Exhibit “L”

DISTRICT COURT
FAMILY DIVISION – JUVENILE
CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff,

v.

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

Defendants.

Case No.: D-09-411537-D
Dept. No.: O

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

Cross-claimant,

v.

LYNITA SUE NELSON,

Cross-defendant.

NOTICE OF ENTRY OF ORDER

TO:

Rhonda Forsberg, Esq.
E-Service

Robert Dickerson, Esq.
E-Service

Marc Solomon, Esq.
E-Service

FRANK P. SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

PLEASE TAKE NOTICE that the DECISION was duly entered in the above-referenced case on the 16th day of October, 2018.

DATED this 16 day of October, 2018.

Lori Parr
Judicial Executive Assistant
Dept. O

DISTRICT COURT
FAMILY DIVISION – JUVENILE
CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff,

v.

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

Defendants.

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

Cross-claimant,

v.

LYNITA SUE NELSON,

Cross-defendant.

Case No.: D-09-411537-D
Dept. No.: O
Date of Hearing: 7/23/2018

DECISION

This matter was before the Court on July 23, 2018, pursuant to multiple Motions, Oppositions and Counter-motions, and Replies filed between May 25, 2018, and July 18, 2018. Present in Court were: Josef Karacsonyi, Esq., representing Lynita Nelson, who was also present; Jeffrey Luszeck, Esq.,

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

representing Matt Klabacka, Trustee of the ELN Trust; Rhonda Forsberg, Esq., representing Eric Nelson, who was also present; and Larry Bertsch, C.P.A.

FINDINGS OF FACT and CONCLUSIONS OF LAW

A. Case D-09-411537-D and Case A-17-763004-C Cannot Be Consolidated As They Do Not Share the Same Question of Law

Nevada Rules of Civil Procedure ("NRCP") Rule 42(a) states that, "[w]hen actions involving a common question of law or fact are pending before the court, it may...order all the actions consolidated..." Eric Nelson ("Mr. Nelson") and Lynita Nelson ("Ms. Nelson") are currently involved in multiple cases regarding the Eric L. Nelson Nevada Trust ("ELN Trust") and the Lynita Sue Nelson Nevada Trust ("LSN Trust"). Ms. Nelson is requesting that this Court consolidate a divorce case, D-09-411537-D ("Divorce Proceeding"), and a case based on tort relief, A-17-763004-C ("Tort Claim").

The Divorce Proceeding is currently in its final stage, which revolves around the tracing of property in both the ELN and LSN Trusts to determine if any community property is being held within either Trust. Pending any further Motions by the parties, there is no question of law remaining in the Divorce Proceeding, with the only question of fact being the determination of property ownership after the tracing is completed. The Tort Claim revolves around questions of law and fact involving a, "Complaint for Breach of Fiduciary Duty, Fraud, Deceit, and Intentional Misrepresentation, Conversion, Fraud in the

Inducement, [and] Unjust Enrichment..."[1] As the Divorce Proceeding involves the tracing of property and the Tort Claim involves questions of law and fact regarding Breach of Fiduciary Duty, as well as other claims, this Court finds that there is no current common question of law or fact between the two cases.

Additionally, on February 23, 2012, this Court declined to take jurisdiction over tort claims in this case, including: (1) Breach of Fiduciary Duty; (2) Fraud, Deceit, and Intentional Misrepresentation; (3) Conversion; (4) Fraud in the Inducement; and (5) Unjust Enrichment.[2] Specifically, this Court stated that these claims were "DISMISSED WITHOUT PREJUDICE so that the claims can be brought in another tribunal."[3] Therefore, as this Court finds that there is no common question of law or fact, and as this Court has previously declined to hear the very same tort claims, this Court declines to consolidate the Divorce Proceeding and the Tort Claim cases.

B. A Joint Preliminary Injunction Shall Only Be Placed On the Banone, LLC and Lindell Properties

Eighth Judicial District Court Rule ("EDCR") 5.517 states that "[u]pon the request of any party at any time prior to the entry of...final judgment, a preliminary injunction will be issued by the clerk against the parties to the action enjoining them and their officers, agents, servant, employees, or a person in

[1] Amended Complaint, Case No. A-17-763004-C, Pg. 1, Filed Feb. 9, 2018.
[2] Answer and Counterclaim, Case No. D-09-411537-D, Pgs. 28-34, Filed Dec. 20, 2011.
[3] Order from February 23, 2012 Hearing, Case No. D-09411537D, Pg. 6, Filed Aug. 29, 2012.

active concert or participation with them from: transferring, encumbering, concealing, selling, or otherwise disposing of...any property that is the subject of a claim of community interest..."[4]

In a Hearing on April 10, 2012, this Court found that the ELN Trust had a right to defend itself during the proceedings.[5] While this Court found that the ELN Trust could defend itself, it did not confer party status to either Trust in this action. The EDCR specifically states that upon "request of any party...a preliminary injunction will be issued by the clerk against the parties to the action..."[6] In these proceedings, only Mr. and Ms. Nelson are considered parties, not the Trusts. Therefore, as the ELN Trust is not a party to the case, this Court finds that it is not required to place a JPI on a non-party's property at the request of a party.

In its May 22, 2018 Decision, this Court Ordered that a Joint Preliminary Injunction ("JPI") to be placed over the Banone, LLC. and Lindell properties. To clarify this Court's Order, the JPI was granted on these properties solely due to the fact that both the ELN and LSN Trusts have held an ownership stake in both properties at some point during these proceedings. Given the contentious nature of both the litigation and the ownership/management of the properties involved, this Court finds that placing a JPI on the Banone, LLC. and Lindell properties

[4] EDCR 5.517(a).
[5] All Pending Motions, Case No. D-09-411537-D, Hearing held April 10, 2018.
[6] EDCR 5.517(a).

would protect both Mr. and Ms. Nelson, as well as the ELN and LSN Trusts, as the properties had exchanged hands during these proceedings. Furthermore, this Court finds that the only properties that require a JPI based on the history of this case are the Banone, LLC. and Lindell properties.

C. A Lis Pendens Is Not Proper Because It Was Not Timely Filed

NRS 14.010 states that, "[i]n an action...affecting the title or possession of real property , the plaintiff, at the time of filing the complaint, and the defendant, at the time of filing his or her answer...shall record with the recorder of the county in which the property...is situated, a notice of pendency of the action."[7] In the plain language of the statute, a lis pendens must be filed with the complaint or the answer in order to be valid.

The Complaint for divorce in the current proceeding was filed on May 6, 2009. The Answer and Counterclaim for this proceeding was filed on June 22, 2009. A notification for the pendency of the current action was filed on May 11, 2018, well after the filing date of both the Complaint and the Answer and Counterclaim. Therefore, this Court finds that the lis pendens was untimely filed and should be expunged.

D. A Third Party Shall Be Appointed To Manage the Lindell Property and Set Market Rate Rent for Both Eric Nelson and Lynita Nelson

[7] NRS 14.010(1).

In the July 23, 2018 Motion Hearing, this Court found that it was in the best interest of both the parties, the Trusts, and the property, for the Lindell property to be managed by a third party Property Manager. This Court finds that based on the contentious nature of the litigation and to protect the property for both Mr. and Ms. Nelson, as well as the ELN and LSN Trusts, that Larry Bertsch shall appoint a third party Property Manager to manage the Lindell Property.

Additionally, the third party Property Manager selected by Mr. Bertsch shall designate a market rate rent payment for tenants of the Lindell property. In the event that either Mr. or Ms. Nelson are tenants of the Lindell property, the market rate rent shall be applied to them in order to ensure that both Mr. and Ms. Nelson, as well as the Lindell property, are protected from any financial harm.

E. A Bond Is Not Necessary At This Time

The ELN Trust requested that a Bond be placed on any properties that may be placed under new JPIs. As this Court is not expanding the JPI to properties other than the Banone, LLC. and the Lindell properties, no Bonds will be placed on any additional properties at this time.

F. Wyoming Downs Is Property of the ELN Trust

On September 18, 2014, this Court filed an Order Determining Disposition of Dynasty Development Management, Inc. aka Wyoming Downs. In this Order, this Court ordered that, "neither Lynita S. Nelson nor the LSN Trust are entitled

to an interest in Dynasty Development Management, LLC aka Wyoming Downs."[8] This Court also Ordered that "Dynasty Development Management, LLC aka Wyoming Downs belongs to the ELN Trust.[9]

On May 25, 2017, the Nevada Supreme Court filed their Decision affirming in part, vacating in part, and remanding this Court's June 8, 2015 Order. In its Decision, the Nevada Supreme Court made note that "an appeal would be available to all parties upon the disposition of Wyoming Downs.[10] The Nevada Supreme Court also made note that Wyoming Downs had been disposed of by this Court, making its judgment final.[11] Finally, the Nevada Supreme Court vacated the June 8, 2015 order, "to the extent it enforces or implements portions of the divorce decree relating to assets in Eric's Trust and Lynita's Trust..."[12]

This Court disposed of the Wyoming Downs property on September 18, 2014. The only references to the Wyoming Downs Property in the June 8, 2015 Order involves providing documentation and income received, not a disposition of any property.[13] Therefore, as the Nevada Supreme Court's Decision vacated portions of the divorce decree relating to assets in the ELN and LSN Trust, and the Wyoming Downs property was disposed of in this Court's September 18,

[8] Order Determining Disposition of Dynasty Development Management, Inc. aka Wyoming Downs, Case No. D-09-411537-D, Pg. 5, Filed September 18, 2014.
[9] Id.
[10] Klabacka v. Nelson, 394 P.3d 940, 945 n.2 (2017).
[11] *Klabacka*, 394 P.3d at 945.
[12] *Id.* at 954.
[13] Findings of Fact and Order, Case No. D-09-41537-D, Pg. 23, Filed June 8, 2015.

2014 Order, and not the June 8, 2015 Order, this Court finds that the ELN Trust remains the owner of the Wyoming Downs Property.

ORDER

Based thereon:

IT IS HEREBY ORDERED the request to consolidate case D-09-411537-D and A-17-763004-C is **DENIED**.

IT IS FURTHER ORDERED that request to expand the Joint Preliminary Injunction to the entirety of the property, or any property other than the Banone, LLC. and Lindell properties, within the Eric L. Nelson Nevada Trust is **DENIED**.

IT IS FURTHER ORDERED that the request to terminate the Joint Preliminary Injunction from the Banone, LLC. and Lindell properties is **DENIED**.

IT IS FURTHER ORDERED that the request to expunge the Lis Pendens Notices, filed on May 11, 2018, is **GRANTED** for the following properties:

1. 3611 S. Lindell Road, Las Vegas, NV 89103
2. 1301 Heather Ridge Road, North Las Vegas, NV 89031
3. 6304 Guadalupe Avenue, Las Vegas, NV 89108
4. 4601 Concord Village Drive, Las Vegas, NV 89108

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

5. 4133 Compass Rose Way, Las Vegas, NV 89108

6. 5317 Clover Blossom Court, North Las Vegas, NV 89031

7. 5113 Churchill Avenue, Las Vegas, NV 89107

8. 6301 Cambria Avenue, Las Vegas, NV 89108

9. 6213 Anaconda Street, Las Vegas, NV 89108

10. 2911 Bella Kathryn Circle, Las Vegas, NV 89117

11. 4412 Baxter Place, Las Vegas, NV 89108

12. 3301 Terra Bella Drive, Las Vegas, NV 89108

13. 4612 Sawyer Avenue, Las Vegas, NV 89108

14. 1608 Rusty Ridge Lane, Henderson, NV 89002

15. 5220 E. Russell Road, Las Vegas, NV 89122

16. 4820 Marnell Drive, Las Vegas, NV 89121

IT IS FURTHER ORDERED that both the request for Lynita Nelson to manage the Lindell property and the request for the Eric L. Nelson Nevada Trust to manage the Lindell property are **DENIED**.

IT IS FURTHER ORDERED that Larry Bertsch, CPA, shall select a third party Property Manager for the Lindell property. In the event that either Eric Nelson or Lynita Nelson are tenants of the Lindell property, they are to be charged a market value rent set by the third party Property Manager.

IT IS FURTHER ORDERED that the request for a Bond on any new properties being placed under Joint Preliminary Injunction is **DENIED** as this Court is not expanding the Joint Preliminary Injunction to any additional properties.

IT IS FURTHER ORDERED that Dynasty Development Management, LLC aka Wyoming Downs belongs solely to the ELN Trust.

IT IS FURTHER ORDERED that all requests for Attorneys' Fees and Costs are **DENIED**.

DATED this 16th day of October, 2018.

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

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

Exhibit “K”

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Steven D. Grierson
CLERK OF THE COURT

DISTRICT COURT
FAMILY DIVISION – JUVENILE
CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff,

v.

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

Defendants.

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

Cross-claimant,

v.

LYNITA SUE NELSON,

Cross-defendant.

Case No.: D-09-411537-D
Dept. No.: O

NOTICE OF ENTRY OF ORDER

TO:

Rhonda Forsberg, Esq.
E-Service

Robert Dickerson, Esq.
E-Service

Marc Solomon, Esq.
E-Service

FRANK P. SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

PLEASE TAKE NOTICE that the DECISION AFFIRMING THE DATE OF TRACING; DENYING A SEPARATE BLOCKED ACCOUNT FOR $720,000; AND GRANTING A JOINT PRELIMINARY INJUNCTION FOR THE BANONE, LLC. AND LINDELL PROPERTIES was duly entered in the above-referenced case on the 22nd day of May, 2018.

DATED this 22 day of May, 2018.

Lori Parr
Judicial Executive Assistant
Dept. O

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

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5/22/2018 8:41 AM
Steven D. Grierson
CLERK OF THE COURT

DISTRICT COURT
FAMILY DIVISION – JUVENILE
CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff,

v.

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

Defendants.

Case No.: D-09-411537-D
Dept. No.: O

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

Cross-claimant,

v.

LYNITA SUE NELSON,

Cross-defendant.

DECISION AFFIRMING THE DATE OF TRACING; DENYING A SEPARATE BLOCKED ACCOUNT FOR $720,000; AND GRANTING A JOINT PRELIMINARY INJUCTION FOR THE BANONE, LLC. AND LINDELL PROPERTIES

This matter was before the Court, pursuant to Lynita Nelson's Motion for Reconsideration and Clarification of the Court's Decision Entered April 19, 2018, and Lynita Nelson's Ex Parte Motion for Issuance of Joint Preliminary

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

Injunction. The Court, having reviewed all Motions, based thereon and good cause appearing therefor:

CONCLUSIONS OF LAW

A. May 30, 2001 is the Proper Date To Begin the Tracing Because the Nevada Supreme Court Found and Held That the ELN and LSN Trusts Were Funded With Separate Property

In its May 25, 2017 Order, the Nevada Supreme Court concluded that this Court erred by "not tracing the assets contained within the trusts, either through a reliable expert or other available means."[1] The Nevada Supreme Court also held that both the Eric L. Nelson Nevada Trust ("ELN Trust") and the Lynita S. Nelson Nevada Trust ("LSN Trust") "are valid and the trusts were funded with separate property stemming from a valid separate property agreement."[2]

In its April 19, 2018 Order, this Court did not address the tracing performed in the underlying divorce proceeding. During the divorce proceeding, this Court did not perform a tracing of assets contained within either the Eric L. Nelson Nevada Trust ("ELN Trust") or the Lynita S. Nelson Nevada Trust ("LSN Trust"). In its May 25, 2017 Order, the Nevada Supreme Court found that "[i]n 2001, Eric and Lynita converted their separate property trusts into Eric's Trust and Lynita's Trust, respectively, and funded the SSST's with the separate

[1] Klabacka v. Nelson, 394 P.3d 940, 948 (Nev. 2017).
[2] *Klabacka*, 394 at 947.

property contained within the separate property trusts."[3] The Nevada Supreme Court then held that both the ELN and LSN Trusts were funded with separate property based on their findings.[4]

While this Court never performed a tracing of assets in the trusts in the underlying divorce proceedings, the Nevada Supreme Court held that "the SSSTs are valid and the trusts were funded with separate property stemming from a valid separate property agreement."[5] Therefore, based upon the Nevada Supreme Court's finding and holding, this Court interprets the proper date to begin tracing as May 30, 2001, the date on which both the ELN and LSN Trusts were executed.

