE NO. A-15-719105-B

Treasure Island LLC, Plaintiff(s) vs.
Rose LLC, Defendant(s)

Location: Judicial Officer:

Location: **Department 11** al Officer: **Gonzalez, Elizabeth**

Filed on: 05/28/2015

Case Number History:

Cross-Reference Case A719105

Number:

Supreme Court No.: 71941

CASE INFORMATION

Statistical Closures

10/12/2016 Judgment Reached (bench trial)

Case Type: Other Business Court Matters

Case Flags: **Discovery heard by Department**

Appealed to Supreme Court Automatically Exempt from

Arbitration

Other Landlord/Tenant Case

DATE CASE ASSIGNMENT

Current Case Assignment

Case Number Court Date Assigned Judicial Officer A-15-719105-B Department 11 09/29/2015 Gonzalez, Elizabeth

PARTY INFORMATION

Lead Attorneys
Plaintiff Treasure Island LLC Sheehan, Pa

Sheehan, Patrick J. Retained 7023859595(W)

Defendant Rose LLC Van, Michael C.

Retained 702-478-7770(W)

Counter Claimant Rose LLC Van, Michael C.

Retained 702-478-7770(W)

Counter Defendant Treasure Island LLC

Affidavit of Service

Sheehan, Patrick J.

Retained 7023859595(W)

DATE **E**VENTS & **O**RDERS OF THE COURT INDEX 05/28/2015 Complaint (Business Court) Filed By: Counter Defendant Treasure Island LLC Complaint 05/28/2015 Case Opened 05/28/2015 Discovery Heard by Department/Deemed Complex 05/29/2015 Other Landlord/Tenant Case 06/17/2015 Affidavit of Service Filed By: Counter Defendant Treasure Island LLC

	CASE NO. A-15-/19105-B
07/06/2015	Answer and Counterclaim Filed By: Counter Claimant Rose LLC Defendant's Answer and Counterclaim
07/07/2015	Initial Appearance Fee Disclosure Filed By: Counter Claimant Rose LLC Initial Appearance Fee Disclosure
07/25/2015	Answer to Counterclaim Filed By: Counter Defendant Treasure Island LLC Treasure Island's Answer to Counterclaim
08/12/2015	Joint Case Conference Report Filed By: Counter Defendant Treasure Island LLC Joint Case Conference Report
08/13/2015	Arbitration File Arbitration File
08/27/2015	Motion Filed By: Counter Defendant Treasure Island LLC Motion for Confirmation that Treasure Island May Collect Rent During the Pendency of the Litigation
09/14/2015	Opposition to Motion Filed By: Counter Claimant Rose LLC Defendant's Opposition To Plaintiff's Motion For Confirmation That Treasure Island May Collect Rent During The Pendency Of The Litigation
09/21/2015	Reply in Support Filed By: Counter Defendant Treasure Island LLC Reply in Support of Motion for Confirmation
09/21/2015	Case Reassigned to Department 27 Reassigned From Judge Susan Scann - Dept 29
09/22/2015	Errata Filed By: Counter Defendant Treasure Island LLC Errata to Reply in Support of Motion for Confirmation
09/29/2015	Notice of Department Reassignment Notice of Department Reassignment
09/29/2015	Peremptory Challenge Filed by: Counter Claimant Rose LLC Peremptory Challenge of Jude
10/01/2015	Business Court Order Business Court Order
10/13/2015	Motion to Amend Filed By: Counter Claimant Rose LLC Defendant's Motion To Amend Counterclaim

10/13/2015	Motion for Protective Order Filed By: Counter Defendant Treasure Island LLC Motion for Protective Order Regarding the Deposition of Phillip G. Ruffin	
10/15/2015	Motion (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) Plaintiff's Motion for Confirmation that Treasure Island May Collect Rent During the Pendency of the Litigation	
10/23/2015	Mandatory Rule 16 Conference (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth)	
10/29/2015	Business Court Order Business Court Scheduling Order and Order Setting Civil Bench Trial and Calendar Call	
10/29/2015	Opposition to Motion Filed By: Counter Defendant Treasure Island LLC Opposition to Defendant's Motion to Amend Counterclaim	
11/03/2015	Opposition to Motion Filed By: Counter Claimant Rose LLC Opposition To Defendant's Motion For Protective Order Regarding The Deposition Of Phillip G. Ruffin	
11/04/2015	Notice of Entry of Order Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Order Granting in Part Motion for Confirmation that Treasure Island May Collect Rent During the Pendency of the Litigation	
11/04/2015	Order Granting Filed By: Counter Defendant Treasure Island LLC Order Granting in Part Motion for Confirmation that Treasure Island may Collect Rent During the Pendency of the Litigation	
11/05/2015	Reply in Support Filed By: Counter Claimant Rose LLC Reply In Support Of Defendant's Motion To Amend Counterclaim	
11/06/2015	Reply in Support Filed By: Counter Defendant Treasure Island LLC Reply Brief in Support of Motion for Protective Order Regarding Deposition of Phillip G. Ruffin	
11/09/2015	Errata Filed By: Counter Defendant Treasure Island LLC Errata to Reply Brief in Support of Motion for Protective Order Regarding Deposition of Phillip G. Ruffin	
11/12/2015	Motion to Amend (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) Defendant's Motion To Amend Counterclaim	
11/12/2015	Motion for Protective Order (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) Plaintiff Treasure Island, LLC's Motion for Protective Order Regarding the Deposition of Phillip G. Ruffin	
11/12/2015	All Pending Motions (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth)	

	CASE NO. A-15-/19105-B
11/13/2015	Order Granting Motion Filed By: Counter Claimant Rose LLC Order Granting Rose, LLC's Motion To Amend Counterclaim
11/16/2015	Counterclaim Filed By: Counter Claimant Rose LLC Defendant's First Amended Counterclaim
11/16/2015	Notice of Entry of Order Filed By: Counter Claimant Rose LLC Notice Of Entry Of Order
11/17/2015	Telephonic Conference (4:15 PM) (Judicial Officer: Gonzalez, Elizabeth)
11/17/2015	Motion for Protective Order Filed By: Attorney Pisanelli, James J Defendant/Counterclaimant Rose LLC's Motion for Protective Order Regarding Date for Deposition of Gary Dragul; Ex Parte Application for Order Shortening Time
11/17/2015	Opposition to Motion For Protective Order Filed By: Attorney Sheehan, Patrick J. (11/19/15 Withdrawn) Treasure Island LLC's Opposition to Defendant's Motion for Protective Order Regarding Date for Deposition of Gary Dragul and Countermotion to Strike Answer if Dragul Does Not Show Up for His Deposition
11/18/2015	Notice of Withdrawal of Motion Filed By: Counter Claimant Rose LLC Notice Of Withdrawal Of Rose, LLC's Motion For Protective Order Regarding Date For Deposition Of Gary Dragul And Request To Vacate November 19, 2015, Hearing
11/18/2015	Opposition to Motion Filed By: Counter Defendant Treasure Island LLC Opposition to Motion of Withdrawal of Rose, LLC's Motion for Protective Order and to the Extent the Motion to Withdraw Constitutes an Opposition to Treasure Island's Motion to Strike - Treasure Island's Reply in Support of its Motion
11/19/2015	Withdrawal Filed by: Counter Defendant Treasure Island LLC (Opposition Filed 11/17/15) Treasure Island's Withdrawal of Opposition to Motion of Withdrawal of Rose, LLC's Motion for Protective Order and to the Extent the Motion to Withdraw Constitutes an Opposition to Treasure Island's Motion to Stirke - Treasure Island's Reply in Support of its Motion
11/20/2015	Hearing (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Hearing: Motion for Protective Order Regarding Date for Deposition of Gary Dragul; Ex Parte Application for Order Shortening Time
11/20/2015	Opposition and Countermotion (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Opposition to Motion for Protective Order Regarding Date for Deposition of Gary Dragul and Countermotion to Strike Answer if Dragul Does Not Show Up for His Deposition
11/20/2015	All Pending Motions (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
11/20/2015	Response Filed by: Counter Claimant Rose LLC Response To Treasure Island's Withdrawal Of Opposition To Motion Of Withdrawal Of Rose,

	CASE NO. A-15-/19105-B
	LLC's Motion For Protective Order
11/30/2015	Answer to Counterclaim Filed By: Counter Defendant Treasure Island LLC Treasure Island's Answer to First Amended Counterclaim
01/06/2016	Order Granting Filed By: Counter Defendant Treasure Island LLC Order Granting, In Part, Treasure Island, LLC's Motion for Protective Order
01/07/2016	Notice of Entry of Order Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Order Granting, In Part, Treasure Island, LLC's Motion for Protective Order
01/29/2016	Substitution of Attorney Filed by: Counter Claimant Rose LLC Substitution of Attorney
02/11/2016	Status Check (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth)
02/19/2016	Status Check (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Status Check: Agreement / Written Stipulation Regarding Schedule
02/23/2016	Stipulation and Order Filed by: Counter Claimant Rose LLC Stipulation and Order to Extend Discovery Deadlines (First Request)
02/24/2016	Notice of Entry of Order Filed By: Counter Claimant Rose LLC Notice of Entry of Order
04/05/2016	Motion to Continue Trial Filed By: Counter Claimant Rose LLC Defendant's Motion to Continue Trial, Permission to Take the Deposition of Phil Ruffin, and Extend Discovery on an Order Shortening Time (Second Request)
04/11/2016	Opposition Filed By: Counter Defendant Treasure Island LLC Opposition to Defendant's Motion to Continue Trial and Opposition to Motion to take the Deposition of PHil Ruffin and Extend Discovery
04/13/2016	Reply in Support Filed By: Counter Claimant Rose LLC Reply in Support of Defendant's Motion to Continue Trial, Permission to Take the Deposition of Phil Ruffin, and Extend Discovery
04/14/2016	Motion to Continue Trial (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) Defendant's Motion to Continue Trial, Permission to Take the Deposition of Phil Ruffin, and Extend Discovery on an Order Shortening Time (Second Request)
04/14/2016	Calendar Call (8:45 AM) (Judicial Officer: Gonzalez, Elizabeth)
04/14/2016	All Pending Motions (8:45 AM) (Judicial Officer: Gonzalez, Elizabeth)

	CASE NO. A-15-719105-B
04/18/2016	CANCELED Bench Trial (1:30 PM) (Judicial Officer: Gonzalez, Elizabeth) Vacated
05/19/2016	Notice of Entry of Stipulation and Order Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Stipulation and Order Regarding Trial Date
05/19/2016	Stipulation and Order Filed by: Counter Defendant Treasure Island LLC Stipulation and Order Regarding Trial Date
05/25/2016	CANCELED Bench Trial (10:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Vacated
06/13/2016	Settlement Conference (9:30 AM) (Judicial Officer: Scotti, Richard F.)
06/29/2016	Trial Memorandum Filed by: Counter Defendant Treasure Island LLC Trial Brief
06/30/2016	Brief Filed By: Counter Claimant Rose LLC Defendant/Counterclaimant's Trial Brief
06/30/2016	Certificate of Service Filed by: Counter Claimant Rose LLC Certificate of Service for Defendant/Counterclaimant's Trial Brief
07/08/2016	Status Check (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
07/15/2016	Order Setting Civil Bench Trial Order Setting Civil Bench Trial and Calendar Call
07/27/2016	Motion to Strike Filed By: Counter Defendant Treasure Island LLC Motion to Strike David Krouham
08/09/2016	Opposition to Motion Filed By: Counter Claimant Rose LLC Defendant's Opposition to Treasure Island, LLC's Motion to Strike David Krouham
08/10/2016	Notice Filed By: Counter Claimant Rose LLC Notice of Issuance of Trial Subpoena for Phil Ruffin
08/10/2016	Notice Filed By: Counter Claimant Rose LLC Notice of Issuance of Trial Subpoena for Brad Anthony
08/10/2016	Notice Filed By: Counter Claimant Rose LLC Notice of Issuance of Trial Subpoena for Jerry Griffis
08/10/2016	

	Notice Filed By: Counter Claimant Rose LLC Notice of Issuance of Trial Subpoena for Najam Khan
08/23/2016	Reply in Support Filed By: Counter Defendant Treasure Island LLC Plaintiff's Reply in Support of its Motion to Strike David Krouham
08/25/2016	Reply in Support Filed By: Counter Claimant Rose LLC Sur-Reply in Support of Defendant's Opposition to Treasure Island, LLC's Motion to Strike David Krouham
09/01/2016	Calendar Call (8:45 AM) (Judicial Officer: Gonzalez, Elizabeth)
09/01/2016	Motion to Strike (8:45 AM) (Judicial Officer: Gonzalez, Elizabeth) Plaintiff's Motion to Strike David Krouham
09/01/2016	All Pending Motions (8:45 AM) (Judicial Officer: Gonzalez, Elizabeth)
09/06/2016	Pre-trial Memorandum Filed by: Counter Defendant Treasure Island LLC Joint Pretrial Memorandum
09/06/2016	CANCELED Bench Trial (1:30 PM) (Judicial Officer: Gonzalez, Elizabeth) Vacated
09/09/2016	Notice Filed By: Counter Claimant Rose LLC Notice of Issuance of Amended Trial Subpoena for Phil Ruffin
09/09/2016	Notice Filed By: Counter Claimant Rose LLC Notice of Issuance of Amended Trial Subpoena for Najam Khan
09/09/2016	Notice Filed By: Counter Claimant Rose LLC Notice of Issuance of Amended Trial Subpoena for Jerry Griffis
09/09/2016	Notice Filed By: Counter Claimant Rose LLC Notice of Issuance of Amended Trial Subpoena for Brad Anthony
09/16/2016	Motion (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Events: 08/10/2016 Notice Notice of Issuace of Trial Subpoena for Phil Ruffin
09/16/2016	Motion (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Events: 08/10/2016 Notice Notice of Issuace of Trial Subpoena for Brad Anthony
09/16/2016	Motion (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Events: 08/10/2016 Notice Notice of Issuace of Trial Subpoena for Jerry Griffis
09/16/2016	Motion (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

	CASE NO. A-15-719105-B
	Events: 08/10/2016 Notice Notice of Issuace of Trial Subpoena for Najam Khan
09/16/2016	All Pending Motions (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
09/19/2016	Motion to Quash Filed By: Counter Defendant Treasure Island LLC Motion to Quash Subpoena Regarding Phillip G. Ruffin on Order Shortening Time
09/20/2016	Motion to Quash Filed By: Counter Defendant Treasure Island LLC Motion to Quash Subpoena Regarding Phillip G. Ruffin on Order Shortening Time
09/21/2016	Opposition to Motion Filed By: Counter Claimant Rose LLC Opposition to Plaintiff's Motion to Quash Subpoena Regarding Phillip G. Ruffin
09/22/2016	Motion to Quash (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) Plaintiff's Motion to Quash Subpoena Regarding Phillip G. Ruffin on Order Shortening Time
09/22/2016	Motion to Quash (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) Plaintiff's Motion to Quash Subpoena Regarding Phillip G. Ruffin on Order Shortening Time
09/22/2016	All Pending Motions (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth)
09/27/2016	Order Granting Motion Filed By: Counter Defendant Treasure Island LLC Order Granting Plaintiff's Motion to Quash Subpoena Regarding Phillip G Ruffin
09/29/2016	Notice of Entry of Order Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Order Granting Plaintiff's Motion to Quash Subpoena Regarding Phillip G. Ruffin
10/05/2016	Pre-trial Memorandum Filed by: Counter Claimant Rose LLC Defendant/Counterclaimant Limited Pre-Trial Memorandum
10/06/2016	Bench Trial (9:30 AM) (Judicial Officer: Gonzalez, Elizabeth) 10/06/2016-10/07/2016
10/12/2016	Order to Statistically Close Case Civil Order to Statistically Close Case
10/25/2016	Reporters Transcript Transcript of Proceedings: Bench Trial - Day 2 October 7, 2016
10/25/2016	Reporters Transcript Transcript of Proceedings: Bench Trial - Day 1 October 6, 2016
11/07/2016	Notice of Entry Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Findings of Fact and Conclusions of Law

	CASE NO. A-15-/19105-B
11/07/2016	Findings of Fact, Conclusions of Law and Order Filed By: Counter Defendant Treasure Island LLC Findings of Fact and Conclusions of Law
11/18/2016	Motion for Attorney Fees Filed By: Counter Defendant Treasure Island LLC Motion for Attorney's Fees
11/18/2016	Motion Filed By: Counter Claimant Rose LLC Motion for Reconsideration, to Amend Findings of Fact, to Amend the Judgment, or, in the Alternative, for a New Trial on an Order Shortening Time
11/18/2016	Motion for Stay of Execution Filed By: Counter Claimant Rose LLC Motion for Stay of Execution During Pendency of Appeal and Waiver of Supersedeas Bond on an Order Shortening Time
12/06/2016	Opposition Filed By: Counter Defendant Treasure Island LLC Opposition to Motion for Reconsideration
12/06/2016	Opposition Filed By: Counter Defendant Treasure Island LLC Opposition to Motion for Stay
12/07/2016	Notice of Appeal Filed By: Counter Claimant Rose LLC Notice of Appeal
12/07/2016	Case Appeal Statement Filed By: Counter Claimant Rose LLC Case Appeal Statement
12/07/2016	Notice of Association of Counsel Filed By: Counter Claimant Rose LLC Notice of Association of Counsel
12/07/2016	Reply in Support Filed By: Counter Claimant Rose LLC Reply in Support of Rose, LLC's Motion For Stay of Execution During Pendency of Appeal and Waiver of Supersedeas Bond
12/07/2016	Reply in Support Filed By: Counter Claimant Rose LLC Reply in Support of Rose, LLC's Motion For Reconsideration, to Amend Findings of Fact, to Amend the Judgment, or, in the Alternative, for a New Trial
12/08/2016	Motion For Reconsideration (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) Defendant/Counterclaimant, Rose, LLC's Motion for Reconsideration, to Amend Findings of Fact, to Amend the Judgment, or, in the Alternative, for a New Trial on an Order Shortening Time
12/08/2016	Motion For Stay (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) 12/08/2016, 12/14/2016 Defendant/Counterclaimant, Rose, LLC's Motion for Stay of Execution During Pendency of

	CASE NO. A-15-719105-B
	Appeal and Waiver of Supersedeas Bond on an Order Shortening Time
12/08/2016	All Pending Motions (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth)
12/12/2016	Opposition Filed By: Counter Claimant Rose LLC Rose, LLC's Opposition to Treasure Island, LLC's Motion For Attorney's Fees
12/12/2016	Filed Under Seal Motion to Seal "Supplemental Brief Regarding Superseadeas Bond Requierment"
12/12/2016	Filed Under Seal Supplemental Brief Regarding Supersedes Bond Requirements
12/13/2016	Brief Filed By: Counter Defendant Treasure Island LLC Supplemental Brief Regarding Stay and Bond Amount
12/14/2016	Order Filed By: Counter Defendant Treasure Island LLC Order Denying Motion for Reconsideration
12/14/2016	Argument (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth) Argument re: Bond
12/14/2016	All Pending Motions (8:30 AM) (Judicial Officer: Gonzalez, Elizabeth)
12/15/2016	Reply in Support Filed By: Counter Defendant Treasure Island LLC Reply in Support of Motion for Attorney's Fees
12/16/2016	Notice of Entry of Order Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Order Denying Motion for Reconsideration
12/21/2016	Judgment Filed By: Counter Defendant Treasure Island LLC Judgment
12/21/2016	Judgment (Judicial Officer: Gonzalez, Elizabeth) Debtors: Rose LLC (Counter Claimant, Defendant) Creditors: Treasure Island LLC (Counter Defendant, Plaintiff) Judgment: 12/21/2016, Docketed: 12/28/2016
12/22/2016	Notice of Entry of Judgment Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Judgment
12/23/2016	Motion for Attorney Fees (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Plaintiff, Treasure Island, LLC's Motion for Attorney's Fees
12/30/2016	Minute Order (3:00 PM) (Judicial Officer: Gonzalez, Elizabeth) Minute Order re: Ex Parte Application for Interim Stay