B. The $720,000 Released to the ELN Trust Is A Valid Disbursement As the Funds Were Allocated In Error

In its May 25, 2017 Order, the Nevada Supreme Court found that this Court erred in Ordering the ELN Trust to pay the personal obligations of Mr. Nelson with regard to a lump-sum alimony payment.[6] In response to the Nevada Supreme Court's holding, this Court Ordered the return of the $720,000 which was paid by the ELN Trust and being held in a blocked account.

The sole purpose of the disbursement of the $720,000 was for the payment of Mr. Nelson's personal obligations. Otherwise, the funds would have remained within the ELN Trust and be afforded all the protections of a Nevada Trust. As

[3] *Id.* at 943.
[4] *Id.* at 947.
[5] *Id.*
[6] Klabacka v. Nelson, 394 P.3d 940, 952 (Nev. 2017).

this Court erred when Ordering the distribution of funds from the ELN Trust to pay for Mr. Nelson's personal obligations, the Court is obligated to return the funds from the source of the distribution, the ELN Trust. Therefore, transferring the funds from one blocked account to a separate frozen account is improper at this time.

C. A Joint Preliminary Injunction for the Banone, LLC. and Lindell Properties is Appropriate Because Both Properties Are Involved In A Claim of Community Property

In its April 19, 2018 Order, this Court did not address the request for a Joint Preliminary Injunction for the Banone, LLC. and Lindell Properties. Eighth Judicial District Court Rule 5.517 states that "[u]pon the request of any party at any time prior to the entry of...final judgment, a preliminary injunction will be issued by the clerk against the parties to the action enjoining them and their officers, agents, servant, employees, or a person in active concert or participation with them from: transferring, encumbering, concealing, selling, or otherwise disposing of...any property that is the subject of a claim of community interest..."

Both the Banone, LLC. and Lindell Properties are subject to a claim of community interest. As such, both properties are entitled to a Joint Preliminary Injunction to ensure that the properties remain intact prior to the completion of tracing and the final judgment of this Court. However, while this Court is aware

that multiple Notices of Lis Pendens regarding both properties have been filed, a Joint Preliminary Injunction on the properties is appropriate and will be granted. Furthermore, considering the extensive litigation costs incurred to date, this Court is issuing this decision prior to any Opposition being filed by Mr. Nelson or the ELN Trust and any Reply by Ms. Nelson. Therefore, any potential Oppositions and Reply will be reviewed and addressed accordingly as they are filed.

D. Any Funds Used to Purchase the Brian Head Property That Are Considered Community Property Will Be Reimbursed Following the Tracing of Assets in the ELN and LSN Trusts

In its April 19, 2018 Order, this Court stated any financial transfers or inequities found as a result of the tracing of assets would be settled after tracing has been completed and the Court issues a final judgment. This Court also stated that both the ELN and LSN Trusts have sufficient assets to offset any deficiencies ultimately found once a final balance and distribution amount has been determined. Therefore, in the event that the tracing finds that a share of LSN's property held within the ELN Trust was used to purchase the 50% interest in the Brian Head Cabin, the LSN Trust will be entitled to a reimbursement of said property.

. . .

. . .

. . .

E. The June 5, 2018 Hearing Shall Be Vacated Based On This Court's Decision

As a result of Motions filed in this case, a Motion Hearing was set on this Court's calendar for June 5, 2018. As a result of this Decision, the June 5, 2018 Motion Hearing is hereby Vacated.

ORDER

Based thereon:

IT IS HEREBY ORDERED the this Court's decision to start the tracing of assets within the Eric L. Nelson Nevada Trust and the Lynita S. Nelson Nevada Trust on May 30, 2001 is hereby **AFFIRMED**.

IT IS FURTHER ORDERED that the release of the $720,000 from Bank of Nevada Blocked Account #7502338705 to the ELN Trust is hereby **AFFIRMED.**

IT IS FURTHER ORDERED that the request to transfer the $720,000 from the Blocked Account into a separate frozen account is hereby **DENIED.**

IT IS FURTHER ORDERED that the request for a Joint Preliminary Injunction on the Banone, LLC. and Lindell Properties to prevent the transfer, encumbrance, concealment, sale, or otherwise disposition of the properties is hereby **GRANTED**.

IT IS FURTHER ORDERED that in the event that a complete tracing of assets finds that the Eric L. Nelson Nevada Trust's purchase of the 50% interest

in the Brian Head Utah Cabin is made with community property, the Lynita S. Nelson Nevada Trust is entitled to a reimbursement in the amount of the proceeds determined to be Lynita Nelson's portion of the community property used for purchase.

IT IS FURTHER ORDERED that any Stay of Order is hereby **DENIED.**

DATED this 22nd day of May, 2018.

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

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

Exhibit "J"

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CLERK OF THE COURT

NEOJ
THE DICKERSON LAW GROUP
ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
JOSEF M. KARACSONYI, ESQ.
Nevada Bar No. 010634
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1745 Village Center Circle
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Email: info@dickersonlawgroup.com
Attorneys for LYNITA SUE NELSON

DISTRICT COURT
FAMILY DIVISION

CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff/Counterdefendant,

v.

LYNITA SUE NELSON,

Defendant/Counterclaimant.

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

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

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

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

Counterclaimant and Crossclaimant,

v.

LYNITA SUE NELSON and ERIC NELSON,

Purported Cross-Defendant and Counterdefendant,

NOTICE OF ENTRY OF ORDER DETERMINING DISPOSITION OF DYNASTY DEVELOPMENT MANAGEMENT, INC. AKA WYOMING DOWNS

LYNITA SUE NELSON,

Counterclaimant, Cross-Claimant, and/or Third Party Plaintiff,

v.

ERIC L. NELSON, individually and as the Investment Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; MATT KLABACKA, Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001,

Counterdefendant, and/or Cross-Defendants, and/or Third Party Defendants.

TO: ERIC L. NELSON, Plaintiff; and

TO: RHONDA K. FORSBERG, ESQ., of RHONDA K. FORSBERG, CHTD., Attorneys for Plaintiff;

TO: MARK A. SOLOMON, ESQ., and JEFFREY P. LUSZECK, ESQ., of SOLOMON, DWIGGINS & FREER, LTD., Attorneys for the Eric L. Nelson Nevada Trust:

PLEASE TAKE NOTICE that an ORDER DETERMINING DISPOSITION OF DYNASTY DEVELOPMENT MANAGEMENT, INC. AKA WYOMING DOWNS was entered in the above-entitled matter on September 18, 2014, a copy of which is attached.

DATED this 22nd day of September, 2014.

THE DICKERSON LAW GROUP

By _____

ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
JOSEF M. KARACSONYI, ESQ.
Nevada Bar No. 010634
KATHERINE L. PROVOST, ESQ.
Nevada Bar No. 008414
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Defendant

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of THE DICKERSON LAW GROUP, and that on this 22nd day of September, 2014, I caused the above and foregoing document entitled **NOTICE OF ENTRY OF ORDER DETERMINING DISPOSITION OF DYNASTY DEVELOPMENT MANAGEMENT, INC. AKA WYOMING DOWNS** to be served as follows:

[X] pursuant to EDCR 8.05(a), EDCR 8.05(f), NRCP 5(b)(2)(D) and Administrative Order 14-2 captioned "In the Administrative Matter of Mandatory Electronic Service in the Eighth Judicial District Court," by mandatory electronic service through the Eighth Judicial District Court's electronic filing system;

[X] by placing same to be deposited for mailing in the United States Mail, in a sealed envelope upon which first class postage was prepaid in Las Vegas, Nevada;

[ ] pursuant to EDCR 7.26, to be sent via **facsimile,** by duly executed consent for service by electronic means;

[ ] by hand-delivery with signed Receipt of Copy.

To the attorney(s) listed below at the address, email address, and/or facsimile number indicated below:

RHONDA K. FORSBERG, ESQ .
RHONDA K. FORSBERG, CHARTERED
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Henderson, Nevada 89074
rforsberg@forsberg-law.com
mweiss@forsberg-law.com
Attorneys for Plaintiff

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9060 W. Cheyenne Avenue
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Attorneys for Distribution Trustee of the ELN Trust

An employee of The Dickerson Law Group

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CLERK OF THE COURT

ORDR

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Facsimile No.: (702) 853-5485

Attorneys for Distribution Trustee of the
ERIC L. NELSON NEVADA TRUST
dated May 30, 2001

DISTRICT COURT

COUNTY OF CLARK, NEVADA

ERIC L. NELSON,

Plaintiff

vs.

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

Defendants.

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

Cross-claimant,

vs.

LYNITA SUE NELSON,

Cross-defendant.

Case No.: D411537

Dept.: O

ORDER DETERMINING DISPOSITION OF DYNASTY DEVELOPMENT MANAGEMENT, INC. aka WYOMING DOWNS

Date of Hearing: May 30, 2014

Time of Hearing: 9:00 a.m.

SOLOMON DWIGGINS & FREER, LTD.
9060 WEST CHEYENNE AVENUE
LAS VEGAS, NEVADA 89129
TEL: (702) 853-5483 | FAX: (702) 853-5485

ORDER

An evidentiary hearing on the disposition of Dynasty Development Management, LLC aka Wyoming Downs (hereinafter referred to as "Wyoming Downs") came on for hearing on this 30th day of May, 2014, before the Honorable Frank P. Sullivan. Mark A. Solomon, Esq. and Jeffrey P. Luszeck, Esq., of Solomon Dwiggins & Freer, Ltd., appeared on behalf of the Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001 ("ELN Trust"). Robert P. Dickerson, Esq. and Josef M. Karacsonyi, Esq., of the Dickerson Law Group, appeared on behalf of Lynita S. Nelson and the LYNITA S. NELSON NEVADA TRUST dated May 30, 2001 ("LSN Trust"), and Lynita S. Nelson was present. Rhonda K. Forsberg, Esq., of Rhonda K. Forsberg Chartered, appeared on behalf of Eric L. Nelson, and Eric L. Nelson was present. The Court having reviewed and analyzed the pleadings and papers on file herein, the testimony and exhibits proferred, and having heard the arguments of Counsel and the Parties, finds good cause to enter the following order:

THE COURT HEREBY FINDS that at the time the Court entered its Decree of Divorce on June 3, 2013 ("Divorce Decree"), it was without sufficient information to make a determination regarding the disposition of Wyoming Downs. The Court was concerned about how Wyoming Downs was purchased due to the fact that there was a motion to release monies from the $1,680,000 previously enjoined in David Stephen, Esq.'s trust account for the purchase of Wyoming Downs, which motion was denied. The motion to release monies was filed after the purchase agreement for Wyoming Downs was entered into. Although the Court does not believe it has any probative value to the issue, it will note that Lynita S. Nelson opposed the acquisition of Wyoming Downs as a non-performing asset, and took the position that the ELN Trust and Eric Nelson were taking community assets and dissipating them.

THE COURT FURTHER FINDS that Dynasty Development Management, LLC ("Dynasty") was organized as a Nevada LLC on April 26, 2011, with the ELN Trust as its sole member, and with Eric L. Nelson as its manager.

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THE COURT FURTHER FINDS that in or around November 2011, Banone LLC loaned $75,000 to Dynasty, which Dynasty utilized as an earnest money deposit toward the purchase of Wyoming Downs.

THE COURT FURTHER FINDS that Wyoming Downs was purchased around November 16, 2011, by Dynasty for $440,000, which represented a purchase price of $400,000 and a buyer's premium of $40,000.

THE COURT FURTHER FINDS that Dynasty's purchase of Wyoming Downs was financed through debt by Henderson Capital Group, LLC ("Henderson Capital"), a hard money lender.

THE COURT FURTHER FINDS that the ELN Trust entered into a promissory note in favor of Henderson Capital in the amount of $700,000. Out of the $700,000 borrowed $100,000 was taken out for prepayment of fees and interest. The remaining $600,000 in loan proceeds, plus $175.46 for tax reimbursement, and the $75,000 earnest money deposit (for a total of $675,175.46), was applied at closing as follows: $400,000 for the purchase price, $40,000 for the buyer's premium, $30,389 in settlement charges, and $10,000 for an extension fee FOR A TOTAL OF $480,839.00. Accordingly, at closing a total of $194,336.46 ($675,175.46-$480,839.00) of equity was available to pull out. Eric L. Nelson testified that from the $194,336.46, $75,000 was paid back to Banone, LLC, leaving new money of $119,336.46.

THE COURT FURTHER FINDS that although Wyoming Downs was acquired by the ELN Trust during the pendency of the marriage between Eric L. Nelson and Lynita S. Nelson, the Court does not find it to be community property as it was clearly purchased through Dynasty, an entity wholly owned by the ELN Trust and the Court maintained the ELN Trust. The Court found no facts leading it to conclude Lynita S. Nelson or the LSN Trust has an interest in Wyoming Downs. The Court maintained the integrity of the ELN Trust and LSN Trust for the reasons set forth in the Divorce Decree.

THE COURT FURTHER FINDS that there was no transmutation of Wyoming Downs from separate property to community property, even assuming that Wyoming Down was separate property of Eric L. Nelson, and not the property of the ELN Trust, separate and distrinct from Eric L. Nelson.

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THE COURT FURTHER FINDS that the Court went through great efforts in the Divorce Decree to maintain the integrity of the ELN Trust and LSN Trust to give the parties protection from third-party creditors and give them the benefits of the spendthrift trusts, while applying the principles of equity, fairness and constructive trust to remedy the transactions that the Court felt were done to the detriment of Lynita S. Nelson and the LSN Trust, and without compensation, and to the benefit of Eric L. Nelson and the ELN Trust. However, the Court finds it inappropriate to apply such principles of equity, fairness and constructive trust to Wyoming Downs because at the time Wyoming Downs was acquired by Dynasty, Lynita S. Nelson was no longer taking advice from Eric L. Nelson, the ELN Trusts and LSN Trust were being treated as separate and distinct entities, and the Court was not concerned that Wyoming Downs was acquired as a result of any breach of fiduciary duty to Lynita S. Nelson or the LSN Trust.

THE COURT FURTHER FINDS that it was concerned about the loan from Banone, LLC to Dynasty. The Court awarded the Banone, LLC properties to Lynita S. Nelson for the reasons stated in the Divorce Decree. The $75,000 loan was the source of earnest money deposit that made it possible for Dynasty to bid on and purchase Wyoming Downs.

THE COURT FURTHER FINDS that it was troubled by the conduct during discovery. Although many of Lynita S. Nelson's document requests and deposition questions in discovery were overly broad and/or might have been beyond the scope of the evidentiary hearing on Wyoming Downs, the ELN Trust's production of documents and responses to deposition questions were not in good faith, and additional documents and testimony should have been proferred. The Court felt the discovery responses were stonewalling, which has been the case from day one; it has been very difficult for this Court to get information. During the deposition of Eric L. Nelson and the ELN Trust, they failed to answer any questions of substance, and the responses to requests for production could have provided a lot more information, including information concerning issues the ELN Trust raised at the time of trial

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THE COURT FURTHER FINDS that based on the ELN Trust's and Eric L. Nelson's failure to produce documents or testimony during discovery they were precluded, pursuant to NRCP 37(c)(1) and (b)(2), from introducing such evidence at trial. The Court notes that the ELN Trust attempted to introduce documents allegedly showing repayment of the loan to Banone, LLC at the evidence stage which were not provided during discovery, which was inappropriate. If a party will not produce documents during discovery it cannot introduce same into evidence at trial.

THE COURT FURTHER FINDS that while Eric L. Nelson testified that the $75,000 was paid back, there was no other evidence to corroborate his testimony. The Court was troubled by the testimony of Eric L. Nelson regarding the repayment of $75,000 to Banone. The Court has made specific findings regarding Eric L. Nelson's credibility issues or lack thereof, and so have other Courts, including the bankruptcy court which has made some other findings as far as credibility. Accordingly, the Court is not inclined to rely upon the testimony of Eric L. Nelson as to the repayment of the $75,000 loan absent corroborating evidence.

THE COURT FURTHER FINDS that, in accordance with the findings set forth above, there was no evidence that the loan to Banone, LLC was repaid. The ELN Trust and Eric L. Nelson should repay to the LSN Trust the $75,000 earnest money deposit which made it possible for Dynasty to purchase Wyoming Downs.