	CASE 110. A 13 / 17103 B	
12/30/2016	Ex Parte Application Ex Parte Application for Interim Stay	
01/03/2017	CANCELED Telephonic Conference (3:30 PM) (Judicial Officer: Gonzalez, Elizabeth) Vacated Telephonic Conference re: Ex Parte Application for Interim Stay	
01/10/2017	Judgment Filed By: Counter Defendant Treasure Island LLC Final Judgment	
01/10/2017	Order Granting Motion Filed By: Counter Defendant Treasure Island LLC Order and Judgment Granting Treasure Island's Motion for Attorney's Fees in the Amount of \$126,000 Against Rose, LLC	
01/10/2017	Order (Judicial Officer: Gonzalez, Elizabeth) Debtors: Rose LLC (Defendant) Creditors: Treasure Island LLC (Plaintiff) Judgment: 01/10/2017, Docketed: 01/18/2017 Total Judgment: 126,000.00	
01/11/2017	Notice of Entry Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Order and Judgment Granting Treasure Island's Motion for Attorneys Fees in the Amount of \$126,000 Against Rose, LLC	
01/11/2017	Notice of Entry Filed By: Counter Defendant Treasure Island LLC Notice of Entry of Final Judgment	
01/17/2017	Notice of Appeal Filed By: Counter Claimant Rose LLC Amended Notice of Appeal	
01/17/2017	Case Appeal Statement Filed By: Counter Claimant Rose LLC Amended Case Appeal Statement	
DATE	FINANCIAL INFORMATION	
	Counter Claimant Rose LLC Total Charges Total Payments and Credits Balance Due as of 1/23/2017	1,991.50 1,991.50 0.00
	Counter Defendant Treasure Island LLC Total Charges Total Payments and Credits Balance Due as of 1/23/2017	1,677.00 1,677.00 0.00
	Counter Claimant Rose LLC Appeal Bond Balance as of 1/23/2017	500.00

BUSINESS COURT CIVIL COVER SHEET

XXI X

	and the second section of the second section of the second	County, N	devada /////
	Case No.		silverses fo
	(Assigned by Clea	***************************************	
I. Party Information iprovide both he	me and mailing addresses if differen		
Plaintiff(s) (name/address/phone):		Detenda	nt(s) (name/address/phone):
Treasure Isla	nd, LLC		Rose, LLC
<u> </u>			
Attorney (name/address/phone):		Attorney	/ (name/address/phone):
Patrick J. St	neehan		
Fennemore Cr	raig, P.C.		
300 South Fourth Str	reet, Suite 1400		
Las Vegas, N	V 89101		
II. Nature of Controversy (Please)	sheck the applicable boxes for buth th	he civil case typ	se and business court cuse type)
Arbitration Requested		***************************************	
Konnol	Filing Types		Business Court Filing Types
Real Property	Torts		CLARK COUNTY BUSINESS COURT
Landford/Tenant	Negligence		NRS Chapters 78-89
Unlawful Detainer	Auto		Commodities (NRS 91)
Other Landlord/Tenant	Premises Liability		Securities (NRS 90)
Title to Property	Other Negligence		Mergers (NRS 92A)
Judicial Foreclosure	Malpractice		Uniform Commercial Code (NRS 104)
Other Title to Property	Medical/Dental		Purchase/Sale of Stock, Assets, or Real Estate
Other Real Property	Legal		Trademark or Trade Name (NRS 600)
Condemnation/Emiront Domain	Accounting		Enhanced Case Management
Other Real Property	Other Malpractice		Other Business Court Matters
Construction Defect & Cantract	Other Torts		
Construction Defect	Product Liability		
Chapter 40	Intentional Misconduct		WASHOE COUNTY BUSINESS COURT
Other Construction Defect	Employment Tort		MRS Chapters 78-88 Commodities (NRS 91)
Contract Case	Insurance Tort Other Tort		Securities (NRS 90)
Uniform Commercial Code	Civil Writs		Investments (NRS 194 Art.8)
Building and Construction	20000	***************************************	Deceptive Trade Practices (NRS 598)
Insurance Carrier Commercial Instrument	Writ of Habeas Corpus Writ of Mandamus		Trademark/Trade Name (NRS 600)
Collection of Accounts	Writ of Quo Warrant		Trade Secrets (NRS 600A)
Employment Contract	Writ of Prohibition		Enhanced Case Management
Other Contract	Other Civil Writ		Other Business Court Matters
	peal/Other Civil Filing		•
Judicial Review Other Civil Filing			
Foreclosure Mediation Case	Foreign Judgment		
Appeal Other	Other Civil Matters		
Appeal from Lower Court			
_ 8			72.1
knog 2 b,	1018		11-1-1
Date		Sign	ature of initiating party or representative

1 Patrick J. Sheehan (NV Bar No. 3812) John H. Mowbray (NV Bar No. 1140) 2 **CLERK OF THE COURT** FENNEMORE CRAIG, P.C. 300 S. 4th Street, Suite 1400 3 Las, Vegas, Nevada 89101 Telephone: (702) 692-8000 Facsimile: (702) 692-8099 5 Email: psheehan@fclaw.com Attorney for Plaintiff Treasure Island, LLC 6 DISTRICT COURT 7 CLARK COUNTY, NEVADA 8 TREASURE ISLAND, LLC, a Nevada CASE NO.: A-15-719105-B 9 limited liability company, DEPT. NO.: XXIX 10 Plaintiff, 11 FINDINGS OF FACT AND ٧, CONCLUSIONS OF LAW 12 ROSE, LLC, a Nevada limited liability company, 13 Defendant. 1415 ROSE, LLC, a Nevada limited liability company, 16 Counterclaimant. 17 V. 18 TREASURE ISLAND, LLC, a Nevada limited 19 liability company, 20 Counterclaimant. 21 22 Ĭ. FINDINGS OF FACT. 23 1. On or about April 13, 2011, Plaintiff, Treasure Island, entered into a Lease 24 Agreement ("Lease") with Defendant, Rose, LLC ("Rose"). 25 2. Pursuant to the terms of the Lease, Treasure Island leased space to Rose inside the 26 Treasure Island Hotel and Casino in Las Vegas, Nevada (the "Property"). 27

One of Rose's obligations under the Lease was to timely pay rent.

3.

FENNEMORE CRAIG ATTORNEYS

- 4. Per the Lease, rent came in two forms: minimum monthly rent, and quarterly rent in an amount equal to 7% of modified gross sales.
- 5. The Lease provided that the rent for gross sales would be paid pursuant to a certain formula and that, within 30 days of the end of each quarter during the lease term, Rose would deliver to landlord a writing setting forth the amount of tenant's gross sales made during each month of the preceding calendar quarter and, concurrently therewith, pay the landlord the percentage rent due and payable for the preceding calendar quarter.
- 6. In August, 2012, Treasure Island became aware that Rose was delinquent in paying several of its contractors.
- 7. Due to a concern that this failure to pay construction costs could result in a lien against the Property, Treasure Island, through its General Counsel, Brad Anthony ("Anthony"), sent Rose a letter reminding it that no liens were permitted under the Lease.
- 8. This letter was sent in strict compliance with the Lease's notice requirements which stated that any notices would be sent to Rose at a certain address attention Susan Markusch with a carbon copy to Operadora.¹
- 9. Shortly after that letter was sent, Gary Dragul, President of Rose ("Dragul"), called Mr. Anthony to discuss the letter that Rose received and to request further relief from the loan repayment obligation it had with Treasure Island.
- 10. During that call, Dragul specifically requested that Anthony send all future correspondences dealing with the Treasure Island-Rose relationship directly and only to him.
- 11. Although Mr. Dragul testified that his memory of the conversation was different in that he believed Mr. Anthony suggested that Rose designate one person from Rose whom Treasure Island could deal with in the future he nevertheless agreed that he did in fact tell Mr. Anthony to make all future communications to him. The Court finds that Mr. Dragul did in fact tell Brad Anthony to send all future notices to him and him alone (not Operadora or anyone else).

¹ By way of a Fifth Amendment to the lease the notice addresses were changed to state that any notices to Rose were to be sent to a certain address without specifying any individual and to Operadora at both the original address listed and to a Miami law firm.

12

15

14

16 17

18

19

20 21

22

23 24

25

26

27

28

ENNEMORE CRAIG ATTORNEYS

12. Mr. Anthony's testimony regarding Mr. Dragul's request to change the notice was
much more credible than Mr. Dragul's testimony related to the issue. For example, during his
deposition Mr. Dragul stated he did not recall any conversation with Mr. Anthony after the
August 31st letter which contained the notices set forth in the lease. However, during the first day
of testimony upon examination of his own counsel he outlined what he believed occurred during
the conversation. Then, upon questioning from the Court he also outlined what he believed
occurred during the conversation. Then, upon being cross-examined by Plaintiff's counsel he
again stated that he did not recall any conversation taking place. Plaintiff's counsel asked the
question as follows:

- ...Sir, do you recall a telephone conversation that you had with Mr. Anthony following receipt of this letter [the August 31, 2012 letter]?
- [by Mr. Dragul] I do not. Transcript at page 33 lines 2-5 and also at page 34 lines 5-7. This just after his response to the Court clearly acknowledging the conversation. See pages 18 and 19. Indeed, the next letter between the parties references the conversation between Mr. Anthony and Mr. Dragul so the conversation must have taken place and it must of taken place in between the August 31st correspondence and September 19th correspondence which followed.
- The Court finds that the parties agreed that any further notices would be sent 13. solely to Mr. Dragul.
- 14. On September 19, 2012, Anthony sent a letter following up on Mr. Dragul's request regarding the construction loan repayment.
- 15. Mr. Anthony complied with Dragul's request for how notice should be provided and sent the letter directly to Dragul and without Operadora being carbon copied.
- 16. In the years that followed, Treasure Island sent numerous communications to Rose.
 - 17. In each instance where money owed to Treasure Island was delinquent, barring

one², the communication was sent to Dragul and Operadora was not copied.