NOW, THEREFORE,

IT IS HEREBY ORDERED that Dynasty Development Management, LLC aka Wyoming Downs belongs to the ELN Trust.

IT IS FURTHER ORDERED that neither Lynita S. Nelson nor the LSN Trust are entitled to an interest in Dynasty Development Management, LLC aka Wyoming Downs.

IT IS FURTHER ORDERED that the ELN Trust and Eric L. Nelson shall pay the LSN Trust $75,000 as repayment for the $75,000 loan that Banone LLC made to Dynasty Development Management, LLC in or around November 2011.

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IT IS FURTHER ORDERED that this Order disposes of the last known property to be adjudicated between the Parties.

DATED this 9th day of ~~August,~~ September 2014.

DISTRICT COURT JUDGE
FRANK P. SULLIVAN CK

Submitted by:

SOLOMON DWIGGINS & FREER, LTD.

By: _____

MARK A. SOLOMON, ESQ.
Nevada State Bar No. 0418
JEFFREY P. LUSZECK
Nevada State Bar No. 9619
Cheyenne West Professional Centre'
9060 West Cheyenne Avenue
Las Vegas, Nevada 89129
Attorneys for Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001

Approved as to Form and Content:

RHONDA K. FORSBERG CHARTERED

By: _____

RHONDA K. FORSBERG, ESQ.
Nevada Bar No. 9557
64 N. Pecos Road, Suite 800
Henderson, NV 89074
Attorneys for Eric L. Nelson

Approved as to Form and Content:

THE DICKERSON LAW GROUP

By: _____

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Exhibit "I"

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CLERK OF THE COURT

NEOJ
THE DICKERSON LAW GROUP
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Attorneys for LYNITA SUE NELSON

DISTRICT COURT
FAMILY DIVISION

CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff/Counterdefendant,

v.

LYNITA SUE NELSON,

Defendant/Counterclaimant.

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

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

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

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

Counterclaimant and Crossclaimant,

v.

LYNITA SUE NELSON and ERIC NELSON,

Purported Cross-Defendant and Counterdefendant,

NOTICE OF ENTRY OF ORDER FROM JULY 22, 2013 HEARING ON LYNITA NELSON'S MOTION TO AMEND OR ALTER JUDGMENT, FOR DECLARATION AND RELATED RELIEF

LYNITA SUE NELSON,

Counterclaimant, Cross-Claimant, and/or Third Party Plaintiff,

v.

ERIC L. NELSON, individually and as the Investment Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; MATT KLABACKA, Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001,

Counterdefendant, and/or Cross-Defendants, and/or Third Party Defendants.

TO: ERIC L. NELSON, Plaintiff; and

TO: RHONDA K. FORSBERG, ESQ., of RHONDA K. FORSBERG, CHTD., Attorneys for Plaintiff;

TO: MARK A. SOLOMON, ESQ., and JEFFREY P. LUSZECK, ESQ., of SOLOMON, DWIGGINS & FREER, LTD., Attorneys for the Eric L. Nelson Nevada Trust:

PLEASE TAKE NOTICE that an ORDER FROM JULY 22, 2013 HEARING ON LYNITA NELSON'S MOTION TO AMEND OR ALTER JUDGMENT, FOR DECLARATION AND RELATED RELIEF was entered in the above-entitled matter on September 18, 2014, a copy of which is attached.

DATED this 22nd day of September, 2014.

THE DICKERSON LAW GROUP

By _____
ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
JOSEF M. KARACSONYI, ESQ.
Nevada Bar No. 010634
KATHERINE L. PROVOST, ESQ.
Nevada Bar No. 008414
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Defendant

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of THE DICKERSON LAW GROUP, and that on this 22nd day of September, 2014, I caused the above and foregoing document entitled **NOTICE OF ENTRY OF ORDER FROM JULY 22, 2013 HEARING ON LYNITA NELSON'S MOTION TO AMEND OR ALTER JUDGMENT, FOR DECLARATION AND RELATED RELIEF** to be served as follows:

[X] pursuant to EDCR 8.05(a), EDCR 8.05(f), NRCP 5(b)(2)(D) and Administrative Order 14-2 captioned "In the Administrative Matter of Mandatory Electronic Service in the Eighth Judicial District Court," by mandatory electronic service through the Eighth Judicial District Court's electronic filing system;

[X] by placing same to be deposited for mailing in the United States Mail, in a sealed envelope upon which first class postage was prepaid in Las Vegas, Nevada;

[ ] pursuant to EDCR 7.26, to be sent via facsimile, by duly executed consent for service by electronic means;

[ ] by hand-delivery with signed Receipt of Copy.

To the attorney(s) listed below at the address, email address, and/or facsimile number indicated below:

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Shari Ashley

An employee of The Dickerson Law Group

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CLERK OF THE COURT

ORDR

THE DICKERSON LAW GROUP
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Attorneys for LYNITA SUE NELSON

EIGHTH JUDICIAL DISTRICT COURT
FAMILY DIVISION

CLARK COUNTY, NEVADA

ERIC L. NELSON, Plaintiff/Counterdefendant, v. LYNITA SUE NELSON, Defendant/Counterclaimant.	CASE NO. D-09-411537-D DEPT NO. "O"
ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and LSN NEVADA TRUST dated May 30, 2001, Necessary Parties (joined in this action pursuant to Stipulation and Order entered on August 9, 2011)	
LANA MARTIN, as Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001,	

Necessary Party (joined in this action pursuant to Stipulation and Order entered on August 9, 2011)/ Purported Counterclaimant and Crossclaimant,

v.

LYNITA SUE NELSON and ERIC NELSON,

Purported Cross-Defendant and Counterdefendant

LYNITA SUE NELSON,

Counterclaimant, Cross-Claimant, and/or Third Party Plaintiff,

v.

ERIC L. NELSON, individually and as the Investment Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; LANA MARTIN, individually, and as the current and/or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the former Distribution Trustee of the LSN NEVADA TRUST dated May 30, 2001);

Counterdefendant, and/or Cross-Defendants, and/or Third Party Defendants.

ORDER FROM JULY 22, 2013 HEARING ON LYNITA NELSON'S MOTION TO AMEND OR ALTER JUDGMENT, FOR DECLARATORY AND RELATED RELIEF

This matter coming on for hearing on this 22nd day of July, 2013 before the Honorable Frank P. Sullivan, on Lynita Nelson ("Lynita")'s Motion to Amend or Alter

Judgment, for Declaratory and Related Relief filed June 17, 2013, the Opposition to Motion filed by the Eric L. Nelson Nevada Trust dated May 30, 2011 ("ELN Trust") on July 5, 2013, the Joinder to Opposition filed by Eric Nelson ("Eric") on July 8, 2013, and Lynita Nelson's Reply to Opposition filed July 11, 2013; Robert P. Dickerson, Esq., and Katherine L. Provost, Esq., of the Dickerson Law Group, appearing on behalf of Defendant, Lynita Nelson, and Defendant being present; Rhonda K. Forsberg, Esq., of Rhonda K. Forsberg, Chtd., appearing on behalf of Plaintiff, Eric Nelson, and Plaintiff being present; and Mark P. Solomon, Esq., and Jeffrey P. Luszeck, Esq., of Solomon, Dwiggins & Freer , Ltd., appearing on behalf of Third-Party Defendant, Nola Harber, Distribution Trustee[1] of the Eric L. Nelson Nevada Trust. The Court having reviewed and analyzed the pleadings and papers on file herein, having researched the issues presently before the Court, and having heard the arguments of counsel and the parties, and good cause appearing therefore,

THE COURT HEREBY FINDS that the ELN Trust has no objection to Lynita's request for the Court to enter more specific orders concerning the Mississippi Properties awarded to each individual party by the Court's June 3, 2013 Decree of Divorce as set forth in Lynita's Motion. As such, the Court will grant the requested relief.

THE COURT FURTHER FINDS that the ELN Trust has no objection to Lynita's request for the execution of two (2) Corrected Quitclaim Deeds concerning the Mississippi Properties awarded to the LSN Nevada Trust by the Court's June 3, 2013 Decree of Divorce as set forth in Lynita's Motion. As such, the Court will grant the requested relief and Eric Nelson, as Investment Trustee of the ELN Trust, shall execute the two (2) Corrected Quitclaim Deeds referenced above by 5:00 p.m. on Friday, July 26, 2013.

. . .

[1]There remains a pending dispute before the Nevada Supreme Court in Case 63432 and Case 63545 regarding Nola Harber's standing as Distribution Trustee for the Eric L. Nelson Nevada Trust.

THE COURT FURTHER FINDS that the ELN Trust has objected to Lynita's request for the execution of two (2) Grant, Bargain, Sale Deeds prepared by Mrs. Nelson's Mississippi counsel concerning the Mississippi Properties awarded to the LSN Nevada Trust by the Court's June 3, 2013 Decree of Divorce. The Court further finds that the ELN Trust has no objection to the execution of Quitclaim Deeds for such properties or to the execution of Corrected Grant, Bargain, Sale Deeds which reflect that the same are being executed without warranties of any kind to the property. As the Court desires for the parties to reach a resolution of this issue, the Court requests that counsel address and reach agreement concerning the execution of the remaining deeds for the Mississippi property by 5:00 p.m. on Friday, July 26, 2013. If counsel cannot reach agreement concerning the execution of the remaining deeds for the Mississippi Properties by 5:00 p.m. on Friday, July 26, 2013, counsel should communicate with the Court so that the issue can be set for a status check hearing and resolved by the Court.

THE COURT FURTHER FINDS that Lynita tendered thirteen (13) Quitclaim Deeds for Banone, LLC properties located in Clark County, Nevada and one (1) Quitclaim Deed for the property located at 3611 S. Lindell Road, Las Vegas, Nevada to counsel for Nola Harber, Distribution Trustee[2] of the Eric L. Nelson Nevada Trust. in open court during today's proceedings.

THE COURT FURTHER FINDS that the transfer of assets between the ELN Trust and LSN Trust as set forth in the June 3, 2013 Decree of Divorce, specifically the real property assets and interests in deeds of trust detailed in the Decree is not an irreversible transfer. Accordingly, the Court is going to require execution of the tendered deeds, as well as any and all additional deeds, assignments, or other instruments that may be tendered and required to effectuate the transfer of assets awarded as set forth in the June 3, 2013 Decree of Divorce by 5:00 p.m. on

[2]There remains a pending dispute before the Nevada Supreme Court in Case 63432 and Case 63545 regarding Nola Harber's standing as Distribution Trustee for the Eric L. Nelson Nevada Trust.

Wednesday, July 31, 2013 absent the entry of a stay of this transfer by the Nevada Supreme Court.

THE COURT FURTHER FINDS that having listened to the arguments of counsel concerning the sale of two (2) Banone, LLC properties, which was completed by Banone, LLC through Eric Nelson, Manager, during the course of the divorce proceedings, including the ELN Trust's proposal that Lynita receive, and Banone, LLC transfer, the Promissory Note and Deed of Trust securing the property located at 2209 Farmouth Circle to the LSN Trust to resolve the issue concerning said property as set forth in Lynita's Motion, and Eric's representation that the $88,166 Promissory Note and associated Deed of Trust is a performing note with monthly interest only payments required to be made by the borrower at 8% interest and the full balance of the Note due in December 2015, the Court will require the transfer of the Promissory Note and Deed of Trust securing the property located at 2209 Farmouth Circle to the LSN Trust. Additionally, the Court will require a one (1) time cash payment of $63,000 from Eric Nelson to Lynita as compensation for the sale of the Banone, LLC property located at 5704 Roseridge Avenue on or before 5:00 p.m. on July 31, 2013 absent the entry of a stay of this transfer by the Nevada Supreme Court.

THE COURT FURTHER FINDS that having listened to the arguments of counsel concerning the Wyoming Downs property discussed in Lynita's Motion and the June 3, 2013 Decree, that it does not have sufficient information to make a determination at this time as to the characterization or disposition of this asset. The Court is not inclined to divide this asset 50/50 between the parties without additional information which can only be obtained by holding an evidentiary proceeding. At the same time the Court does not desire to prolong the resolution of this divorce action including either party's ability to appeal the decision of this Court. To move the case forward, the Court will consider the June 3, 2013 Decree of Divorce as a final judgment in this action and will treat the unresolved issues concerning Wyoming Downs/Dynasty

. . .

Development Management, LLC as an omitted asset pursuant to Amie v. Amie, 106 Nev. 541, 796 P.2d. 233 (1990), addressing the same in a post-judgment action.

NOW, THEREFORE,

IT IS HEREBY ORDERED, ADJUDGED, and DECREED that, there being no objection to the request made by Lynita Nelson, pursuant to the June 3, 2013 Decree of Divorce, the following Mississippi properties shall remain in or be transferred into the ERIC L. NELSON NEVADA TRUST u/a/d 5/30/01:

(1) Parcel ID 176-0-13-086.001 - Lots 107 & 18-37, Land In Water Ranchettes;

(2) Parcel ID 176-0-13-086.002 - Lots 8-17, Land in Water Ranchettes;

IT IS HEREBY ORDERED, ADJUDGED, and DECREED that, as stipulated, the following Mississippi properties shall remain in or be transferred into the LSN NEVADA TRUST u/a/d 5/30/01:

(1) Parcel ID 164P-0-19-063.000 - Lots 1-16, Block 79, Gulfview Subdivision and Part of abandoned Waite & Michigan Street

(2) Parcel ID 164K-0-20-014.000 - Lots 7 & 8, Block 93, Gulfview Subdivision

(3) Parcel ID 164K-0-20-016.000 - Parcels D, E, & K and Part Lots 4 & 5, Block 103 Gulfview Subdivision

(4) Parcel ID 164K-0-20-017.000 - Parts of Lots B & C, Block 103 Gulfview Subdivision

(5) Parcel ID 164K-0-20-017.001 - Part of Lots 2, 3 and Part of 13-16, Block 103, Gulfview Subdivision

(6) Parcel ID 164K-0-20-018.000 - Lot A and 1, Block 103, Gulfview Subdivision

(7) Parcel ID 164Q-0-20-015.000 - Part of Lot 7, Block 103, Gulfview Subdivision, Parcel G

(8) Parcel ID 164Q-0-20-016.000 - Part of Lots F and 6. Block 103, Gulfview Subdivision

(9) Parcel ID 164L-0-19-071.000 - Lot 5, Block 82, Gulfview (L-3-72)

...

...

...

(10)[3] Parcel ID 164F-0-18-003.000 - Part of the NE 1/4 of SE l/4 Section 18, Township 9 South, Range 14 West

(11)[4] Parcel ID 164F-0-18-003.001 - Part of the NE 114 of SE 1/4 South of Railroad

(12)[5] Parcel ID 164F-0-18-003.002 - Part of the SE l /4-SE 1/4, Section 18, Township 9 South, Range 14 West

(13) Parcel ID 164K-0-20-001.000 - All of Block 88, Gulfview Subdivision

(14) Parcel ID 164K-0-20-002.000 - All of Block 89, Gulfview Subdivision

(15) Parcel ID 164K-0-20-003.000 - All of Block 90 Gulfview Subdivision

(16) Parcel ID 164K-0-20-004.000 - All of Block 91, Gulfview Subdivision

(17) Parcel ID 164K-0-20-005.000 - Lots 1 & 2, Block 92, Gulfview Subdivision (T-4-50 AA53-51)

(18) Parcel ID 164K-0-20-006.000 - Lot 3, Block 92, Gulfview Subdivision

(19) Parcel ID 164K-0-20-007.000 - Lot 4, Block 92, Gulfview Subdivision

(20) Parcel ID 164K-0-20-008.001 - Lots 9 & 10, Block 92, Gulfview Subdivision and part of abandoned Michigan Street

(21) Parcel ID 164K-0-20-009.000 - Lot 11 , Block 92, Gulfview Subdivision

(22) Parcel ID 164K-0-20-012.000 - Lot 14, Block 92, Gulfview Subdivision

(23) Parcel ID 164K-0-20-020.000 - Lots 13, 20, and east half of Lots 14 & 19, Block 10, Gulfview Subdivision

(24) Parcel ID 164K-0-20-022.000 - Part of Lots 9-12 and water lot, Gulfview Subdivision

(25) Parcel ID 164K-0-20-024.000 - Part of Block 104 Gulfview Subdivision and Lots 21-24 Water Lot

(26) Parcel ID 164K-0-20-028.000 - Lots 12, 21 -24, Block 104, Gulfview Subdivision

(27) Parcel ID 164K-0-20-029.000 - Lot 17, Block 104 , Gulfview Subdivision

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[3] Title to this property is held in the name of Grotta Financial Partnership, an entity in which the LSN Trust holds a 16.67% interest.

[4] Title to this property is held in the name of Grotta Financial Partnership, an entity in which the LSN Trust holds a 16.67% interest.

[5] Title to this property is held in the name of Grotta Financial Partnership, an entity in which the LSN Trust holds a 16.67% interest.

(28) Parcel ID 164K-0-20-030.000 - Lots 1-16, Block 105, Gulfview Subdivision

(29) Parcel ID 164K-0-20-031.000 - Part of Lots 11 & 12, Block 112 Gulfview Subdivision and part of abandoned Ladner Street

(30) Parcel ID 164K-0-20-032.000 - Part of Lots 12 & 13, (74'xl50') Block 11, Gulfview Subdivision

(31) Parcel ID 164K-0-20-033.000 - All of Lot 14 , Part of Lots 10-12 & Part of Auston Street, Block 112, Gulfview Subdivision

(32) Parcel ID 164K-0-20-034.000 - Part of Lots 10 & 11, Block 112 Gulfview Subdivision

(33) Parcel ID 1 64K-0-20-035.000 - Part of Lots 1, 2, 13-16, Block 112, Gulfview Subdivision

(34) Parcel ID 164K-0-20-037.000 - Lots 1-14, Block 106, Gulfview Subdivision

(35) Parcel ID 164K-0-20-038.000 - Part of Lots 3-6, All of 7-11, Part of 12-15, Block 111 , Gulfview Subdivision

(36) Parcel ID 164K-0-20-041.000 - Part of Lots 1-5 & 15-16, Block 111, Gulfview Subdivision

(37) Parcel ID 164K-0-20-042.000 - All of Block 113, Gulfview Subdivision

(38) Parcel ID 164K-0-20-044.000 - Part of Block 110, Gulfview Subdivision

(39) Parcel ID 164K-0-20-046.000 - All of Block 107, Gulfview Subdivision

(40) Parcel ID 164K-0-20-047.000 - All of Block 108, Gulfview Subdivision

(41) Parcel ID 164K-0-20-048.000 - All of Block 109,Gulfview Subdivision

(42) Parcel ID 164K-0-20-049.000 - Lots 1-16, Block 115, Gulfview Subdivision

(43) Parcel ID 164L-0-19-052.000 - Lot 9, Block 61, Gulfview Subdivision

(44) Parcel ID 164L-0-19-053.000 - All of Block 61 except Lot 9, Gulfview Subdivision

(45) Parcel ID 164L-0-19-064.000 - Lots 1 -4 & 13-16, Block 70, Gulfview Subdivision

(46) Parcel ID 164L-0-19-080.001 - Lots 15 & 16, Block 83, Gulfview Subdivision & part of abandoned Michigan Street

(47) Parcel ID 1640-0-17-053.000 - Block 40-A, 4 & 5, Chalona Beach AA-17

(48) Parcel ID 164K-0-20-023.000 - Lots 9-12, Block 104, Gulfview Subdivision

(49) Parcel ID 164K-0-20-023.001 - Part of Block 104, Gulfview Subdivision

(50) Parcel ID 164P-0-19-059.000 - Lots 9-12 Block 82, Gulfview Subdivision

IT IS FURTHER ORDERED that, there being no objection, Eric Nelson, as Investment Trustee of the ELN Trust, shall execute the two (2) Corrected Quitclaim Deeds for the Mississippi Properties as more particularly described in this Order by 5:00 p.m. on Friday, July 26, 2013.

IT IS FURTHER ORDERED that, counsel shall address and reach agreement concerning the execution of the remaining deeds for the Mississippi Properties as more particularly described in this Order by 5:00 p.m. on Friday, July 26, 2013. If counsel cannot reach agreement concerning the execution of the remaining deeds for the Mississippi Properties by 5:00 p.m. on Friday, July 26, 2013, counsel should communicate with the Court so that the issue can be set for a status check hearing and resolved by the Court.

IT IS FURTHER ORDERED that Eric Nelson, whether personally or as Investment Trustee of the ELN Trust, and/or in his capacity as Manager of Banone, LLC, shall execute the thirteen (13) Banone, LLC Quitclaim Deeds tendered in open court today, the one (1) Lindell Road Quitclaim Deed, as well as any and all additional deeds, assignments, or other instruments that may be tendered and required to effectuate the transfer of assets awarded as set forth in the June 3, 2013 Decree of Divorce by 5:00 p.m. on Wednesday, July 31, 2013 absent the entry of a stay by the Nevada Supreme Court.

IT IS FURTHER ORDERED that, there being no objection, Eric Nelson, as Investment Trustee of the ELN Trust, shall transfer the Promissory Note and Deed of Trust securing the property located at 2209 Farmouth Circle to the LSN Trust. Eric Nelson and the ELN Trust shall also pay to Lynita and the LSN Trust the June and July payments towards the promissory note, and any future payments received towards same before such note is transferred to Lynita and the LSN Trust.

IT IS FURTHER ORDERED that Eric Nelson shall pay to Lynita as compensation for the sale of the Banone, LLC property located at 5704 Roseridge Avenue, the sum of $63,000 on or before 5:00 p.m. on July 31, 2013 absent the entry of a stay by the Nevada Supreme Court.

IT IS FURTHER ORDERED that the June 3, 2013 Decree of Divorce is a final judgment.

IT IS FURTHER ORDERED that the Court will resolve the remaining issues concerning Wyoming Downs/Dynasty Development Management, LLC in post-judgment proceedings, as the Court finds the same to be an omitted asset pursuant to Amie v. Amie, 106 Nev. 541, 796 P.2d. 233 (1990).

IT IS FURTHER ORDERED that the Court will hold a Status Check concerning the execution of deeds and payment of funds pursuant to this Order on August 1, 2013 at 4:00 p.m.

IT IS FURTHER ORDERED that the Court will hold an Evidentiary Hearing concerning Wyoming Downs/Dynasty Development Management, LLC on December 11, 2013 at 1:30 p.m.

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IT IS FURTHER ORDERED that post-judgment discovery shall re-open regarding the acquisition and value of Wyoming Downs/Dynasty Development Management, LLC and shall close on Friday, November 22, 2013.

DATED this 16 day of September, 2014.

DISTRICT COURT JUDGE
FRANK P. SULLIVAN CLK

Submitted by:

THE DICKERSON LAW GROUP

By _____

ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
KATHERINE L. PROVOST, ESQ.
Nevada Bar No. 008414
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Lynita S. Nelson

Approved as to Form and Content:

RHONDA K. FORSBERG, CHTD.

By _____

RHONDA K. FORSBERG, ESQ.
Nevada Bar No. 009557
64 N. Pecos Road #800
Henderson, Nevada 89074
Attorneys for Eric L. Nelson

Approved as to Form and ~~Content~~:

SOLOMON, DWIGGINS & FREER, LTD

By _____

MARK A. SOLOMON, ESQ.
Nevada Bar No. 000418
JEFFREY P. LUSZECK, ESQ.
Nevada Bar No. 009619
9060 W. Cheyenne Avenue
Las Vegas, Nevada 89129
Attorneys for ELN Nevada Trust
(the distributee trustee of the

Exhibit "H"

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CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

ERIC L. NELSON, Plaintiff/Counterdefendant, vs. LYNITA SUE NELSON, LANA MARTIN, as Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, Defendant/Counterclaimants.	CASE NO.: D-09-411537-D DEPT. NO.: O
LANA MARTIN, Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, Crossclaimant, vs. LYNITA SUE NELSON, Crossdefendant.	

NOTICE OF ENTRY OF ORDER

Non-Trial Dispositions:
- ☐ Other
- ☐ Dismissed - Want of Prosecution
- ☐ Involuntary (Statutory) Dismissal
- ☐ Default Judgment
- ☐ Transferred

Settled/Withdrawn:
- ☐ Without Judicial Conf/Hrg
- ☐ With Judicial Conf/Hrg
- ☐ By ADR

Trial Dispositions:
- ☐ Disposed After Trial Start
- ☒ Judgment Reached by Trial

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

TO:

Rhonda Forsberg, Esq.
Robert Dickerson, Esq.
Mark Solomon, Esq.
Jeffrey Luszeck, Esq.

PLEASE TAKE NOTICE that DECREE OF DIVORCE was duly entered in the above-referenced case on the 3rd day of June, 2013.

DATED this 3 day of June, 2013.

Lori Parr
Judicial Executive Assistant
Dept. O

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

DISTRICT COURT

CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff/Counterdefendant,

vs.

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

Defendant/Counterclaimants.

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

Crossclaimant,

vs.

LYNITA SUE NELSON,

Crossdefendant.

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

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CLERK OF THE COURT

DECREE OF DIVORCE

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

FRANK R. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

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

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

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

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

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

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

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

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

THE COURT FURTHER FINDS that Eric Nelson is entitled to an absolute Decree of Divorce on the grounds of incompatibility.

THE COURT FURTHER FINDS that during the couple's nearly thirty (30) years of marriage, the parties have amassed a substantial amount of wealth.

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

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

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

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

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

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

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

THE COURT FURTHER FINDS that the ELN Trust was established as a self-settled spendthrift trust in accordance with NRS 166.020.[1]

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

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

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

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

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

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

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

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

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

. . .

[2] NRS 166.170(1)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

. . .

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

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

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

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

Fiduciary Duty

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

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

. . .

. . .

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

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

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

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

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

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

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

See, NRS 163.5557 (emphasis added).

THE COURT FURTHER FINDS that Mr. Nelson continuously testified as to his role as the investment trustee for both trusts, specifically testifying during cross examination on September 1, 2010, as follows:

Q. Now you're the one that put title to those parcels that we've talked about in the name of Dynasty, Bal Harbor, Emerald Bay, Bay Harbor Beach Resorts and (indiscernible) Financial Partnerships. Is that correct?

A. I believe so, yes.

Q. And you're the one that also put title in the name of -- all the remaining lots in the name of LSN Nevada Trust. Is that true?

A. Yes, sir.

THE COURT FURTHER FINDS that during his September 1st cross-examination, Mr. Nelson also testified as to the assets located in Mississippi as follows:

Q. The height of the market was 18 months ago according to your testimony?

A. No, no. But I'm just saying we could have -- the this lawsuit's been pending for a while, sir. We did these deeds mistake -- if you can -- if you reference back to it, it shows -- shows Dynas -- it's my --

Q. Exhibit -- the Exhibit for the --

A. -- company. It shows Eric Nelson. That's my company. We put them into Lynita's for community protection, and she would not cooperate.

Q. You put them --

A. Yes, sir.

Q. -- into Lynita's?

A. Yes, sir --

Q. All right. Sir --

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

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

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

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

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

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[3] NRS 163.554.
[4] *Williams v. Waldman*, 108 Nev. 466, 472 (1992).

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

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

Constructive Trust

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

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

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

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

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

> 1. No estate or interest in lands...nor any trust or power over or concerning lands, or in any manner relating thereto, shall be created, granted, assigned, surrendered or declared after December 2, 1861, unless by act or operation of law, or by deed or conveyance, in writing, subscribed by the party creating, granting, assigning, surrendering or declaring the same, or by the party's lawful agent thereunto authorized in writing.
>
> 2. Subsection 1 shall not be construed to affect in any manner the power of a testator in the disposition of the testator's real property by a last will and testament, **nor to prevent any trust from arising or being extinguished by implication or operation of law.**

See, NRS 111.025 (Emphasis added).

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

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

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

. . .

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

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

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

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

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

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

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

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

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

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

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

[5] Mr. Nelson testified that Cal Nelson also assumed a $160,000 liability arising from a transaction by Mr. Nelson involving a Las Vegas Casino.
[6] Defendant's Exhibit GGGGG

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

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

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

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

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

. . .

[7] Defendant's Exhibit UUUU
[8] Id.
[9] Defendant's Exhibit GGGG.

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

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

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

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

[10] Defendant's Exhibit PPPP.

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

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

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

Unjust Enrichment

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

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

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

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

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

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

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

[12] On January 24, 2007, Uinta Title & Insurance wired proceeds in the total amount of $1,947,153.37 ($1,240,000 for High Country Inn and $760,000 for the Off Track Betting Rights) to the ELN Trust's bank account.
[13] Defendant's Exhibit NNNN.
[14] Plaintiff's Exhibit 10K.

THE COURT FURTHER FINDS that Banone, LLC, currently holds seventeen Nevada properties worth $1,184,236.[15]

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

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

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

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

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[15] Defendant's Exhibit GGGGG.

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

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

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

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

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

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

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

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

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

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

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

Credibility

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

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

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

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

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

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

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

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

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

[16] Defendant's Exhibit QQQQQ.

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

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

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

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

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

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[17] Defendant's Exhibit QQQQQ.

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

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

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

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

[18] Intervenor's Exhibit 168.

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

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

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

Lack of Trust Formalities

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

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

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

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

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

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

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

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

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

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

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

Liabilities

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

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

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

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

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

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

Community Waste

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

[19] Defendant's Exhibit GGGGG.
[20] Id.

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

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

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

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

Child Support

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

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

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

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

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

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

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

2009: Carli = $14,000; Garrett = $5,270;
2010: Carli = $9,850; Garrett = $29,539;
2011: Carli = $8,630; Garrett = $4,427
Total = $71,716

...

...

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

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

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

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

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

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

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

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

Spousal Support

THE COURT FURTHER FINDS that NRS 125.150 provides as follows:

> 1. In granting a divorce, the court:
> (a) May award such alimony to the wife or to the husband, in a specified principal sum or as specified periodic payments, as appears just and equitable; and
> (b) Shall, to the extent practicable, make an equal disposition of the community property of the parties, except that the court may make an unequal disposition of the community property in such proportions as it deems just if the court finds a compelling reason to do so and sets forth in writing the reasons for making the unequal disposition

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

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

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

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

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

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

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

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

THE COURT FURTHER FINDS that based the upon the findings addressed hereinabove, Mrs. Nelson is entitled to an award of spousal support pursuant to NRS 125.150 and the factors enunciated in Sprenger[22]

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

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

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

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

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

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

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

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

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

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

. . .

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

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

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

THE COURT FURTHER FINDS that despite the representation to the Court that the injunction needed to be dissolved so that the ELN Trust would be able to purchase Wyoming Downs, less than a month after the hearing, the ELN Trust, with Mr. Nelson serving as the investment trustee, completed the purchase of Wyoming Downs. This leads this Court to believe that Mr. Nelson was less than truthful about the extent and nature of the funds available in the ELN Trust and such conduct on the part of Mr. Nelson raises serious concerns about the actions that Mr. Nelson will take to preclude Mrs. Nelson from receiving periodic spousal support payments.

THE COURT FURTHER FINDS that Mr. Nelson alleged numerous debts and liabilities worth millions of dollars, but forensic accountant, Mr. Bertsch, found that these alleged debts and liabilities were based solely on threats and speculations.

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

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

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

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

FRANK R SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

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

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

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

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

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

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

. . .

. . .

[23] NRS 166.130
[24] Restatement (Third) of Trust § 59 (2003).

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

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

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

Attorney's Fees

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

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[25] Id at 301.
[26] Gilbert v. Gilbert, 447 So.2d 299, 301
[27] Id at 301.

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

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

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

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

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

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

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

THE COURT FURTHER FINDS Attorney Dickerson has been Mrs. Nelson's legal counsel continuously since September 2009 and is a very experienced, extremely skillful and well-respected lawyer in the area of Family Law. In addition, this case involved some difficult and complicated legal issues concerning Spendthrift Trusts and required an exorbitant commitment of time and effort, including the very detailed and painstaking review of voluminous real estate and financial records. Furthermore, Attorney Dickerson's skill, expertise and efforts resulted in Mrs. Nelson's receiving a very sizeable and equitable property settlement.