- 18. In all of its communications with Treasure Island, Rose did not carbon copy its subtenant once. Nor was any evidence presented to show that Rose forwarded any of the communications it received from Treasure Island to Operadora.
- 19. On April 30, 2015, Rose breached the Lease when it failed to pay the 7% gross sales portion of the rent for the first quarter of 2015.
 - 20. As a result, on May 14, 2015, Treasure Island sent Rose a notice.
- 21. Mr. Dragul Rose's President testified that his company had many tenants and that if any tenant failed to pay rent when due he would begin proceedings to evict that tenant 10 days after said tenant defaulted on his rental obligations.
- 22. Pursuant to Mr. Dragul's instruction the Notice was sent to Mr. Dragul and not to Susan Markusch or Operadora.
- 23. Out of an abundance of caution, Mr. Anthony emailed a copy of the notice to the only other officer of Rose, LLC its legal counsel, Elizabeth Gold.
 - 24. Ms. Gold was the person who signed all of the contracts in this matter.
- 25. The letter advised Rose, LLC that it was delinquent on its rent and that it had ten days to cure that delinquency or it would be in default.
- 26. Pursuant to the express terms of the parties' Lease Agreement, if the overdue rent payment was not paid within ten days of the notice, Treasure Island had the right to terminate the parties' lease.
- 27. The Court finds that Rose, LLC did in fact receive the notice and did not pay the full amount of overdue rent between May 14 and May 28.
- 28. This nonpayment occurred despite Rose having been paid \$247,500 from its subtenant for the months of January, February and March, which amount represents roughly the equivalent of the rent monies owed to Treasure Island pursuant to Rose's lease with Treasure

² The only exception to this was a letter from Jerry Griffis, Treasure Island's Chief Financial Officer, which did include notice to Operadora since the subject of that letter was Operadora itself not paying food charges owed to Treasure Island.

Island.

- 29. The evidence showed that Elizabeth Gold received a copy of the notice of default no later than May 15, 2015, since she called Brad Anthony on that day and requested additional time to pay the overdue rent, which Mr. Anthony said Treasure Island would not give Rose.
- 30. Mr. Anthony so testified and Elizabeth Gold did not testify in the trial to dispute this testimony. Mr. Anthony's testimony in this regard is corroborated by a letter which Ms. Gold drafted on May 29 which referenced her being emailed the May 14th Notice.
- 31. The Court finds that Mr. Dragul was advised of the May 14 Notice shortly after Ms. Gold's receipt of the same. This is because Mr. Dragul testified he spoke with Ms. Gold every morning and several times a day. See transcript at page 40 lines 3-9.
- 32. Although Mr. Dragul testified that he personally did not receive a copy of the Notice until he received a phone call from David Krouham on May 28 or 29 his testimony is not credible.
- 33. In Mr. Dragul's deposition, he testified he believed he was advised of the Notice on May 26.
- 34. Although Mr. Dragul coyly testified that he did not see a copy of the notice until he returned to his office he was obviously told about the Notice.
- 35. Plaintiff's counsel asked Mr. Dragul if he was told about the notice even though he did not see the notice and he testified, "I don't remember." See transcript at page 49 lines 17-19.
- 36. The Court believes it is clear the Mr. Dragul was advised of the Notice by May 15 and certainly well before May 28.
- 37. In addition to Rose receiving the notice through Ms. Gold, the evidence showed that Ms. Markusch (the person mentioned under the original notice provision) also was aware of the notice since she sent a partial payment for the outstanding rent due shortly after the May 14 notice was received.
- 38. Rose, LLC had its own sublease with an entity called Señor Frogs Las Vegas, LLC ("Señor Frogs").

- 39. Señor Frogs is a subsidiary of Operadora.
- 40. Pursuant to an express provision in the sublease between Rose and Señor Frogs, Rose had a duty to provide a copy of any default notices it received from Treasure Island to Señor Frogs/Operadora.
 - 41. Rose never sent a copy of the May 14th default notice to Señor Frogs/Operadora.
- 42. On May 28, Treasure Island terminated its lease with Rose via a letter sent by its counsel, Brenoch Wirthlin.
- 43. Following receipt of this Notice of Termination Rose attempted to pay the rent, which Mr. Dragul admitted was overdue since it was due on April 30th.
- 44. However, Treasure Island had already terminated the lease and this action seeking declaratory relief by both parties began.
- 45. Upon finding out about Treasure Island's termination of Rose's lease, Señor Frogs/Operadora hired counsel from Florida to contact Treasure Island.
 - 46. Said counsel did contact Treasure Island (through its counsel).
- 47. That communication was memorialized in an email setting forth Señor Frogs/Operadora's position at the time.
- 48. The email dated June 3, 2015, does not mention the fact that Señor Frogs would have paid any overdue amounts owed by Rose to Treasure Island.
- 49. The testimony showed that Señor Frogs had already paid Rose approximately \$247,500 for the three months involved in the rent delinquency by Rose-January, February and March, 2015.
 - 50. The email states:

"Pat – thank you for your time today. This email will confirm our discussions. The letter from Mr. Wirthlin to Rose, LLC and Operadora Andersons S.A. de C.V. dated May 28, 2015, was sent to my client for notice purposes only under Section 11 of the Fifth Amendment to Lease Agreement between Rose, LLC and Treasure Island, LLC. As we discussed, under Section 9 of the Fifth Amendment, my client is not affected by a default by Rose, LLC as the prime tenant.

As we further discussed, Rose, LLC is disputing the default. You have confirmed with me that your client does not plan on taking any action

until the dispute with Rose, LLC is resolved, whether by court action or settlement between the two parties. None of this will impact adversely on my client, which will be permitted to continue its sub-tenance. If your client prevails and terminates Rose, LLC's tenancy, at that point you would then negotiate a lease directly with my client in accordance with Section 9 of the Fifth Amendment.

Thanks again for your assistance. Please copy me on any further correspondence. My contact information is below."

51. Following this email Señor Frogs did not intervene in this case and is not a party to this action and thus its rights are not subject to this action.

CONCLUSIONS OF LAW

- 1. The court finds that the lease between Rose and Treasure Island has been terminated.
- 2. Rose's argument that the termination was not proper because the May 14 default notice sent to Rose was not sent to the attention of Susan Markusch is without merit for the following reasons any one of which would be sufficient:
 - A. The parties orally modified the lease when Mr. Dragul told Mr. Anthony to send all future correspondence to him and him alone sometime between August 31 and September 19, 2012

"[P]arties to a written contract who agree to new terms may orally modify the contract." *Jensen v. Jensen*, 104 Nev. 95, 98 (Nev. 1988)(internal citations omitted). "Moreover, parties' consent to modification can be implied from conduct consistent with the asserted modification." *Id.* "Parol evidence can be admitted to show an oral agreement modifying a contract." *Id.* citing *Silver Dollar Club v. Cosgriff Neon Co.*, 80 Nev. 108, 110, 389 P.2d 923, 924 (1964). This is the case despite a provision stating that the contract can only be modified in writing:

Parties may change, add to, and totally control what they did in the past. They are wholly unable by any contractual action in the present, to limit or control what they may wish to do contractually in the future. Even where they include in the written contract an express provision that it

can only be modified or discharges by a subsequent agreement in writing, nevertheless their later oral agreement to modify or discharge their written contract is both provable and effective to do so.

Silver Dollar Club v. Cosgriff Neon Co., 80 Nev. 108, 111, 389 P.2d 923, 924 (1964) citing Simpson on Contracts § 63, at 228 (emphasis added).

- B. Under the doctrine of estoppel. To prevail on an argument of estoppel, the party asserting the defense must prove four elements:
 - 1. The party to be estopped must be apprised of the true facts;
 - 2. He must intend that his conduct shall be acted upon, or must so act that the party asserting estoppel has a right to believe it was so intended.
 - 3. The party asserting the estoppel must be ignorant of the true state of facts;
 - 4. He must have relied on his detriment on the conduct of the party to be estopped. In addition silence can raise an estoppel quite as effectively as can words. *Teriano v. Nev. State Bank*, 121 Nev. 217, 223, 112 P3.d 1058, 1062 (2005).

Here, Rose was aware of Treasure Island's decision not to send numerous notices to the attention of Susan Markusch after Mr. Dragul had instructed Mr. Anthony to send all notices to his attention. Thus, Rose was aware that all future notices after August 31, 2012 were being sent to Mr. Dragul and not Ms. Markusch. Similarly, when Mr. Dragul asked Mr. Anthony to send all future notices to his attention he obviously intended that his conduct would be acted upon by Anthony. Next, Treasure Island was clearly ignorant to any change in direction by Rose to change the person who the notice needed to be sent to from Mr. Dragul back to Ms. Markusch since the evidence showed Dragul never changed his direction to have all notices sent to his attention and his attention alone. Finally, Treasure Island met the last element since it relied to its detriment by sending the notice to the attention Mr. Dragul instead of Ms. Markusch.

Estoppel is also applicable since the evidence showed that numerous notices were sent to the attention of Mr. Dragul and not Ms. Markusch after the August 31, 2012 letter and neither Dragul or Rose objected. See also, *Cheqer, Inc. v. Plainters and Decorators*, 98 Nev. 609, 614, 655 P2.d 996, 998-99 (1982 ("This court has noted that the silence can raise in estoppel quite as effectively as can words"); *Goldstein v. Hanna*, 97 Nev. 559, 562 (Nev. 1981) (internal citations omitted) ("Thus, 'a person remaining silent when ought, in the excess of good faith, to have spoken, will not be allowed to speak when he ought in the exercise of good faith, remain silent."")

C. The Court finds that as a result of the conversation between Mr. Dragul and Mr. Anthony, Rose waived its right to claim the notice should have been sent to the attention of Ms. Markusch instead of Mr. Dragul. His conduct in requesting that any future notices be sent to him and him alone was an intentional relinquishment of any requirement on Treasure Island's part to send the notice to attention of Ms. Markusch. In addition, the failure to raise any issues concerning the subsequent notices, which were all sent to the attention of Mr. Dragul and not Ms. Markusch evidence of intention to waive the right and thus a waiver is implied from said conduct. Mahban v. MGM Grand Hotels, Inc., 100 Nev. 593, 596, 691 P2.d 421, 423-24 (1984). See also, Havas v. Atlantic Ins. Co., 96 Nev. 586, 588 (Nev. 1980) (internal citations omitted). (The intent of waiver may be expressed or implied from the circumstances.)