THE COURT FURTHER FINDS that upon review of attorney Dickerson's Memorandum of Fees and Costs, this Court feels that an award of attorney fees in the amount of $144,967 is fair and reasonable and warranted in order to reimburse Mrs. Nelson for the unreasonable and unnecessary extension and protraction of this litigation by Mr. Nelson's change of position in regards to the community nature of the property and his delay in having the ELN Trust added as a necessary party which added significant costs to this litigation.

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

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

...

...

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

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

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

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

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

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

[28] *Supra*, note 6.

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

Conclusion

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

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

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

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

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

. . .

. . .

. . .

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

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

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

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

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

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

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

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

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

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

[29] Defendant's Exhibit GGGGG.
[30] Second Application of Forensic Accountants for Allowance of Fees and Reimbursement of Expenses for the Period from April 1, 2012 through July 25, 2012.

FRANK P. SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

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

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

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

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

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

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

IT IS FURTHER ORDERED that the parties shall equally bear the private education costs, including tuition, of Carli's private school education at Faith Lutheran.

. . .

. . .

IT IS FURTHER ORDERED that the parties shall keep any personal property now in their possession and shall be individually responsible for any personal property, including vehicles, currently in their possession.

Dated this 3rd day of June, 2013.

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

FRANK R SULLIVAN
DISTRICT JUDGE
FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

Exhibit "G"

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CLERK OF THE COURT

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DISTRICT COURT
FAMILY DIVISION

CLARK COUNTY, NEVADA

ERIC L. NELSON, Plaintiff/Counterdefendant, v. LYNITA SUE NELSON Defendant/Counterclaimant.	CASE NO. D-09-411537-D DEPT NO. "O"
ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and LSN NEVADA TRUST dated May 30, 2001, Necessary Parties (joined in this action pursuant to Stipulation and Order entered on August 9, 2011)	NOTICE OF ENTRY OF ORDER FROM FEBRUARY 23, 2012 HEARING PARTIALLY GRANTING ELN TRUST'S MOTION TO DISMISS THIRD-PARTY COMPLAINT WITHOUT PREJUDICE

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

Necessary Party (joined in this action pursuant to Stipulation and Order entered on August 9, 2011)/ Purported Counterclaimant and Crossclaimant,

v.

LYNITA SUE NELSON and ERIC NELSON,

Purported Cross-Defendant and Counterdefendant,

LYNITA SUE NELSON,

Counterclaimant, Cross-Claimant, and/or Third Party Plaintiff,

v.

ERIC L. NELSON, individually, and as the Investment Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; LANA MARTIN, individually, and as the current and/or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the former Distribution Trustee of the LSN NEVADA TRUST dated May 30, 2001; NOLA HARBER, individually, and as the current and/or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the current and/or former Distribution Trustee of the LSN NEVADA TRUST dated May 30, 2001; ROCHELLE McGOWAN, individually; JOAN B. RAMOS, individually; and DOES I through X,

Counterdefendants, and/or Cross-Defendants, and/or Third Party Defendants.

NOTICE OF ENTRY OF ORDER FROM FEBRUARY 23, 2012 HEARING PARTIALLY GRANTING ELN TRUST'S MOTION TO DISMISS THIRD-PARTY COMPLAINT WITHOUT PREJUDICE

TO: ERIC L. NELSON, Plaintiff; and

TO: RHONDA K. FORSBERG, ESQ., of FORSBERG & DOUGLAS, Attorneys for Plaintiff;

TO: MARK A. SOLOMON, ESQ., and JEFFREY P. LUSZECK, ESQ., of SOLOMON, DWIGGINS & FREER, LTD., Attorneys for the Eric L. Nelson Nevada Trust:

PLEASE TAKE NOTICE that an **ORDER FROM FEBRUARY 23, 2012 HEARING PARTIALLY GRANTING ELN TRUST'S MOTION TO DISMISS THIRD-PARTY COMPLAINT WITHOUT PREJUDICE** was entered in the above-entitled matter on August 29, 2012, a copy of which is attached hereto.

DATED this 30th day of August, 2012.

THE DICKERSON LAW GROUP

By _____
ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
KATHERINE L. PROVOST, ESQ.
Nevada Bar No. 008414
JOSEF M. KARACSONYI, ESQ.
Nevada Bar No. 10634
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Defendant

CERTIFICATE OF MAILING

I HEREBY CERTIFY that I am this date depositing a true and correct copy of the attached **NOTICE OF ENTRY OF ORDER FROM FEBRUARY 23, 2012 HEARING PARTIALLY GRANTING ELN TRUST'S MOTION TO DISMISS THIRD-PARTY COMPLAINT WITHOUT PREJUDICE**, in the U.S. Mail, postage prepaid to the following at their last known addresses, on the 31st day of August, 2012:

RHONDA K. FORSBERG, ESQ.
FORSBERG & DOUGLAS
1070 W. Horizon Ridge Pkwy., Ste. 100
Henderson, Nevada 89012
Attorneys for Plaintiff

MARK A. SOLOMON, ESQ.
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Attorneys for Third-Party Defendants

Shan Adkins

An employee of The Dickerson Law Group

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CLERK OF THE COURT

ORDR
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Attorneys for LYNITA SUE NELSON

EIGHTH JUDICIAL DISTRICT COURT
FAMILY DIVISION

CLARK COUNTY, NEVADA

ERIC L. NELSON, Plaintiff/Counterdefendant, v. LYNITA SUE NELSON, Defendant/Counterclaimant.	CASE NO. D-09-411537-D DEPT NO. "O"
ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and LSN NEVADA TRUST dated May 30, 2001, Necessary Parties (joined in this action pursuant to Stipulation and Order entered on August 9, 2011)	DATE OF HEARING: 02-23-12 TIME OF HEARING: 2:30 p.m.

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

Necessary Party (joined in this action pursuant to Stipulation and Order entered on August 9, 2011)/ Purported Counterclaimant and Crossclaimant,

v.

LYNITA SUE NELSON and ERIC NELSON,

Purported Cross-Defendant and Counterdefendant,

LYNITA SUE NELSON,

Counterclaimant, Cross-Claimant, and/or Third Party Plaintiff,

v.

ERIC L. NELSON, individually and as the Investment Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; LANA MARTIN, individually, and as the current and/or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the former Distribution Trustee of the LSN NEVADA TRUST dated May 30, 2001); NOLA HARBER, individually, and as the current and/or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the current and/or former Distribution Trustee of the LSN NEVADA TRUST dated May 30, 2001; ROCHELLE McGOWAN, individually;

JOAN B. RAMOS, individually; and DOES I through X,

Counterdefendant, and/or Cross-Defendants, and/or Third Party Defendants.

ORDER FROM FEBRUARY 23, 2012 HEARING PARTIALLY GRANTING ELN TRUST'S MOTION TO DISMISS THIRD-PARTY COMPLAINT WITHOUT PREJUDICE

This matter coming on for hearing on this 23rd day of February, 2012, before the Honorable Frank P. Sullivan, for a Decision on Third-Party Defendants' Motion to Dismiss, filed November 7, 2011, Plaintiff's Motion to Dismiss and Countermotion for Attorneys Fees and Costs, filed November 4, 2011, Defendant's Opposition to Motions to Dismiss, and Countermotion for an Award of Attorneys Fees and Costs, filed December 1, 2011, and the various supplements to the aforementioned papers filed by the parties; ROBERT P. DICKERSON, ESQ., KATHERINE L. PROVOST, ESQ., and JOSEF M. KARACSONYI, ESQ., of THE DICKERSON LAW GROUP, appearing on behalf of Defendant, LYNITA NELSON, and Defendant being present; RHONDA K. FORSBERG, ESQ., of FORSBERG & DOUGLAS, appearing on behalf of Plaintiff, ERIC NELSON, and Plaintiff being present; and MARK P. SOLOMON, ESQ., and JEFFREY P. LUSZECK, ESQ., of SOLOMON, DWIGGINS & FREER , LTD., appearing on behalf of Third-Party Defendants. The Court having reviewed and analyzed the pleadings and papers on file herein, having researched the issues presently before the Court, and having heard the arguments of counsel and the parties, and good cause appearing therefore,

THE COURT HEREBY FINDS that the Court has reviewed Part IV of the Eighth Judicial District Court Rules with respect to probate, trust, administration of estates, the rules that apply under Chapter 164 of Title 13 of the Nevada Revised Statutes, and the various Nevada Supreme Court decisions cited by the parties in

analyzing whether this Court has jurisdiction to hear the various claims asserted by Defendant in her First Amended Claims for Relief Against Eric L. Nelson, et. al, filed December 20, 2011, and whether the Court would be inclined to exercise such jurisdiction. EDCR 4.16(a) provides:

> (a) The probate judge may hear whichever contested matters the judge shall select, and schedule them at the convenience of the judge's calendar. The judge alone may refer contested matters pertaining to the probate calendar to a master appointed by the judge for hearing and report. All other contested matters pertaining to the probate calendar will be assigned on a random basis to a civil trial judge, other than a trial judge serving in the family division. The judge to whom a matter is assigned may, upon resolution of the contested matter, return the case to the probate calendar, or continue with the case if further contested matters are expected.

However, in *Landreth v. Malik*, 251 P.3d 163, 127 Nev. Adv. Op. 16 (2011), the Nevada Supreme Court held that a Family Court does not lack authority to resolve cases solely because such cases involve subject matter outside of those matters specifically delineated in NRS 3.223 setting forth the original and exclusive jurisdiction of the Family Court. *Landreth* was very clear in holding that Article 6, Section 6 of the Nevada Constitution, provides the district courts with jurisdiction that cannot be limited by the Nevada Legislature by legislative order or rule. *Landreth* further made it clear that NRS 3.223 does not limit the Constitutional power and authority provided under Article 6, Section 6(1) of the Nevada Constitution, to a district court judge sitting in the family division. The Court further notes that EDCR 4.16(a), and its language providing for contested probate matters to be assigned to a "civil trial judge, other than a trial judge serving in the family division," was enacted in May, 2004, and *Landreth* was decided seven (7) years later. Accordingly, this Court finds that it has jurisdiction to entertain actions concerning trusts and administration of estates if it so chooses, or where it would be appropriate. NRS 3.223, and the EDCRs, cannot limit this Court's powers under the Nevada Constitution.

THE COURT FURTHER FINDS that NRS 164.015(1) provides, in pertinent part: "The court has exclusive jurisdiction of proceedings initiated by the petition of

an interested person concerning the internal affairs of a nontestamentary trust . . ." Under NRS 132.116, "'District court' or 'court' means a district court of this State sitting in probate or otherwise adjudicating matters pursuant to this title." Accordingly, the reference to a court in NRS 164.015(1) is not limited to district courts sitting in probate only.

THE COURT FURTHER FINDS that in *Barelli v Barelli*, 11 Nev. 873, 944 P.2d 246 (1997), the Nevada Supreme Court held that a family court has jurisdiction to resolve issues falling outside of its original and exclusive jurisdiction that are necessary to the resolution of claims within its original and exclusive jurisdiction. This Court is only inclined to hear such claims concerning the parties' trusts as it believes necessary to resolve the property issues surrounding the parties' divorce, and to distribute property between the parties as the Court deems appropriate.

THE COURT FURTHER FINDS that it has examined the causes of action asserted by Defendant in her First Amended Claims for Relief Against Eric L. Nelson, et. al, filed December 20, 2011. The Court finds that Defendant has stated a cause of action for alter ego under the First (Veil-Piercing), and Second (Reverse Veil-Piercing) claims for relief, and has further stated a cause of action under the Fourteenth (Constructive Trust), and Fifteenth (Injunctive Relief) claims for relief, which the Court is inclined and believes it needs to hear and resolve. Although the Court has jurisdiction over Defendant's other claims in the First Amended Claims for Relief Against Eric L. Nelson, et. al, filed December 20, 2011, the Court declines to hear such other claims (which are tort claims), without ruling on the merits of whether such causes of action state a claim for relief (which the Court has not analyzed). Consequently, claims against Joan Ramos, Lana Martin, individually and as former distribution trustee of the ELN Trust and LSN Trust (but not as current distribution trustee of the ELN Trust), Nola Harber, individually, and as former distribution trustee of the ELN Trust and LSN Trust, and Rochelle McGowan, should be dismissed, without prejudice.

NOW, THEREFORE,

IT IS HEREBY ORDERED the ELN Trust's Motion to Dismiss Third-Party Complaint is GRANTED IN PART WITHOUT PREJUDICE..

IT IS FURTHER ORDERED that the requests to dismiss the First, Second, Fourteenth, and Fifteenth claims for relief in Defendant's First Amended Claims for Relief Against Eric L. Nelson, et. al, filed December 20, 2011, are DENIED. Such claims shall remain as to the ELN Trust, Eric Nelson, individually and as investment trustee of the ELN Trust, and Lana Martin, as current distribution trustee of the ELN Trust.

IT IS FURTHER ORDERED that the provisions contained in NRS 78 are not the appropriate standards to be applied to Lynita Nelson's veil-piercing claims against the ELN Trust.

IT IS FURTHER ORDERED that the Court DECLINES to exercise its jurisdiction over the Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, and Thirteenth claims for relief in Defendant's First Amended Claims for Relief Against Eric L. Nelson, et. al, filed December 20, 2011, without making any specific findings or orders regarding the merits of such claims, and whether such claims state a cause of action, which issues the Court has not analyzed or addressed, and as such, said claims are hereby DISMISSED WITHOUT PREJUDICE so that same can be brought in another tribunal.

IT IS FURTHER ORDERED that Joan Ramos, Lana Martin, individually and as former distribution trustee of the ELN Trust and LSN Trust, Nola Harber, individually and as former distribution trustee of the ELN Trust and LSN Trust, and Rochelle McGowan are hereby DISMISSED WITHOUT PREJUDICE from this action.

IT IS FURTHER ORDERED that the previously set trial dates in May, 2012, are hereby VACATED, and the trial in this matter shall continue on July 16, 17, 18, 19, 23, and 24, 2012, at 9:00 a.m. each day.

IT IS FURTHER ORDERED that the parties' attorneys shall confer and attempt to reach an agreement regarding discovery deadlines.

IT IS SO ORDERED.

DATED this 28 day of August, 2012.

Jack B. Ames
DISTRICT COURT JUDGE

Submitted by:

THE DICKERSON LAW GROUP

By _____

ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
JOSEF M. KARACSONYI, ESQ.
Nevada Bar No. 010634
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Defendant

Approved as to Form and Content:

IVEY, FORSBERG & DOUGLAS

By _____

RHONDA K. FORSBERG, ESQ.
Nevada Bar No. 009557
1020 W Horizon Ridge Pkwy #100
Henderson, Nevada 89012
Attorneys for Plaintiff

Approved as to Form and Content:

SOLOMON, DWIGGINS & FREER, LTD

By _____

MARK A. SOLOMON, ESQ.
Nevada Bar No. 000418
JEFFREY P. LUSZECK, ESQ.
Nevada Bar No. 009619
9060 W. Cheyenne Avenue
Las Vegas, Nevada 89129
Attorneys for Third-Party Defendants

Exhibit "F"

FILED

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CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff/Counterdefendant,

vs.

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

Defendant/Counterclaimants.

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

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

Crossclaimant,

vs.

LYNITA SUE NELSON,

Crossdefendant.

NOTICE OF ENTRY OF ORDER

FRANK R SULLIVAN
DISTRICT JUDGE

FAMILY DIVISION, DEPT. O
LAS VEGAS NV 89101

TO:

Rhonda Forsberg, Esq.
Robert Dickerson, Esq.
Mark Solomon, Esq.
Jeffrey Luszeck, Esq.
Larry Bertsch

PLEASE TAKE NOTICE that FINDINGS OF FACT AND ORDER was duly entered in the above-referenced case on the 11th day of July, 2012.

DATED this 11 day of July, 2012.

Lori Parr
Judicial Executive Assistant
Dept. O

ORDR

FILED

JUL 11 2 04 PM '12

CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff/Counterdefendant,

vs.

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

Defendant/Counterclaimants.

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

Crossclaimant,

vs.

LYNITA SUE NELSON,

Crossdefendant.

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

FINDINGS OF FACT AND ORDER

This Matter having come before this Honorable Court on Lana Martin, Distribution Trustee of the Eric L. Nelson Nevada Trust and Lynita Nelson's Requests for the Court to consider drafts of two proposed Orders from the hearings this Court held on February 23, 2012

ANK R. SULLIVAN
DISTRICT JUDGE
ILY DIVISION, DEPT. O
S VEGAS NV 89101

and April 10, 2012 respectively, with the Court having reviewed the language of the proposed Orders and being duly advised in the premises, good cause being shown:

THE COURT HEREBY FINDS that with respect to the February 23, 2012 Order, the impasse between the Eric L. Nelson Nevada Trust (hereinafter, "ELN Trust") and Lynita Nelson concerns whether the Order from this hearing should contain language foreclosing this Court from considering NRS Chapter 78 in its analysis of Lynita Nelson's first and second claims for relief for veil-piercing and reverse veil-piercing respectively, contained in their First Amended Claims for Relief against Eric Nelson and the ELN Trust.

THE COURT FURTHER FINDS that at the hearing on February 23, 2012, this Court essentially stated that one does not analyze alter ego or piercing the veil claims of a Spendthrift Trust under the same criteria as a Corporation since they are created for entirely different purposes and are governed by different statutory schemes (NRS 166 for Spendthrift Trusts and NRS 78 for Corporations).

THE COURT FURTHER FINDS that NRS 78.015 provides that the provisions contained in Chapter 78 expressly apply to Corporations and NRS 78.747 describes when a shareholder, director or officer acts as the "alter-ego" of the Corporation.

THE COURT FURTHER FINDS that NRS Chapter 163 contains provisions that apply to "Trusts" generally, including a statute entitled, "Clear and convincing evidence required to find settlor to be alter ego of trustee of irrevocable trust; certain factors insufficient for finding that settlor controls or is alter ego of trustee of irrevocable trust." NRS 163.418.

THE COURT FURTHER FINDS that even though the Trust at issue in this case is a Spendthrift Trust governed by Chapter 166 of the Nevada Revised Statutes, it is a "type" of

trust nonetheless, and, as such, NRS 78.747 is not the applicable provision for Ms. Nelson's veil-piercing and reverse veil-piercing claims.

THE COURT FURTHER FINDS that excluding NRS 78.747 as the applicable alter-ego provision and applying NRS 163.418 comports with the Legislature's intent evidenced by the fact that it drafted a specific "alter-ego" statute applicable to "Trusts" generally under NRS 163 and did not place a provision in Chapter 166 stating that the statutory provisions of NRS 163 are excluded from being applied to Spendthrift Trusts.

THE COURT FURTHER FINDS that as to the April 10, 2012 Order, the ELN Trust and Lynita Nelson cannot agree on the proposed language in the Order with respect to the following issues: (1) whether the Order should contain language that the ELN Trust's request for attorneys' fees and costs were granted; and (2) the scope of the Court's injunction issued on April 10, 2012.

THE COURT FURTHER FINDS that while the ELN Trust wants to place language in the April 10, 2012 Order that the Court found that its requested amount of attorneys' fees and costs are reasonable and shall be paid, there is no need for this language as it has been rendered moot by the Court's Order issued on June 5, 2012, which addressed the reasonableness and payment of the requested attorney fees.

THE COURT FURTHER FINDS that as to the ELN Trust's request to provide language in the Order stating that the Court granted, in part, its Motion for attorneys' fees and costs, this language does not need to be included and has been rendered moot by the Court's subsequent Order issued on June 5, 2012, which directed that the ELN Trust could not utilize the enjoined funds to pay its attorneys' fees and costs and experts' fees and costs, thereby, effectively denying the ELN Trust's Motion.

THE COURT FURTHER FINDS that as to the scope of the Court's injunction issued on April 10, 2012, the proposed language presented by Lynita Nelson exceeds the scope of the Court's injunction because Ms. Nelson's proposed injunction states that the ELN Trust "shall not incur additional liabilities," which is not consistent with the Court's ruling that as of 3:00 p.m. on April 10, 2012, the ELN Trust is enjoined from acquiring any new assets, and selling or encumbering any existing assets, thereby maintaining the status quo of the ELN Trust, pending the conclusion of the divorce trial.

THEREFORE, IT IS HEREBY ORDERED that this Court directs that the following language be contained in the Order as to Ms. Nelson's veil-piercing and reverse veil-piercing claims from the February 23, 2012 hearing:

> "IT IS HEREBY ORDERED that the provisions contained in NRS 78 are not the appropriate standards to be applied to Lynita Nelson's veil-piercing and reverse veil-piercing claims against the ELN Trust."

IT IS FURTHER ORDERED that this Court shall adopt the language contained in Lynita Nelson's proposed April 10, 2012 Order stating the following:

> "IT IS HEREBY ORDERED that the ELN Trust's Motion for Payment of Attorneys Fees and Costs is taken under advisement with the Court to issue a separate Findings of Fact and written Order on this request."

IT IS FURTHER ORDERED that this Court shall adopt the language contained in the ELN Trust's proposed April 10, 2012 Order stating the following:

> "IT IS FURTHER ORDERED that Defendant's request for additional injunctive relief is GRANTED, and to preserve the status quo of the ELN Trust as of 3:00 p.m. on April 10, 2012, the ELN Trust is enjoined from, and shall not acquire any new or additional assets, encumber existing assets, or sell existing assets without specific Order of the Court.

NK R. SULLIVAN
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IT IS FURTHER ORDERED that counsel for the ELN Trust shall prepare the Order from the February 23, 2012 hearing consistent with these Findings and Order, and is directed to provide a copy to opposing counsel for review prior to submittal to this Court for signature.

IT IS FURTHER ORDERED that counsel for Lynita Nelson shall prepare the Order from the April 10, 2012 hearing consistent with these Findings and Order, and is directed to provide a copy to opposing counsel for review prior to submittal to this Court for signature.

Dated this 6th day of July, 2012.

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

Exhibit "E"

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CLERK OF THE COURT

XCAN
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Attorneys for Counterdefendants/ Crossdefendants/Third-Party Defendants, Eric Nelson, Individually

EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff/Counterdefendant,

vs.

LYNITA SUE NELSON,

Defendant/Counterclaimant.

ERIC L. NELSON NEVADA TRUST Dated May 30, 2001, and LSN NEVADA TRUST dated May 30, 2001,

Necessary Parties (joined in this action Pursuant to Stipulation and Order entered August 9, 2011)

CASE NO: D-09-411537-D
DEPT NO: O

FAMILY DIVISION

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

Necessary Parties (joined in this action Pursuant to Stipulation and Order entered August 9, 2011)/Purported Counterclaimant and Crossclaimant,

vs.

LYNITA SUE NELSON and ERIC NELSON,

Purported Cross-Defendant and Counterdefendant.

LYNITA SUE NELSON,

Counterclaimant, Cross-Claimant,

vs.

ERIC L. NELSON, individually and as the Investment Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; LANA MARTIN, individually, and as the current and/or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the former Distribution Trustee of the LSN NEVADA TRUST date May 30, 2001); NOLA HARBER, individually, and as the current and /or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the current and or former Distribution Trustee of the LSN NEVADA TRUST dated May 30, 2001; Rochelle McGowan, individually; JOAN B. RAMOS, individually; and DOES I through X,

Counterdefendant, and/or Cross-Defendants, and/or Third Party Defendants.

ANSWER AND COUNTERCLAIM TO LYNITA SUE NELSON'S FIRST AMENDED CLAIMS FOR RELIEF AGAINST ERIC L. NELSON INDIVIDUALLY AND AS INVESTMENT TRUSTEE OF THE ERIC L. NELSON NEVADA TRUST dated MAY 30, 2001

Eric L. Nelson individually by and through his Counsel of Record, RHONDA K. FORSBERG, ESQ., hereby files his Answer to Lynita Sue Nelson's ("Lynita") First Amended Claims for Relief as follows:

INTRODUCTION AND NATURE OF THE ACTION BEING FILED BY LYNITA SUE NELSON

1. Eric L. Nelson admits the allegations set forth in paragraphs 1.

2. In Paragraph 2, Eric admits that Lana Martin filed a document in the aforementioned action entitled "Answer to Complaint for Divorce and Counterclaim and Cross-Claim" on or around August 19, 2011. Eric denies the remaining allegations contained therein.

3. Eric L. Nelson denies the allegations set forth in paragraphs 8, 9 and 17.

4. In Paragraphs No.'s 3(A) – (G), 4, 7, Eric is without sufficient knowledge or information to form a belief as to the truth of the allegation contained in said Paragraphs, and on that basis denies each and every allegation contained therein.

5. In Paragraph 5, Eric admits that the Distribution Trustee filed the "Answer to Complaint for Divorce and Counterclaim and Cross-Claim" approximately 27 months after the Complaint for Divorce was filed. Eric denies the remaining allegations contained therein.

6. In Paragraph 6, Eric admits he has acted as investment trustee to the ELN Trust and been an advisor to Lynita Sue Nelson in her capacity as investment trustee to the LSN Trust. Eric denies the remaining allegations contained therein.

7. In Paragraph 10, Eric admits that Lana Martin and Nola Harber have served as the Distribution Trustee of both the ELN Trust and the LSN Trust, and that Lana Martin currently serves as

the Distribution Trustee of the ELN Trust. Eric further admits that Joan B. Ramos and Rochelle McGowan are employees of the ELN Trust and/or an entity owned by the ELN Trust. Eric Denies the remaining allegations contained therein.

8. In Paragraph 11, Eric admits that distributions were made to Eric L. Nelson in accordance with the terms of the ELN Trust. Eric denies the remaining allegations contained therein.

9. In Paragraph 12, Eric admits that Eric L. Nelson serves as the Investment Trustee of the ELN Trust and has acted in accordance with the terms of the same. Eric denies the remaining allegations contained therein.

10. In Paragraph 13, Eric admits that Joan B. Ramos and/or Rochelle McGowan are employees of the ELN Trust and/or an entity owned by the ELN Trust. Eric denies the remaining allegations contained therein.

11. In Paragraph 14, Eric admits he has acted as investment trustee to the ELN Trust and been an advisor to Lynita Sue Nelson in her capacity as investment trustee to the LSN Trust. Eric denies the remaining allegations contained therein.

12. In Paragraph 15, Eric admits he has acted as investment trustee to the ELN Trust and been an advisor to Lynita Sue Nelson in her capacity as investment trustee to the LSN Trust. Eric denies the remaining allegations contained therein.

13. In Paragraph 16, Eric admits that Lana e-mailed the law office of Jeffrey Burr in or around June 2003, and that said e-mail speaks for itself. Eric denies the remaining allegations contained therein.

PARTIES

14. Eric L. Nelson individually admits the allegations set forth in paragraphs 18.

15. In Paragraph 19, Eric admits that Lana Martin is a resident of Clark County, Nevada and is the Distribution Trustee of the ELN Trust. Eric further admits that Lana Martin is a former Distribution Trustee of the LSN Trust. Eric denies the remaining allegations contained therein.

16. In Paragraph 20, Eric admits that Nola Harber 1) was serving a voluntary mission for The Church of Jesus Christ of Latter Day Saints in Hawaii; 2) is the sister of Eric L. Nelson;3) is a former Distribution Trustee of the ELN Trust; and 4) a former Distribution Trustee of the LSN Trust. Eric denies the remaining allegations contained therein.

17. In Paragraph 21, Eric admits that Rochelle McGowan is a resident of Clark County, Nevada and an employee of the ELN Trust or an entity owned y the ELN Trust. Eric denies the remaining allegations contained therein.

18. In Paragraph 22, Eric admits that Joan B. Ramos is a resident of Clark County, Nevada and an employee of the ELN Trust or an entity owned by the ELN Trust. Eric denies the remaining allegations contained therein.

19. The allegations contained within paragraph 23 of the Cross-Claim state conclusions to which no response is required. To the extent a response is required, the Trustee is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said Paragraph, and on that basis denies each and every allegation contained therein.

JURISDICTION AND VENUE

20. Eric L. Nelson denies the allegations set forth in paragraphs 24, 25, 26, and 27 of the Cross Claim.

. . .

. . .

. . .

ADDITIONAL FACTS

21. In Paragraph 28, Eric admits that the ELN Trust was created on or around May 30, 2001, and that Lana Martin was named as the Distribution Trustee and Eric L. Nelson was named as the Investment Trustee. Eric denies the remaining allegations contained therein.

22. In Paragraph 29, Eric admits that the LSN Trust was created on or around May 30, 2001, and that Lana Martin was named as the Distribution Trustee and Lynita Sue Nelson was named as the Investment Trustee. Eric denies the remaining allegations contained therein.

23. In Paragraph 30, Eric admits that the ELN Trust and LSN Trust are Nevada self-settled spendthrift trusts. Eric denies the remaining allegations contained therein.

24. In Paragraph 31, Eric admits that the ELN Trust and LSN Trust were drafted by the law offices of Jeffrey Burr. Eric denies the remaining allegations contained therein.

25. Eric L. Nelson denies the allegations set forth in paragraphs 32, 33, and 34 of the Cross Claim.

26. In Paragraph 35, 36, 38, 39, 40, 41, 42, and 43 of the Cross-Claim, Eric admits that the terms of the ELN Trust and LSN Trust speak for themselves. Eric denies the remaining allegations contained therein.

27. In Paragraph 37, of the Cross-Claim, Eric is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said Paragraph, and on that basis denies each and every allegation contained therein.

28. In regards to Paragraph 44 of the Cross-Claim, Eric admits that the legal fees incurred by the ELN Trust in this Divorce Proceeding are being paid from the ELN Trust pursuant to its terms. Eric denies the remaining allegations contained therein.

29. Eric L. Nelson denies the allegations set forth in paragraphs 45, 46, 48, 49, 50, 53, 54, 55, 56, 61, 63, 64, 65, 66, 67, 68, 69 70, 72, 73, 74, 75, 76, and 77 of the Cross Claim.

30. In regards to Paragraphs 47 of the Cross-Claim, Eric admits that on or about February 22, 2007, Lana was replaced by Nola as Distribution Trustee for ELN Trust and that Nola is Eric's sister. Eric denies the remaining allegations contained therein.

31. In regards to Paragraphs 51, and 52, of the Cross-Claim, Eric admits that on or about February 22, 2007, Lana was replaced by Nola as Distribution Trustee for LSN Trust and that Nola is Eric's sister. Eric denies the remaining allegations contained therein.

32. In regards to Paragraphs 57, 58 (A) – (I), 59 and 60 of the Cross-Claim, Eric admits that the report entitled "Source and Application of Funds for Eric L. Nelson Nevada Trust" speaks for itself. Eric Denies the remaining allegations contained therein.

33. In regards to Paragraph 62 of the Cross-Claim, Eric admits that he filed his Complaint for Divorce against Lynita. Eric denies the remaining allegations contained therein.

34. In regards to Paragraph 71, Eric is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said Paragraphs, and on that basis denies each and every allegation contained therein.

FIRST CLAIM FOR RELIEF (VEIL-PIERCING AGAINST THE ELN TRUST)[1]

35. The allegations contained within Paragraph No. 78 of the Cross-Claim state conclusions to which no response is required. To the extent a response is required, Eric is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said Paragraph, and on that basis denies each and every allegation contained therein.

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[1] Lynita S. Nelson's Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth and Fifteenth Claims for Relief have been dismissed, and as such, no response is necessary for said claims.

36. Eric L. Nelson denies the allegations set forth in paragraphs 79, 80, 81, and 83 of the Cross-Claim.

37. In answering paragraph 82[2], Eric is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

SECOND CLAIM FOR RELIEF (REVERSE VEIL-PIERCING AGAINST THE ELN TRUST)

38. The allegations contained within Paragraph No. 84 of the Cross-Claim state conclusions to which no response is required. To the extent a response is required, Eric is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said Paragraph, and on that basis denies each and every allegation contained therein.

39. Eric L. Nelson denies the allegations set forth in paragraphs 85, 86, 87, and 89 of the Cross-Claim.

40. In answering paragraph 88[3], Eric is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

FOURTEENTH CLAIM FOR RELIEF
(CONSTRUCTIVE TRUST AGAINST THE ELN TRUST)

41. The allegations contained within Paragraph No. 162 of the Cross-Claim state conclusions to which no response is required. To the extent a response is required, Eric is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said Paragraph, and on that basis denies each and every allegation contained therein.