D. Rose's claim is also without merit since it received actual notice and Ms. Markusch herself received notice. In *Stonehenge Land Co. v. Beazer Homes Investments*, *LLC*₂ 893 N.E. 2.d 855, 863 (Ohio Ct. App. 2008) the court held that, "Where there is evidence of actual notice, a technical deviation from a contractual notice requirement will not bar the action for breach of contract brought against a party that had actual notice." *See also, e.g., Polizzotto v. D'Agostino*, 129 So. 534, 536 (La. 1930) ("[M]ere informalities do not violate notice so long as they do not mislead, and give the necessary

information to the proper party."); Bd. of Comm'rs v. Turner Marine Bulk, Inc., 629 So. 2d 1278, 1283 (La. Ct. App. 1993) ("Where adequate notice is in fact given and its receipt is not contested, technicalities of form may be overlooked."). In this case it is clear Rose received actual notice and thus suffered no harm.

- E. Treasure Island substantially complied with any notice obligations to Rose. In Hardy Cos v. SNMARK, LLC, 126 Nev. 528, 536 (Nev. 2010) the court found that substantial compliance with notice provisions is met when the owner has actual knowledge and is not prejudiced. In this case it was clear Rose had actual knowledge of the notice and the opportunity to cure the default during the ten-day notice period. This provides the fifth reason why Rose's argument that the notice to it was ineffective has no merit.
- 3. Rose may not raise Treasure Island's failure to carbon copy Operadora as a defense given the circumstances in this case.
 - A. Rose cannot raise any claims regarding Treasure Island's failure to notice Señor Frogs since that claim belongs to Señor Frogs. Señor Frogs is not a party to this case. Instead, the issue only involves whether or not Treasure Island's termination of the Rose Lease was effective. Any notice obligations to Señor Frogs were a separate obligation that Treasure Island had to Señor Frogs and that is not an issue that could be raised by Rose pursuant to established law. *Pierce v. Centry Ins.*, 421 N.E. 2d 1252 (App. Ct. Mass. 1981). (Notice to the insured and notice to the mortgagee have discrete purposes, however, and it is difficult to see how, as to the party who receives notice, a failure to give notice to the other, can be anything but merely formal. . .. This quality of separate obligations has been noted particularly, where, as in the instant case, the insurance policy contains a so-called 'standard mortgage clause.' (Citations omitted.) Under that clause 'the result has been that the Courts have held that the agreement of the company with the mortgagee being separate and divisible from that with the mortgagor. . .) See also, e.g.,

who admittedly received notice and failed to pay the premium, seeks to void defendant's purported cancellation based on the fortuitous fact that defendant is unable to establish that it notified the mortgagee. We agree . . . that this would result in an 'unjustified windfall' to the insured."); Bradley v. Assocs. Disc. Corp., 58 So. 2d 857, 859 (Fla. 1952) (finding that a defect in the notice's content did not invalidate the notice where the defect was relevant only to a third party); cf. Bryce v. St. Paul Fire & Marine Ins. Co., 783 P.2d 246, 247 (Ariz. App. 1989) ("Appellee's failure to give timely notice of the cancellation to the mortgagee [as required by statute] had no effect on the proper notice of cancellation given appellant by the premium finance company."); Allstate Ins. Co. v. McCrae, 384 S.E.2d 1, 2 (N.C. 1989) ("Only defective notification to the insured renders cancellation of the policy ineffective and extends the liability of the insurer.").

Ellegood v. Am. States Ins. Co., 638 N.E.2d 1193, 1195 (Ill. App. Ct. 1994) ("[P]laintiff,

- B. Even if Rose could raise the issue of Treasure Island's failure to notice Señor Frogs/Operadora it is estopped from doing so. Dragul told Anthony to send any default notices to him and not anyone else. As a result, when Anthony sent the notices to Dragul and not anyone else Rose cannot argue that said notice was defective pursuant to the estoppel law and reasons cited above.
- C. Rose waived any claims for the same reasons also. Similarly, Dragul's insistence that any notices be sent to him and him alone constitutes a waiver of any argument that Treasure Island should have sent the notice to Señor Frogs/Operadora.
- D. Rose's failure to send the notice to Señor Frogs under its own obligation precludes Rose from alleging that the notice was ineffective since Señor Frogs was not carbon copied. This is true under the doctrine of materiality. If Rose felt that Treasure Island's obligation to send the notice of default to Señor Frogs was a material term of its (as opposed to Señor Frogs) contractual rights with Treasure Island then it clearly would have sent the notice on to Señor Frogs pursuant to its own contractual obligation. Rose

17

18

19

20

21

22

23

24

25

26

27

28

not sending the notice to Señor Frogs pursuant to its own contractual obligations shows that although the notice obligation from Treasure Island to Señor Frogs might have been material to Señor Frogs, Rose did not believe it was material to it since it failed to send on the notice to Señor Frogs pursuant to its own obligations.

 \mathbf{E} . The unclean hands doctrine also applies. First, since Rose received the rent from its subtenant and did not turn those monies over to Treasure Island. The facts were clear that the subtenant Operadora would pay Rose \$82,500 per month under the sublease and Rose would in effect take those same monies and pay those over to the landlord, Although the subtenant Señor Frogs paid Rose \$247,500 for January, February and March of 2015 Rose did not take those monies and pay the landlord Treasure Island. It cannot now complain that Treasure Island's failure to notice Señor Frogs somehow excuses its non-performance under these circumstances. Similarly, the unclean hands doctrine prevents Rose from arguing that Treasure Island's failure to carbon copy Operadora on the May 14th Notice excuses Rose's non-performance since it had the same obligation and failed to do so. Again Rose had clear contractual obligations to send any default notices it received to Señor Frogs. The evidence is clear that Rose never sent any notices it received from Treasure Island to Señor Frogs including the May 14th Notice. Therefore it cannot now allege that it is somehow excused for its non-performance under its contract with Treasure Island because Treasure Island did not carbon copy Operadora.

The unclean hands doctrine generally bars a party from receiving equitable relief because of that party's own inequitable conduct. It precludes a party from attaining an equitable remedy when that party's connection with the subject-matter or transaction in litigation has been unconscientious, unjust, or marked by the want of good faith. Park v. Park, 126 Nev. 745 (2010) ("the District Court found a connection between Appellant's misconduct, breach of contract, and cause of action for unjust enrichment. ... substantial evidence supports the District Court's decision to bar Appellant's unjust enrichment

claim under the unclean hands doctrine."). While unclean hands is generally regarded as an argument that sounds in equity, the Ninth Circuit has recognized that "[t]he unclean hands doctrine applies not only to equitable claims, but also to legal ones." *Adler v. Fed. Republic of Nigeria*, 219 F.3d 869 (9th Cir. 2000). Here Rose's failure to pay the rent to begin with after being paid the same by its subtenant coupled with its insistence that Treasure Island not provide Operadora notice, and, perhaps most importantly, failing to provide Operadora the default notice itself, despite its specific contractual obligation to do so, caused all the harm to occur. If notice to Operadora was so important to Rose, it should have sent the notice to Operadora itself. It follows logically that since Operadora had already paid Rose the rent necessary to cover the quarterly rent that was due, Rose did not want Operadora to know that Rose had not paid the rent to Treasure Island. In any event, pursuant to the unclean hands doctrine, Rose is prevented from relying upon the lack of notice to Operadora to excuse its default since its own actions were marked by the want of good faith. It would be unjust to allow it to use Treasure Island's failure to copy Señor Frogs to excuse its non-payment of rent under the circumstances of this case.

- 4. Based on the foregoing, the court concludes that Treasure Island's termination of Rose, LLC's lease was effective and therefore, the lease is of no further force and effect.
- 5. The Court also denies Defendant's counterclaims for the reasons listed above. In addition, Treasure Island has accepted the rent and thus Rose's claim that Treasure Island breached the lease by failing to accept the rent is without merit. Indeed, the Court is unaware of any claim that a tenant can make for the failure of the landlord to accept rent. At all times Treasure Island allowed Rose to continue to lease the space pending the outcome of this litigation and Treasure Island's failure to accept the rent for a few months pending the Court's decision on whether the acceptance of the rent would not act as a waiver of Treasure Island's right to terminate this lease is not an actual breach.

day of November, 2016. Submitted by: FENNEMORE CRAIG, P.C. By: Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORE CRAIG ATTORNEYS LAS VSGAS

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on November 2, 2016, service of the FINDINGS OF FACT AND CONCLUSIONS OF LAW was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List

John H. Mowbray

For Case

null - Treasure Island LLC, Plaintiff(s) vs. Rose LLC, Defendant(s)

Fennemore Craig Jones Va		

	8 8 8 8 8 8 8 8	
	K mail	
~~ X0 K X 4 2 K X ~ K		
Patrick I Sheehan		
	Charles and a second control of the	

imowbray@fclaw.com

Fennemore Craig, P.C.		
Contact	Email	
Adam Miller	amiller@fclaw.com	

Contact	Email
Brent	brent/@shumwayvan.com
Gabriela Mercado	Gabrielam@shumwayvan.com
Kamra Fuller	kamra@shumwayvan.com
Rebekah Griffin	rebekah(@shumwayyan.com
Robin Cordova	robin@shumwayvan.com
Sam Marshall	samuel@shumwayvan.com

An Employee of Fennemore Craig, P.C.