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[2] Lynita S. Nelson's claim for Veil-Piercing under NR 78.487 has been dismissed, and as such, no response is necessary for said claim.

[3] Lynita S. Nelson's claim for Veil-Piercing under NR 78.487 has been dismissed, and as such, no response is necessary for said claim.

42. Eric L. Nelson denies the allegations set forth in paragraphs 163, 164, 165, 166 and 167 of the Cross-Claim.

FIFTEENTH CLAIM FOR RELIEF
(INJUNCTIVE RELIEF AGAINST THE ELN TRUST)

43. The allegations contained within Paragraph No. 168 of the Cross-Claim state conclusions to which no response is required. To the extent a response is required, Eric is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said Paragraph, and on that basis denies each and every allegation contained therein.

44. Eric L. Nelson denies the allegations set forth in paragraphs 169, 170 and 171 of the Cross-Claim.

AFFIRMATIVE DEFENSES

In addition to the defenses set forth above, Eric interposes the following affirmative defenses:

45. This Court lacks jurisdiction to hear matters arising under Title 12 and 13 of the Nevada Revised Statutes as NRS 164.015(1) specifically provides that the probate "court has exclusive jurisdiction of proceedings initiated by the petition of an interested person concerning the internal affairs of a nontestamentary trust...."

46. Lynita S. Nelson's claims are barred due to her failure to comply with NRS 164.015.

47. This Court lacks jurisdiction to enter the injunction against the ELN Trust because an injunction pertains to "the internal affairs of a nontestamentary trust...," and is therefore subject to the Probate Court's exclusive jurisdiction under Title 12 and Title 13 of the Nevada Revised Statutes.

48. Lynita S. Nelson failed to comply with NRS 30.060, which mandates that "[a]ny action for declaratory relief under this section may only be made in a proceeding commenced pursuant to the provisions of title 12 or 13 of NRS, as appropriate."

49. Lynita S. Nelson's allegations pertaining to the ELN Trust cannot and should not be considered in alter ego claims under NRS 163.418.

50. Lynita S. Nelson's Cross-Claims are time-barred by NRS 166.170 and/or other applicable statute of limitations.

51. Lynita S. Nelson's Cross-Claims fail to state facts sufficient to constitute a cause of action against the ELN Trust.

52. To the extent that any or all occurrences, happenings, injuries, and/or damages alleged in Lynita S. Nelson's Cross-Claim were proximately caused and/contributed to by the wrongful acts and/or omissions of Lynita S. Nelson, Lynita S. Nelson is precluded from obtaining judgment against the ELN Trust.

53. Lynita S. Nelson is barred from any recovery against the ELN Trust based upon the doctrines of waiver, estoppel, laches and unclean hands.

54. Eric Nelson may have other affirmative defenses that are not currently known but which may become known through the course of discovery, and reserves the right to allege such affirmative defenses as they become known.

COUNTERCLAIM

1. On or about August 9, 2011, the Court in this action, Case No. D-09-411537-D, entitled "ERIC L. NELSON, Plaintiff/Counterdefendant v. LYNITA SUE NELSON, Defendant/Counterclaimant" (the "Instant Divorce Action"), entered an Order joining the ERIC L. NELSON NEVADA TRUST Dated May 30, 2001 ("ELN Trust"), and the LYNITA SUE NELSON Nevada Trust dated May 30, 2001 ("LSN Trust"), as necessary parties to this action.

2. On or about 1993, the parties entered into a valid separate property agreement and placed their separate assets into Separate property trusts in order to comply with Lynita's request that she did not want to be involved in any gaming ventures that Eric chose to be involved in.

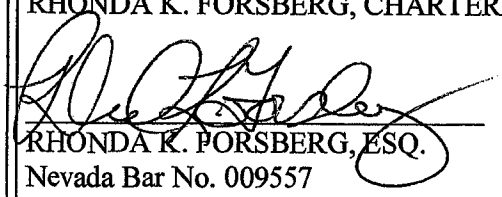
3. On or about May 30, 2001, the ELN Trust and the LSN Trust were created to enhance the protection afforded the assets in each of the parties 1993 separate property trusts.

4. The ELN Trust should be declared valid by this Court.

5. Should the Court find the ELN Trust invalid and/or the Alter Ego of Eric L. Nelson, this Court should handle in like manner and declare the LSN Trust invalid.

Dated this 10th day of July, 2012.

RHONDA K. FORSBERG, CHARTERED



RHONDA K. FORSBERG, ESQ.
Nevada Bar No. 009557
1070 W. Horizon Ridge Pkwy. #100
Henderson, Nevada 89012

Attorneys for Counterdefendants/
Crossdefendants/Third-Party Defendants,
Eric Nelson, Individually

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CERTIFICATE OF SERVICE

I hereby certify that I am an employee of Rhonda K. Forsberg, Chartered ("the Firm"). I am over the age of 18 and not a party to the within action. I am "readily familiar" with firm's practice of collection and processing correspondence for mailing. Under the Firm's practice, mail is to be deposited with the U.S. Postal Service on the same day as stated below, with postage thereon fully prepaid.

I served the foregoing document described as "ANSWER AND COUNTERCLAIM TO LYNITA SUE NELSON'S FIRST AMENDED CLAIMS FOR RELIEF AGAINST ERIC L. NELSON INDIVIDUALLY AND AS INVESTMENT TRUSTEE OF THE ERIC L. NELSON NEVADA TRUST dated MAY 30, 2001" on this 18th day of June 2012, to all interested parties as follows:

☒ BY MAIL: Pursuant To NRCP 5(b), I placed a true copy thereof enclosed in a sealed envelope addressed as follows;

☒ BY FACSIMILE: Pursuant to EDCR 7.26, I transmitted a copy of the foregoing document this date via telecopier to the facsimile number shown below;

☐ BY ELECTRONIC MAIL: Pursuant to EDCR 7.26, I transmitted a copy of the foregoing document this date via electronic mail to the electronic mail address shown below;

☐ BY CERTIFIED MAIL: I placed a true copy thereof enclosed in a sealed envelope, return receipt requested, addressed as follows:

Robert P. Dickerson, Esq.
The Dickerson Law Group
1745 Village Center Circle
Facsimile: (702) 388-0210
Las Vegas, Nevada 89134

Mark A. Solomon, Esq. and Jeffrey P. Luszeck, Esq.
Solomon Dwiggins Freer & Morse, LTD
Cheyenne West Professional Centre
9060 W. Cheyenne Avenue
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Las Vegas, Nevada 89129

An employee of Rhonda K. Forsberg, Chartered

Exhibit "D"

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CLERK OF THE COURT

AANS
THE DICKERSON LAW GROUP
ROBERT P. DICKERSON, ESQ.
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DISTRICT COURT
FAMILY DIVISION

CLARK COUNTY, NEVADA

ERIC L. NELSON, Plaintiff/Counterdefendant, v. LYNITA SUE NELSON Defendant/Counterclaimant.	CASE NO. D-09-411537-D DEPT NO. "O"
ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and LSN NEVADA TRUST dated May 30, 2001, Necessary Parties (joined in this action pursuant to Stipulation and Order entered on August 9, 2011)	LYNITA SUE NELSON'S: (1) FIRST AMENDED ANSWER TO CLAIMS OF THE ERIC L. NELSON NEVADA TRUST; AND

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

Necessary Party (joined in this action pursuant to Stipulation and Order entered on August 9, 2011)/ Purported Counterclaimant and Crossclaimant,

v.

LYNITA SUE NELSON and ERIC NELSON,

Purported Cross-Defendant and Counterdefendant,

LYNITA SUE NELSON,

Counterclaimant, Cross-Claimant, and/or Third Party Plaintiff,

v.

ERIC L. NELSON, individually, and as the Investment Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; the ERIC L. NELSON NEVADA TRUST dated May 30, 2001; LANA MARTIN, individually, and as the current and/or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the former Distribution Trustee of the LSN NEVADA TRUST dated May 30, 2001; NOLA HARBER, individually, and as the current and/or former Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, and as the current and/or former Distribution Trustee of the LSN NEVADA TRUST dated May 30, 2001; ROCHELLE McGOWAN, individually; JOAN B. RAMOS, individually; and DOES I through X,

Counterdefendants, and/or Cross-Defendants, and/or Third Party Defendants.

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(2) FIRST AMENDED CLAIMS FOR RELIEF AGAINST ERIC L. NELSON, ERIC L. NELSON NEVADA TRUST dated May 30, 2001, LANA MARTIN, NOLA HARBER, ROCHELLE McGOWAN, JOAN B. RAMOS, and DOES I through X (WHETHER DESIGNATED AS A COUNTERCLAIM, CROSS-CLAIM, AND/OR THIRD PARTY COMPLAINT)

LYNITA SUE NELSON'S FIRST AMENDED ANSWER
TO CLAIMS OF THE ERIC L. NELSON NEVADA TRUST

COMES NOW LYNITA SUE NELSON ("LYNITA"), by and through her attorneys, ROBERT P. DICKERSON, ESQ., KATHERINE L. PROVOST, ESQ., and JOSEF M. KARACSONYI, ESQ., of THE DICKERSON LAW GROUP, and as and for her First Amended Answer to the Claims for Relief filed against her by LANA MARTIN, as the purported Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2011 ("ERIC NELSON'S ALTER EGO TRUST"), by way of the pleading filed in this action by ERIC NELSON'S ALTER EGO TRUST on or about August 19, 2011, entitled "Answer to Complaint for Divorce and Counterclaim and Cross-Claim" ("the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST"), admits, denies, alleges, and states as follows:

1. LYNITA admits the allegations of paragraphs 1 and 2 of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST. In this regard, LYNITA specifically admits that both she and her husband, Eric L. Nelson, are residents of Clark County, Nevada.

2. Answering paragraphs 3, 4, and 5 of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST, LYNITA is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraphs, and on that basis generally and specifically denies each and every allegation contained therein.

3. LYNITA generally and specifically denies the allegations of paragraph 6 of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST.

4. Answering paragraph 7 of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST, LYNITA repeats her above answers to paragraphs 1 through 6 of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST to the same extent as if the same were set forth herein in full.

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5. Answering paragraph 8 of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST, LYNITA admits that all of the assets owned by ERIC NELSON'S ALTER EGO TRUST are community property and as such, are subject to division by the Court in the instant divorce action, Case No. D-09-411537-D, entitled "ERIC L. NELSON, Plaintiff/Counterdefendant v. LYNITA SUE NELSON, Defendant/ Counterclaimant" (the "Instant Divorce Action"). LYNITA further admits that throughout the pretrial and trial proceedings in the Instant Divorce Action, Eric L. Nelson has admitted and acknowledged that all of the assets owned by ERIC NELSON'S ALTER EGO TRUST are his and LYNITA's community property, and that the same are subject to division by the Court in the Instant Divorce Action. In this regard, Eric L. Nelson has admitted and acknowledged, both tacitly, actively, and otherwise, that he has treated ERIC NELSON'S ALTER EGO TRUST as his alter ego, and that his and LYNITA's intent throughout their marriage has always been that all of the assets owned by ERIC NELSON'S ALTER EGO TRUST are their community property.

6. LYNITA generally and specifically denies the allegations of paragraphs 9, 10, 11, and 12 of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST.

In addition to the above answers, based upon information and belief and pending further investigation and discovery, LYNITA alleges the affirmative defenses set forth below in this FIRST AMENDED ANSWER TO CLAIMS OF THE ERIC L. NELSON NEVADA TRUST. LYNITA reserves the right to further amend this FIRST AMENDED ANSWER TO CLAIMS OF THE ERIC L. NELSON NEVADA TRUST to identify any and all statutory and/or decisional authorities supporting some or all of

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the Affirmative Defenses referenced below. LYNITA does not otherwise waive and specifically reserves the right to assert additional Affirmative Defenses based on statutory and decisional authorities, and equitable doctrines, and further reserves the right to amend, correct, or add to these Affirmative Defenses based upon subsequent investigation and discovery.

FIRST AFFIRMATIVE DEFENSE
(Failure to State a Cause of Action)

The Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST fails to state facts sufficient to constitute a cause of action against LYNITA.

SECOND AFFIRMATIVE DEFENSE
(Wrongful Acts of ERIC NELSON'S ALTER EGO TRUST)

To the extent that any or all occurrences, happenings, injuries, and/or damages alleged in the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST were proximately caused and/or contributed to by the wrongful acts and/or omissions of ERIC NELSON'S ALTER EGO TRUST, ERIC NELSON'S ALTER EGO TRUST is precluded from obtaining judgment against LYNITA.

THIRD AFFIRMATIVE DEFENSE
(Authority)

Based upon information and belief, and subject to discovery in this action, LYNITA alleges that ERIC NELSON'S ALTER EGO TRUST is barred from any recovery based upon the lack of authority for LANA MARTIN to assert any claims on behalf of ERIC NELSON'S ALTER EGO TRUST.

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FOURTH AFFIRMATIVE DEFENSE
(Consent)

To the extent ERIC NELSON'S ALTER EGO TRUST failed to object to the litigation of this divorce action, and based on the actions of Eric L. Nelson, ERIC NELSON'S ALTER EGO TRUST has assented, accepted, and acquiesced to the Instant Divorce Action as litigated, and by such consent is precluded from obtaining any relief against LYNITA.

FIFTH AFFIRMATIVE DEFENSE
(Waiver, Estoppel, Laches and Unclean Hands)

Based upon information and belief, and subject to discovery in this action, LYNITA alleges that ERIC NELSON'S ALTER EGO TRUST is barred from any recovery on the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST based upon the doctrines of waiver, estoppel, laches, and unclean hands.

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LYNITA SUE NELSON'S FIRST AMENDED CLAIMS FOR RELIEF AGAINST ERIC L. NELSON, ERIC L. NELSON NEVADA TRUST dated May 30, 2001, LANA MARTIN, NOLA HARBER, ROCHELLE McGOWAN, JOAN B. RAMOS, and DOES I through X (WHETHER DESIGNATED AS A COUNTERCLAIM, CROSS-CLAIM, AND/OR THIRD PARTY COMPLAINT)

COMES NOW LYNITA SUE NELSON ("LYNITA"), by and through her attorneys, ROBERT P. DICKERSON, ESQ., KATHERINE L. PROVOST, ESQ., and JOSEF M. KARACSONYI, ESQ., of THE DICKERSON LAW GROUP, and as and for her claims for relief against ERIC L. NELSON, ERIC L. NELSON NEVADA TRUST dated May 30, 2001, LANA MARTIN, NOLA HARBER, ROCHELLE McGOWAN, JOAN B. RAMOS, and DOES I through X, and whether designated as a Counterclaim, Cross-claim, and/or Third Party Complaint, respectfully alleges and states as follows:

INTRODUCTION AND NATURE OF THE ACTION BEING FILED BY LYNITA SUE NELSON

1. On or about August 9, 2011, the Court in this action, Case No. D-09-411537-D, entitled "ERIC L. NELSON, Plaintiff/Counterdefendant v. LYNITA SUE NELSON, Defendant/Counterclaimant" (the "Instant Divorce Action"), entered an Order pursuant to the Stipulation of ERIC L. NELSON and LYNITA SUE NELSON, joining the ERIC L. NELSON NEVADA TRUST dated May 30, 2001 ("ERIC NELSON'S ALTER EGO TRUST"), and the LSN NEVADA TRUST dated May 30, 2001 (the "LSN TRUST"), as necessary parties to this action.

2. On or about August 19, 2011, a fugitive pleading entitled "Answer to Complaint for Divorce and Counterclaim and Cross-Claim" was filed in this Instant Divorce Action by LANA MARTIN, purporting to be the Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST ("the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST").