1 NEO FENNEMORE CRAIG, P.C. 2 **CLERK OF THE COURT** Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 4 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorneys for Treasure Island, LLC 7 DISTRICT COURT 8 9 CLARK COUNTY, NEVADA 1.0 TREASURE ISLAND, LLC, a Nevada limited | CASE NO.: A-15-719105-B liability company; 11 DEPT .: XI 12 Plaintiff. 13 VS. NOTICE OF ENTRY OF FINDINGS OF 14 FACT AND CONCLUSIONS OF LAW ROSE, LLC, a Nevada limited liability 15 company; 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 ALL PARTIES AND THEIR ATTORNEYS OF RECORD: TO: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that the 27 FINDINGS OF FACT AND CONCLUSIONS OF LAW was entered in the above-28

referenced matter on the 7th day of November, 2016, a copy of which is attached hereto. Dated this 7th day of November, 2016. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan Patrick J. Sheehan (Bar No. 3812)
John H. Mowbray (Bar No. 1140)
1400 Bank of America Plaza
300 South Fourth St. 14th Floor
Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORE CRAIG ATTORNEYS LAS YEOAS

FEHNEMORE CRAIG ATTORNEYS LAS VSGAN

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on November 7, 2016, service of the NOTICE OF ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List For Case

	null - Treasure Island LLC,	Plaintiff(s) vs. Rose LLC, Defendant(s)
Fennemo	e Craig Jones Vargas	w • • ·
	Contact	Email
	Patrick J. Sheehan	psheehan@fclaw.com
Fennemoi	e Craig, P.C.	
	Contact	Email
	Adam Miller	amiller@fclaw.com
	John H. Mowbray	jmowbray@fclaw.com
Shumway	Van	
	Contact	Email
	Brent	brent@shumwayvan.com
	Rebekah Griffin	rebekah@shumwayyan.com
	Sam Marshall	samuel@shumwayvan.com
NAME OF STREET OF STREET		

/s/ Adam Miller
An Employee of Fennemore Craig, P.C.

1 Patrick J. Sheehan (NV Bar No. 3812) John H. Mowbray (NV Bar No. 1140) 2 CLERK OF THE COURT FENNEMORE CRAIG, P.C. 300 S. 4th Street, Suite 1400 3 Las, Vegas, Nevada 89101 Telephone: (702) 692-8000 Facsimile: (702) 692-8099 5 Email: psheeban@fclaw.com Attorney for Plaintiff Treasure Island, LLC 6 DISTRICT COURT 7 CLARK COUNTY, NEVADA 8 CASE NO.: A-15-719105-B TREASURE ISLAND, LLC, a Nevada 9 limited liability company, DEPT. NO.: XXIX 10 Plaintiff, 11 **FINDINGS OF FACT AND** ٧. CONCLUSIONS OF LAW 12 ROSE, LLC, a Nevada limited liability company, 1.3 Defendant. 14 15 ROSE, LLC, a Nevada limited liability company, 16 Counterclaimant. 17 V. 18 TREASURE ISLAND, LLC, a Nevada limited 19 liability company, 20 Counterclaimant. 21 22 FINDINGS OF FACT. 8. 23 On or about April 13, 2011, Plaintiff, Treasure Island, entered into a Lease 1. 24 Agreement ("Lease") with Defendant, Rose, LLC ("Rose"). 25 Pursuant to the terms of the Lease, Treasure Island leased space to Rose inside the 2. 26 Treasure Island Hotel and Casino in Las Vegas, Nevada (the "Property"). 27

One of Rose's obligations under the Lease was to timely pay rent.

3.

4. Per the Lease, rent came in two forms: minimum monthly rent, and quarterly rent in an amount equal to 7% of modified gross sales.

- 5. The Lease provided that the rent for gross sales would be paid pursuant to a certain formula and that, within 30 days of the end of each quarter during the lease term, Rose would deliver to landlord a writing setting forth the amount of tenant's gross sales made during each month of the preceding calendar quarter and, concurrently therewith, pay the landlord the percentage rent due and payable for the preceding calendar quarter.
- In August, 2012, Treasure Island became aware that Rose was delinquent in paying several of its contractors.
- 7. Due to a concern that this failure to pay construction costs could result in a lien against the Property, Treasure Island, through its General Counsel, Brad Anthony ("Anthony"), sent Rose a letter reminding it that no liens were permitted under the Lease.
- 8. This letter was sent in strict compliance with the Lease's notice requirements which stated that any notices would be sent to Rose at a certain address attention Susan Markusch with a carbon copy to Operadora.
- 9. Shortly after that letter was sent, Gary Dragul, President of Rose ("Dragul"), called Mr. Anthony to discuss the letter that Rose received and to request further relief from the loan repayment obligation it had with Treasure Island.
- 10. During that call, Dragul specifically requested that Anthony send all future correspondences dealing with the Treasure Island-Rose relationship directly and only to him.
- 11. Although Mr. Dragul testified that his memory of the conversation was different in that he believed Mr. Anthony suggested that Rose designate one person from Rose whom Treasure Island could deal with in the future he nevertheless agreed that he did in fact tell Mr. Anthony to make all future communications to him. The Court finds that Mr. Dragul did in fact tell Brad Anthony to send all future notices to him and him alone (not Operadora or anyone else).

By way of a Fifth Amendment to the lease the notice addresses were changed to state that any notices to Rose were to be sent to a certain address without specifying any individual and to Operadora at both the original address listed and to a Miami law firm.

15 16

1.7

18

20

21

22

24

23

25 26

27

28

FRANCEMORE CHAIG

PENNEMORE CHAIG ACCORNEYS LAS VOIAS

12. Mr. Anthony's testimony regarding Mr. Dragul's request to change the notice was
much more credible than Mr. Dragul's testimony related to the issue. For example, during his
deposition Mr. Dragul stated he did not recall any conversation with Mr. Anthony after the
August 31st letter which contained the notices set forth in the lease. However, during the first day
of testimony upon examination of his own counsel he outlined what he believed occurred during
the conversation. Then, upon questioning from the Court he also outlined what he believed
occurred during the conversation. Then, upon being cross-examined by Plaintiff's counsel he
again stated that he did not recall any conversation taking place. Plaintiff's counsel asked the
question as follows:

- Q. ...Sir, do you recall a telephone conversation that you had with Mr. Anthony following receipt of this letter [the August 31, 2012 letter]?
- A. [by Mr. Dragul] I do not.

Transcript at page 33 lines 2-5 and also at page 34 lines 5-7. This just after his response to the Court clearly acknowledging the conversation. See pages 18 and 19. Indeed, the next letter between the parties references the conversation between Mr. Anthony and Mr. Dragul so the conversation must have taken place and it must of taken place in between the August 31st correspondence and September 19th correspondence which followed.

- 13. The Court finds that the parties agreed that any further notices would be sent solely to Mr. Dragul.
- 14. On September 19, 2012, Anthony sent a letter following up on Mr. Dragul's request regarding the construction loan repayment.
- 15. Mr. Anthony complied with Dragul's request for how notice should be provided and sent the letter directly to Dragul and without Operadora being carbon copied.
- 16. In the years that followed, Treasure Island sent numerous communications to Rose.
 - 17. In each instance where money owed to Treasure Island was delinquent, barring

11

15 16

17

18

20

22

21

24

23

25

26

27

28

one², the communication was sent to Dragul and Operadora was not copied.

- 18. In all of its communications with Treasure Island, Rose did not carbon copy its subtenant once. Nor was any evidence presented to show that Rose forwarded any of the communications it received from Treasure Island to Operadora.
- 19. On April 30, 2015, Rose breached the Lease when it failed to pay the 7% gross sales portion of the rent for the first quarter of 2015.
 - 20. As a result, on May 14, 2015, Treasure Island sent Rose a notice.
- 21. Mr. Dragul Rose's President testified that his company had many tenants and that if any tenant failed to pay rent when due he would begin proceedings to evict that tenant 10 days after said tenant defaulted on his rental obligations.
- 22. Pursuant to Mr. Dragul's instruction the Notice was sent to Mr. Dragul and not to Susan Markusch or Operadora.
- 23. Out of an abundance of caution, Mr. Anthony emailed a copy of the notice to the only other officer of Rose, LLC its legal counsel, Elizabeth Gold.
 - 24. Ms. Gold was the person who signed all of the contracts in this matter.
- 25. The letter advised Rose, LLC that it was delinquent on its rent and that it had ten days to cure that delinquency or it would be in default.
- 26. Pursuant to the express terms of the parties' Lease Agreement, if the overdue rent payment was not paid within ten days of the notice, Treasure Island had the right to terminate the parties' lease.
- 27. The Court finds that Rose, LLC did in fact receive the notice and did not pay the full amount of overdue rent between May 14 and May 28.
- 28. This nonpayment occurred despite Rose having been paid \$247,500 from its subtenant for the months of January, February and March, which amount represents roughly the equivalent of the rent monies owed to Treasure Island pursuant to Rose's lease with Treasure

² The only exception to this was a letter from Jerry Griffis, Treasure Island's Chief Financial Officer, which did include notice to Operadora since the subject of that letter was Operadora itself not paying food charges owed to Treasure Island.

16

1.8

19 20

21

22

23

24 25

26

27

28

Island.

- 29. The evidence showed that Elizabeth Gold received a copy of the notice of default no later than May 15, 2015, since she called Brad Anthony on that day and requested additional time to pay the overdue rent, which Mr. Anthony said Treasure Island would not give Rose.
- 30. Mr. Anthony so testified and Elizabeth Gold did not testify in the trial to dispute this testimony. Mr. Anthony's testimony in this regard is corroborated by a letter which Ms. Gold drafted on May 29 which referenced her being emailed the May 14th Notice.
- 31. The Court finds that Mr. Dragul was advised of the May 14 Notice shortly after Ms. Gold's receipt of the same. This is because Mr. Dragul testified he spoke with Ms. Gold every morning and several times a day. See transcript at page 40 lines 3-9.
- 32. Although Mr. Dragul testified that he personally did not receive a copy of the Notice until he received a phone call from David Krouham on May 28 or 29 his testimony is not credible.
- 33. In Mr. Dragul's deposition, he testified he believed he was advised of the Notice on May 26.
- 34. Although Mr. Dragul coyly testified that he did not see a copy of the notice until he returned to his office he was obviously told about the Notice.
- 35. Plaintiff's counsel asked Mr. Dragul if he was told about the notice even though he did not see the notice and he testified, "I don't remember." See transcript at page 49 lines 17-19.
- 36. The Court believes it is clear the Mr. Dragul was advised of the Notice by May 15 and certainly well before May 28.
- 37. In addition to Rose receiving the notice through Ms. Gold, the evidence showed that Ms. Markusch (the person mentioned under the original notice provision) also was aware of the notice since she sent a partial payment for the outstanding rent due shortly after the May 14 notice was received.
- 38. Rose, LLC had its own sublease with an entity called Señor Frogs Las Vegas, LLC ("Señor Frogs").

1.5 1.6

17

18 19

20

21 22

23

24

25

28 27

28

- 39. Seftor Frogs is a subsidiary of Operadora.
- 40. Pursuant to an express provision in the sublease between Rose and Señor Frogs. Rose had a duty to provide a copy of any default notices it received from Treasure Island to Seffor Frogs/Operadora.
 - 41. Rose never sent a copy of the May 14th default notice to Señor Frogs/Operadora.
- 42. On May 28, Treasure Island terminated its lease with Rose via a letter sent by its counsel, Brenoch Wirthlin.
- Following receipt of this Notice of Termination Rose attempted to pay the rent, 43. which Mr. Dragul admitted was overdue since it was due on April 30th.
- 44 However, Treasure Island had already terminated the lease and this action seeking declaratory relief by both parties began.
- 45. Upon finding out about Treasure Island's termination of Rose's lease, Seffor Frogs/Operadora hired counsel from Florida to contact Treasure Island,
 - 46. Said counsel did contact Treasure Island (through its counsel).
- 47 That communication was memorialized in an email setting forth Seftor Frogs/Operadora's position at the time.
- 48. The email dated June 3, 2015, does not mention the fact that Schor Frogs would have paid any overdue amounts owed by Rose to Treasure Island.
- The testimony showed that Seffor Frogs had already paid Rose approximately 49. \$247,500 for the three months involved in the rent delinquency by Rose-January, February and March, 2015.
 - The email states: 50.

"Pat - thank you for your time today. This email will confirm our discussions. The letter from Mr. Wirthlin to Rose, LLC and Operadora Andersons S.A. de C.V. dated May 28, 2015, was sent to my client for notice purposes only under Section 11 of the Fifth Amendment to Lease Agreement between Rose, LLC and Treasure Island, LLC. As we discussed, under Section 9 of the Fifth Amendment, my client is not affected by a default by Rose, LLC as the prime tenant.

As we further discussed, Rose, LLC is disputing the default. You have confirmed with me that your client does not plan on taking any action

until the dispute with Rose, LLC is resolved, whether by court action or settlement between the two parties. None of this will impact adversely on my client, which will be permitted to continue its sub-tenance. If your client prevails and terminates Rose, LLC's tenancy, at that point you would then negotiate a lease directly with my client in accordance with Section 9 of the Fifth Amendment.

Thanks again for your assistance. Please copy me on any further correspondence. My contact information is below."

51. Following this email Señor Frogs did not intervene in this case and is not a party to this action and thus its rights are not subject to this action.

CONCLUSIONS OF LAW

- 1. The court finds that the lease between Rose and Treasure Island has been terminated.
- 2. Rose's argument that the termination was not proper because the May 14 default notice sent to Rose was not sent to the attention of Susan Markusch is without merit for the following reasons any one of which would be sufficient:
 - A. The parties orally modified the lease when Mr. Dragul told Mr. Anthony to send all future correspondence to him and him alone sometime between August 31 and September 19, 2012

"[P]arties to a written contract who agree to new terms may orally modify the contract." Jensen v. Jensen, 104 Nev. 95, 98 (Nev. 1983)(internal citations omitted). "Moreover, parties' consent to modification can be implied from conduct consistent with the asserted modification." Id. "Parol evidence can be admitted to show an oral agreement modifying a contract." Id. citing Silver Dollar Club v. Cosgriff Neon Co., 80 Nev. 108, 110, 389 P.2d 923, 924 (1964). This is the case despite a provision stating that the contract can only be modified in writing:

Parties may change, add to, and totally control what they did in the past. They are wholly unable by any contractual action in the present, to limit or control what they may wish to do contractually in the future. Even where they include in the written contract an express provision that it

27

28

can only be modified or discharges by a subsequent agreement in writing, nevertheless their later oral agreement to modify or discharge their written contract is both provable and effective to do so.

Silver Dollar Club v. Cosgriff Neon Co., 80 Nev. 108, 111, 389 P.2d 923, 924 (1964) citing Simpson on Contracts § 63, at 228 (emphasis added).

- B. Under the doctrine of estoppel. To prevail on an argument of estoppel, the party asserting the defense must prove four elements:
 - 1. The party to be estopped must be apprised of the true facts;
 - 2. He must intend that his conduct shall be acted upon, or must so act that the party asserting estoppel has a right to believe it was so intended.
 - 3. The party asserting the estoppel must be ignorant of the true state of facts:
 - 4. He must have relied on his detriment on the conduct of the party to be estopped. In addition silence can raise an estoppel quite as effectively as can words. *Teriano v. Nev. State Bank*, 121 Nev. 217, 223, 112 P3.d 1058, 1062 (2005).

Here, Rose was aware of Treasure Island's decision not to send numerous notices to the attention of Susan Markusch after Mr. Dragul had instructed Mr. Anthony to send all notices to his attention. Thus, Rose was aware that all future notices after August 31, 2012 were being sent to Mr. Dragul and not Ms. Markusch. Similarly, when Mr. Dragul asked Mr. Anthony to send all future notices to his attention he obviously intended that his conduct would be acted upon by Anthony. Next, Treasure Island was clearly ignorant to any change in direction by Rose to change the person who the notice needed to be sent to from Mr. Dragul back to Ms. Markusch since the evidence showed Dragul never changed his direction to have all notices sent to his attention and his attention alone. Finally, Treasure Island met the last element since it relied to its detriment by sending the notice to the attention Mr. Dragul instead of Ms. Markusch.

1.5

Estoppel is also applicable since the evidence showed that numerous notices were sent to the attention of Mr. Dragul and not Ms. Markusch after the August 31, 2012 letter and neither Dragul or Rose objected. See also, Cheqer, Inc. v. Plainters and Decorators, 98 Nev. 609, 614, 655 P2.d 996, 998-99 (1982 ("This court has noted that the silence can raise in estoppel quite as effectively as can words"); Goldstein v. Hanna, 97 Nev. 559, 562 (Nev. 1981) (internal citations omitted) ("Thus, 'a person remaining silent when ought, in the excess of good faith, to have spoken, will not be allowed to speak when he ought in the exercise of good faith, remain silent."")

- C. The Court finds that as a result of the conversation between Mr. Dragul and Mr. Anthony, Rose waived its right to claim the notice should have been sent to the attention of Ms. Markusch instead of Mr. Dragul. His conduct in requesting that any future notices be sent to him and him alone was an intentional relinquishment of any requirement on Treasure Island's part to send the notice to attention of Ms. Markusch. In addition, the faither to raise any issues concerning the subsequent notices, which were all sent to the attention of Mr. Dragul and not Ms. Markusch evidence of intention to waive the right and thus a waiver is implied from said conduct. Mahban v. MGM Grand Hotels, Inc., 100 Nev. 593, 596, 691 P2.d 421, 423-24 (1984). See also, Havas v. Atlantic Ins. Co., 96 Nev. 586, 588 (Nev. 1980) (internal citations omitted). (The intent of waiver may be expressed or implied from the circumstances.)
- D. Rose's claim is also without merit since it received actual notice and Ms. Markusch herself received notice. In Stonehenge Land Co. v. Beazer Homes investments, LLC, 893 N.E. 2.d 855, 863 (Ohio Ct. App. 2008) the court held that, "Where there is evidence of actual notice, a technical deviation from a contractual notice requirement will not bar the action for breach of contract brought against a party that had actual notice." See also, e.g., Polizzotto v. D'Agostino, 129 So. 534, 536 (La. 1930) ("[M]ere informalities do not violate notice so long as they do not mislead, and give the necessary

information to the proper party."); Bd. of Comm'rs v. Turner Marine Bulk, Inc., 629 So. 2d 1278, 1283 (La. Ct. App. 1993) ("Where adequate notice is in fact given and its receipt is not contested, technicalities of form may be overlooked."). In this case it is clear Rose received actual notice and thus suffered no harm.

- E. Treasure Island substantially complied with any notice obligations to Rose. In Hardy Cos v. SNMARK, LLC, 126 Nev. 528, 536 (Nev. 2010) the court found that substantial compliance with notice provisions is met when the owner has actual knowledge and is not prejudiced. In this case it was clear Rose had actual knowledge of the notice and the opportunity to cure the default during the ten-day notice period. This provides the fifth reason why Rose's argument that the notice to it was ineffective has no merit.
- Rose may not raise Treasure Island's failure to carbon copy Operadora as a defense given the circumstances in this case.
 - A. Rose cannot raise any claims regarding Treasure Island's failure to notice Sefior Frogs since that claim belongs to Sefior Frogs. Sefior Frogs is not a party to this case. Instead, the issue only involves whether or not Treasure Island's termination of the Rose Lease was effective. Any notice obligations to Sefior Frogs were a separate obligation that Treasure Island had to Sefior Frogs and that is not an issue that could be raised by Rose pursuant to established law. *Pierce v. Centry Ins.*, 421 N.E. 2d 1252 (App. Ct. Mass. 1981). (Notice to the insured and notice to the mortgagee have discrete purposes, however, and it is difficult to see how, as to the party who receives notice, a failure to give notice to the other, can be anything but merely formal. . . This quality of separate obligations has been noted particularly, where, as in the instant case, the insurance policy contains a so-called 'standard mortgage clause.' (Citations omitted.) Under that clause 'the result has been that the Courts have held that the agreement of the company with the mortgagee being separate and divisible from that with the mortgagor. . .) See also, e.g.,

Ellegood v. Am. States Ins. Co., 638 N.E.2d 1193, 1195 (Ill. App. Ct. 1994) ("[P]laintiff, who admittedly received notice and failed to pay the premium, seeks to void defendant's purported cancellation based on the fortuitous fact that defendant is unable to establish that it notified the mortgagee. We agree . . . that this would result in an 'unjustified windfall' to the insured."); Bradley v. Assocs. Disc. Corp., 58 So. 2d 857, 859 (Fla. 1952) (finding that a defect in the notice's content did not invalidate the notice where the defect was relevant only to a third party); cf. Bryce v. St. Paul Fire & Marine Ins. Co., 783 P.2d 246, 247 (Ariz. App. 1989) ("Appellee's failure to give timely notice of the cancellation to the mortgagee [as required by statute] had no effect on the proper notice of cancellation given appellant by the premium finance company."); Allstate Ins. Co. v. McCrae, 384 S.E.2d 1, 2 (N.C. 1989) ("Only defective notification to the insured renders cancellation of the policy ineffective and extends the liability of the insurer.").

- B. Even if Rose could raise the issue of Treasure Island's failure to notice Sefior Frogs/Operadora it is estopped from doing so. Dragul told Anthony to send any default notices to him and not anyone else. As a result, when Anthony sent the notices to Dragul and not anyone else Rose cannot argue that said notice was defective pursuant to the estoppel law and reasons cited above.
- C. Rose waived any claims for the same reasons also. Similarly, Dragul's insistence that any notices be sent to him and him alone constitutes a waiver of any argument that Treasure Island should have sent the notice to Señor Frogs/Operadora.
- D. Rose's failure to send the notice to Seffor Frogs under its own obligation precludes Rose from alleging that the notice was ineffective since Seffor Frogs was not carbon copied. This is true under the doctrine of materiality. If Rose felt that Treasure Island's obligation to send the notice of default to Seffor Frogs was a material term of its (as opposed to Seffor Frogs) contractual rights with Treasure Island then it clearly would have sent the notice on to Seffor Frogs pursuant to its own contractual obligation. Rose

not sending the notice to Señor Frogs pursuant to its own contractual obligations shows that although the notice obligation from Treasure Island to Señor Frogs might have been material to Señor Frogs, Rose did not believe it was material to it since it failed to send on the notice to Señor Frogs pursuant to its own obligations.

E. The unclean hands doctrine also applies. First, since Rose received the rent from its subtenant and did not turn those monies over to Treasure Island. The facts were clear that the subtenant Operadora would pay Rose \$82,500 per month under the sublease and Rose would in effect take those same monies and pay those over to the landlord, Although the subtenant Señor Frogs paid Rose \$247,500 for January, February and March of 2015 Rose did not take those monies and pay the landlord Treasure Island. It cannot now complain that Treasure Island's failure to notice Señor Frogs somehow excuses its non-performance under these circumstances. Similarly, the unclean hands doctrine prevents Rose from arguing that Treasure Island's failure to carbon copy Operadors on the May 14th Notice excuses Rose's non-performance since it had the same obligation and failed to do so. Again Rose had clear contractual obligations to send any default notices it received to Señor Frogs. The evidence is clear that Rose never sent any notices it received from Treasure Island to Señor Frogs including the May 14th Notice. Therefore it cannot now allege that it is somehow excused for its non-performance under its contract with Treasure Island because Treasure Island did not carbon copy Operadora.

The unclean hands doctrine generally bars a party from receiving equitable relief because of that party's own inequitable conduct. It precludes a party from attaining an equitable remedy when that party's connection with the subject-matter or transaction in litigation has been unconscientious, unjust, or marked by the want of good faith. Park v. Park, 126 Nev. 745 (2010) ("the District Court found a connection between Appellant's misconduct, breach of contract, and cause of action for unjust enrichment. ... substantial evidence supports the District Court's decision to bar Appellant's unjust enrichment

26

27

28

FENGEMORE CRAIG

claim under the unclean hands doctrine."). While unclean hands is generally regarded as an argument that sounds in equity, the Ninth Circuit has recognized that "[t]he unclean hands doctrine applies not only to equitable claims, but also to legal ones." Adler v. Fed. Republic of Nigeria, 219 F.3d 869 (9th Cir. 2000). Here Rose's failure to pay the rent to begin with after being paid the same by its subtenant coupled with its insistence that Treasure Island not provide Operadora notice, and, perhaps most importantly, failing to provide Operadora the default notice itself, despite its specific contractual obligation to do so, caused all the harm to occur. If notice to Operadora was so important to Rose, it should have sent the notice to Operadora itself. It follows logically that since Operadora had already paid Rose the rent necessary to cover the quarterly rent that was due, Rose did not want Operadora to know that Rose had not paid the rent to Treasure Island. In any event, pursuant to the unclean hands doctrine, Rose is prevented from relying upon the lack of notice to Operadora to excuse its default since its own actions were marked by the want of good faith. It would be unjust to allow it to use Treasure Island's failure to copy Señor Frogs to excuse its non-payment of rent under the circumstances of this case.

- 4. Based on the foregoing, the court concludes that Treasure Island's termination of Rose, LLC's lease was effective and therefore, the lease is of no further force and effect.
- 5. The Court also denies Defendant's counterclaims for the reasons listed above. In addition, Treasure Island has accepted the rent and thus Rose's claim that Treasure Island breached the lease by failing to accept the rent is without merit. Indeed, the Court is unaware of any claim that a tenant can make for the failure of the landlord to accept rent. At all times Treasure Island allowed Rose to continue to lease the space pending the outcome of this litigation and Treasure Island's failure to accept the rent for a few months pending the Court's decision on whether the acceptance of the rent would not act as a waiver of Treasure Island's right to terminate this lease is not an actual breach.

Dated this ____ day of November, 2016. 1. Court Judge JW Submitted by: FENNEMORE CRAIG, P.C. ĕ Patrick J. Sheeban (Bar No. 3812) John H. Mowbray (Bar No. 3812)
John H. Mowbray (Bar No. 1140)
1400 Bank of America Plaza
300 South Fourth St. 14th Floor
Las Vegas, NV 89101
Attorneys for Treasure Island, LLC

FEHNEMORE CRAIS

3

4

5 6

7

8

10

1. 1.

12

13

14 15

16

17

1.8

19

20

21

33

23

24 25

26

27

28

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that I am an employee of Fennemore Craig, P.C. and that on November , 2016, service of the FINDINGS OF FACT AND CONCLUSIONS OF LAW was made on the following counsel of record and/or parties by electronic transmission to all parties appearing on the electronic service list in Odyssey E-File & Serve (Wiznet):

E-Service Master List

For Case

null - Treasure Island LLC, Plaintiff(s) vs. Rose LLC, Defendant(s)

Fennemore Craig Jones Vargas

Contact Patrick J. Sheehan **Email** pskechac@felow.com

Fennemore Craig, P.C.

Contact Email
Adam Miller amiller@fclaw.com
John H. Mowbray imowlang@fclaw.com

Shumway Van Contact

> Brent Gabriela Mercado Kamra Fuller

Rebekah Griffin Rebin Cordova Sam Marshall

Email bsenfasbungwayyan.com Gabrielangashungwayyan.com

kamra gishumwayyan com rebekah gishumwayyan com robi*n di*shumwayyan com

samaci@shumwayyan.com

An Employee of Fennemore Craig, P.C.

1 ORDR FENNEMORE CRAIG, P.C. 2 **CLERK OF THE COURT** Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, Nevada 89101 4 Tel. (702) 692-8000 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorney for Plaintiff, Treasure Island 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE LLC. a Nevada CASE NO.: A-15-719105-B ISLAND. limited liability company, 11 DEPT. NO.: XI Plaintiff, 12 1.3 ORDER DENYING MOTION FOR vs. RECONSIDERATION 14ROSE, LLC, a Nevada limited liability company, 15 16 Defendant. 17 ROSE, LLC, a Nevada limited liability company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, Nevada limited liability company, 22 Counterdefendant. 23 24 Defendant Rose, LLC having filed a Motion for Reconsideration of the Court's Findings 25 of Facts and Conclusions of Law, the Court having considered the papers and pleadings on file 26 herein and entertained oral argument regarding the same, 27 28 12-13-16P01:10 RCVD

IT IS HEREBY ORDERED that the Motion for Reconsideration is denied. Dated this /// day of December, 2016. NDGE Ju Respectfully Submitted By: FENNEMORE CRAIG, P.C. Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 1400 Bank of America Plaza 300 South Fourth St. 14th Floor Las Vegas, NV 89101 Attorneys for Plaintiffs/Counterdefendants

FENNEMORE CRAIG ATTORNEYS LAS VEGAS

Electronically Filed 12/16/2016 05:30:37 PM

1 NEO FENNEMORE CRAIG, P.C. 2 **CLERK OF THE COURT** Patrick J. Sheehan (Bar No. 3812) John H. Mowbray (Bar No. 1140) 3 300 S. Fourth Street, Suite 1400 Las Vegas, NV 89101 4 Tel.: (702) 692-8011 5 Fax: (702) 692-8099 Email: psheehan@fclaw.com 6 Attorneys for Treasure Island, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 TREASURE ISLAND, LLC, a Nevada limited | CASE NO.: A-15-719105-B liability company; 11 DEPT .: XI 12 Plaintiff, 1.3 VS. NOTICE OF ENTRY OF ORDER 14 DENYING MOTION FOR ROSE, LLC, a Nevada limited liability RECONSIDERATION 15 company; 16 Defendant. ROSE, LLC, a Nevada limited liability 17 company, 18 Counterclaimant, 19 20 VS. 21 TREASURE ISLAND, LLC, a Nevada limited 22 liability company, 23 Counterdefendant. 24 25 ALL PARTIES AND THEIR ATTORNEYS OF RECORD: TO: 26 YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that an ORDER 27 DENYING MOTION FOR RECONSIDERATION was entered in the above-referenced 28

matter on the 14th day of December, 2016, a copy of which is attached hereto. Dated this 16th day of December, 2016. FENNEMORE CRAIG, P.C. By: /s/ Patrick J. Sheehan
Patrick J. Sheehan (Bar No. 3812)
John H. Mowbray (Bar No. 1140)
1400 Bank of America Plaza
300 South Fourth St. 14th Floor
Las Vegas, NV 89101 Attorneys for Treasure Island, LLC

FENNEMORE CRAIG ATTONNEYS 5.45 VSGAS