3. This Pleading is being filed by LYNITA SUE NELSON pursuant to NRCP 13 and/or NRCP 14. The claims for relief alleged in this Pleading being filed by LYNITA SUE NELSON are being filed, and have become necessary, because of the

filing of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST. Regardless of whether it is considered and/or designated as a Counterclaim, Cross-Claim, and/or Third Party Complaint, this Pleading is intended to allege claims for relief against the following individuals and trusts:

A. ERIC L. NELSON, individually, and as the Investment Trustee of ERIC NELSON'S ALTER EGO TRUST ("ERIC");

B. ERIC NELSON'S ALTER EGO TRUST;

C. LANA MARTIN, individually, and as the current and/or former Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, and as the former Distribution Trustee of the LSN TRUST ("LANA");

D. NOLA HARBER, individually, and as the current and/or former Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, and as the current and/or former Distribution Trustee of the LSN TRUST ("NOLA");

E. ROCHELLE McGOWAN, individually ("ROCHELLE");

F. JOAN B. RAMOS, individually ("JOAN"); and

G. DOES I through X.

4. As a result of the filing of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST in this Instant Divorce Action, a ripe case in controversy exists between LYNITA and ERIC regarding their community property, and between LYNITA and ERIC NELSON'S ALTER EGO TRUST regarding LYNITA's and ERIC's community property being held in ERIC NELSON'S ALTER EGO TRUST. Further, LYNITA has now had to assert claims against ERIC L. NELSON, individually, and as the Investment Trustee of ERIC NELSON'S ALTER EGO TRUST; ERIC NELSON'S ALTER EGO TRUST; LANA MARTIN, individually, and as the current and/or former Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, and as the former Distribution Trustee of the LSN TRUST; NOLA HARBER, individually, and as the

current and/or former Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, and as the current and/or former Distribution Trustee of the LSN TRUST; ROCHELLE McGOWAN, individually; JOAN B. RAMOS, individually; and DOES I through X, to ensure all claims and controversies are resolved in one action.

5. Approximately twenty-seven (27) months after ERIC filed his Complaint for Divorce in the Instant Divorce Action, ERIC has caused ERIC NELSON'S ALTER EGO TRUST to file the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST in this action denying the existence of ERIC's and LYNITA's community property interest in all the assets held in ERIC NELSON'S ALTER EGO TRUST.

6. ERIC has asserted his management and control over ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST in his sworn testimony before this Court on multiple occasions. ERIC has confirmed the existence of ERIC's and LYNITA's community property and/or separate property interest in both trusts through his sworn testimony before this Court. From May 30, 2001 until at least early 2011, ERIC has influenced, directed, and controlled all aspects of both ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST.

7. LYNITA respectfully files this Pleading and asserts the claims for relief in this Pleading to hold ERIC, and those parties aiding and abetting, conspiring with, and/or acting in concert with ERIC accountable for their abusive conduct designed to deprive LYNITA of her rightful access to community assets. ERIC's newly devised effort to attempt to shield community assets from distribution by this Court in the Instant Divorce Action, by now claiming that all such community assets are held in, and belong to, his illusory, sham ERIC NELSON'S ALTER EGO TRUST that he has dominated and controlled at all times, should be recognized for its true nature and wholly disregarded by this Court.

8. LYNITA asserts the claims for relief in this Pleading to establish that both ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, are ERIC's alter egos

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and that ERIC has used the trusts to improperly shield community assets from distribution by this Court as part of this Instant Divorce Action.

9. As a matter of law and equity, ERIC's abusive conduct compels piercing the veil of ERIC NELSON'S ALTER EGO TRUST, and determining that all of the assets, profits, gains, and interests titled in the name of ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, are the community property of ERIC and LYNITA, and that the same are subject to division by this Court in this Instant Divorce Action.

10. ERIC did not engage in this attempted, massive abuse of Nevada's trust laws alone. LANA MARTIN, ERIC's employee, close friend, and co-conspirator, served as the Distribution Trustee for ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, for approximately six (6) years. Likewise, NOLA HARBER, ERIC's sister and co-conspirator, served as the Distribution Trustee for ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, for approximately four (4) years. In their capacity as the Distribution Trustee for ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, both LANA and NOLA individually, under ERIC's direction and control, abused the protections afforded by Nevada's trust laws, and their fiduciary duties to ERIC NELSON'S ALTER EGO TRUST, the LSN TRUST, and LYNITA, to the benefit of ERIC, and to the detriment of LYNITA and the community. Similarly, ROCHELLE McGOWAN, ERIC's employee and close friend, and JOAN B. RAMOS, ERIC's employee and close friend, conspired with ERIC, LANA, and NOLA to violate Nevada's trust laws to the benefit of ERIC and detriment of LYNITA and the community.

11. ERIC controlled and directed LANA's and NOLA's conduct as Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST. For example, and as more fully set forth below, ERIC directed the release of tens of thousands of dollars of trust income and property to ERIC, and other third parties, including, but not necessarily limited to, ERIC's family members (Cal Nelson, Paul Nelson, Chad Ramos, Ryan Nelson and others) during the time period October 1, 2001 through the present, to fund ERIC's and ERIC's family members' personal

expenditures. ERIC further directed the creation of Distribution Authorization forms purporting to distribute trust income from the LSN TRUST to LYNITA, which was never actually received by LYNITA. ERIC's directives were never scrutinized or questioned by either LANA or NOLA; rather, both LANA and NOLA, at all times while acting in the capacity of Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, performed exactly as ERIC directed.

12. ERIC directed and controlled all of the co-conspirators' actions with respect to ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, and all the purported assets of such trusts, since the creation of ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST. For example, ERIC dictated or handwrote notes of the asset transfers, and loans he desired to be performed by ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, and would pass his dictation and/or notes of such actions to one or more of the named co-conspirators, who would create the necessary deeds, loan documents, promissory notes, agreements or other documents necessary to effectuate ERIC's directives, create written documents confirming ERIC's directives, and draft and sign all checks required to perform as directed by ERIC. ERIC's directives were never scrutinized or questioned by any of the named co-conspirators; rather all named co-conspirators performed exactly as ERIC directed.

13. LANA, ROCHELLE, and JOAN, at all times relevant hereto have served as ERIC's "right hand" persons with respect to ERIC's entities, ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST. In their individual capacities, as employees of any one of ERIC's entities, they each handled ERIC's books and records and day to day operations (under ERIC's direction and control), acted as the registered agent for any one of ERIC's entities (under ERIC's direction and control), and/or acted as the notary public for ERIC's entities, including notarizing documents related to ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST.

14. Upon information and belief, and following a period of discovery focused on ERIC NELSON'S ALTER EGO TRUST, the LSN TRUST, and the actions of ERIC

and his co-conspirators related to ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, LYNITA will be able to demonstrate that ERIC is controlling both trusts as illusory, sham trusts to shield assets from distribution by this Court as part of this Instant Divorce Action. For example, ERIC purchased assets with community funds, and directed title to such assets be held in the name of ERIC NELSON'S ALTER EGO TRUST, or an entity wholly controlled by ERIC NELSON'S ALTER EGO TRUST, rather than in ERIC's personal name, to shield the assets from third-party creditors, and now asserts the claims made in the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST to attempt to avoid the distribution of such assets by this Court as part of this Instant Divorce Action. One such transaction being the transaction involving the Russell Road property which has been discussed throughout this Instant Divorce Action. ERIC further directed the transfer of assets from and/or between ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, without compensation or for less than fair market value compensation to avoid the reach of third-party creditors, and to now assert the claims made in the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST to attempt to avoid the distribution of such assets by this Court as part of this Instant Divorce Action. Such transfers include the transfer of certain real property parcels in Mississippi, the transfer of the real property located on Harbor Hills Avenue from the LSN TRUST to ERIC NELSON'S ALTER EGO TRUST, which ERIC thereafter sold for less than fair market value during the litigation of this Instant Divorce Action, and the transfer of the commercial building located on Lindell Avenue from the LSN TRUST, to the LSN TRUST and ERIC NELSON'S ALTER EGO TRUST as equal, fifty-percent (50%) owners, without authority and consideration. While a period of discovery has already been performed in this Instant Divorce Action, such discovery did not focus on ERIC NELSON'S ALTER EGO TRUST, the LSN TRUST, and ERIC's and his co-conspirators' actions related to ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST; the reason being because for the first twenty-seven (27) months that this Instant Divorce Action has been pending, ERIC did

not assert any claims other than that all of the assets created or obtained during the parties' marriage were community assets subject to equal division by this Court in this Instant Divorce Action.

15. Upon information and belief, and following a period of discovery focused on ERIC NELSON'S ALTER EGO TRUST, and ERIC's and his co-conspirators' actions related to ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, LYNITA will be able to demonstrate that ERIC designed transfers from ERIC NELSON'S ALTER EGO TRUST to drain ERIC NELSON'S ALTER EGO TRUST of liquidity, and from the LSN TRUST to ERIC NELSON'S ALTER EGO TRUST to deprive LYNITA and the community of income and property in this Instant Divorce Action. ERIC's dissipation of assets in both Trusts so as to hinder distribution by this Court as part of this Instant Divorce Action include ERIC's drain of the Mellon Bank account and Mellon line of credit of approximately 1.4 million dollars to improve the Bella Kathryn property.

16. As early as June 2003, ERIC and/or LANA recognized issues existed with ERIC's and LANA's actions with respect to ERIC NELSON'S ALTER EGO TRUST, and sent an email to Jeffrey Burr, Esq., the attorney who originally drafted ERIC NELSON'S ALTER EGO TRUST, addressing some of these issues. Specifically LANA admitted to holding "special meetings" concerning ERIC NELSON'S ALTER EGO TRUST, and questioned the propriety of these meetings and the appropriateness of her acting as the Distribution Trustee for both ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST.

17. In order to prevent manifest injustice, the veil surrounding ERIC NELSON'S ALTER EGO TRUST and its financial relationships with other entities controlled and directed by ERIC must be lifted. LYNITA brings this action to pierce the veil of ERIC NELSON'S ALTER EGO TRUST because ERIC NELSON'S ALTER EGO TRUST, as well as the LSN TRUST, are ERIC's alter egos; thus, LYNITA seeks a declaration from this Court that ERIC NELSON'S ALTER EGO TRUST, and the

LSN TRUST, are illusory, sham trusts whose assets belong to ERIC, LYNITA, and the community estate and are subject to division as part of these divorce proceedings. LYNITA also requests that this Court ensure that ERIC's co-conspirators (LANA MARTIN, NOLA HARBER, ROCHELLE McGOWAN, and JOAN B. RAMOS), without whom ERIC could not have instituted and maintained his scheme to attempt to deny LYNITA her lawful share of the parties' community assets, be held liable for their wrongful conduct.

PARTIES

18. ERIC L. NELSON and LYNITA SUE NELSON are residents of Clark County, Nevada. ERIC and LYNITA are husband and wife, as alleged in ERIC's Complaint for Divorce, and LYNITA's Answer and Counterclaim filed months ago in this Instant Divorce Action. ERIC is the Investment Trustee of ERIC NELSON'S ALTER EGO TRUST.

19. LANA MARTIN ("LANA") is a resident of Clark County, Nevada. LANA is an employee of ERIC. Upon information and belief, LANA is the former Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST; however, LANA claims to be the current Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST. LANA is also the former Distribution Trustee of the LSN TRUST. LANA is intricately involved in many of ERIC's entities serving both as bookkeeper, and upon information and belief, the notary public on several documents for ERIC, ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST. LANA assisted ERIC in creating and maintaining his intricate web of entities, including ERIC NELSON'S ALTER EGO TRUST. When being referred to jointly along with the other co-conspirators, which shall specifically include LANA, NOLA, ROCHELLE, and JOAN, LANA is intended to be included in as one of the co-conspirators when the term "co-conspirators" is used in this Pleading.

20. NOLA HARBER ("NOLA") is a resident of Clark County, Nevada, presently absent from the state while serving a voluntary mission for the Church of

Jesus Christ of Latter Day Saints in Laie, Hawaii. NOLA is the sister of ERIC. Upon information and belief, NOLA is the current Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST. If NOLA is not the current Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, she is the former Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST. NOLA also is either the current, one of the current, or the former Distribution Trustee of the LSN TRUST. NOLA assisted ERIC in maintaining his intricate web of entities, including ERIC NELSON'S ALTER EGO TRUST. When being referred to jointly along with the other co-conspirators, which shall specifically include LANA, NOLA, ROCHELLE, and JOAN, NOLA is intended to be included in as one of the co-conspirators when the term "co-conspirators" is used in this Pleading.

21. ROCHELLE McGOWAN ("ROCHELLE") is a resident of Clark County, Nevada. ROCHELLE is an employee of ERIC. ROCHELLE is intricately involved in many of ERIC's entities serving as bookkeeper, and upon information and belief, the notary public on several documents for ERIC, ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, and she is the registered agent for several of ERIC's entities. ROCHELLE assisted ERIC in creating and maintaining his intricate web of entities, including ERIC NELSON'S ALTER EGO TRUST. When being referred to jointly along with the other co-conspirators, which shall specifically include LANA, NOLA, ROCHELLE, and JOAN, ROCHELLE is intended to be included in as one of the co-conspirators when the term "co-conspirators" is used in this Pleading.

22. JOAN B. RAMOS ("JOAN") is a resident of Clark County, Nevada. JOAN is an employee of ERIC. JOAN is intricately involved in many of ERIC's entities serving both as bookkeeper, and upon information and belief, the notary public on several documents for ERIC, ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST. JOAN assisted ERIC in creating and maintaining his intricate web of entities, including ERIC NELSON'S ALTER EGO TRUST. When being referred to jointly along with the other co-conspirators, which shall specifically include LANA, NOLA,

ROCHELLE, and JOAN, JOAN is intended to be included in as one of the co-conspirators when the term "co-conspirators" is used in this Pleading.

23. The ERIC L. NELSON NEVADA TRUST dated May 30, 2001 is referred to in this pleading as "ERIC NELSON'S ALTER EGO TRUST." The LSN NEVADA TRUST dated May 30, 2001 is referred to in this pleading as the "LSN TRUST." When both trusts are being jointly referred to they may be referred to as "the Trusts" or "both Trusts."

JURISDICTION AND VENUE

24. All named parties are subject to the jurisdiction and venue of this Court.

25. This Court has jurisdiction, and LYNITA has standing, pursuant to Chapters 125, 153, and 166 of the Nevada Revised Statutes.

26. ERIC NELSON'S ALTER EGO TRUST, by its entry to this case and failure to assert any jurisdictional challenge, has assented to this Court's entry of final orders in this proceeding.

27. This Court may enter a final judgment herein pursuant to NRS 125.130, subject to review by the Nevada Supreme Court. Also, ERIC's wrongful conduct has caused and will cause irreparable injury to LYNITA and the community estate, and given ERIC's continued wrongdoing with respect to ERIC NELSON'S ALTER EGO TRUST, LYNITA lacks adequate remedies at law to address ERIC's wrongful conduct. As such, LYNITA seeks the entry of a temporary restraining order, preliminary injunction, and permanent injunction.

ADDITIONAL FACTS

28. On or about May 30, 2001, ERIC caused ERIC NELSON'S ALTER EGO TRUST to be formed. At that time, ERIC named himself as the Investment Trustee of ERIC NELSON'S ALTER EGO TRUST, and named LANA as the Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST.

29. On or about May 30, 2001, ERIC caused the LSN TRUST to be formed. At that time, ERIC instructed LYNITA to name LYNITA as the Investment Trustee

of the LSN TRUST, and ERIC named LANA as the Distribution Trustee of the LSN TRUST. Trusting her husband to protect her and the community as he had repeatedly promised to do, LYNITA signed all paperwork presented to her to create the LSN TRUST.

30. ERIC NELSON'S ALTER EGO TRUST and the LSN TRUST are purportedly Nevada spendthrift trusts. In reality, at all times, ERIC NELSON'S ALTER EGO TRUST, as well as the LSN TRUST, were the alter egos of ERIC. ERIC's unity of interest with ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, is such that their separate personalities ceased to exist. ERIC used ERIC NELSON'S ALTER EGO TRUST's, and the LSN TRUST's assets as his own, and recognizing the separate existence of the ERIC NELSON'S ALTER EGO TRUST, or the LSN TRUST would result in a manifest fraud and injustice.

31. ERIC has provided sworn testimony before this Court that ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST were created for asset protection purposes. Specifically, in the event something happened to ERIC, ERIC did not have to carry life insurance. ERIC would put safe assets into the LSN TRUST for LYNITA and the parties' children, and the much more volatile assets into ERIC NELSON'S ALTER EGO TRUST. Both Trusts were created by Jeffrey Burr, Esq., and maintained to provide ERIC flexibility in his management of the assets and of tax implications. ERIC admits to managing both Trusts, and further admits that the intent was to level off ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, annually by putting assets in ERIC NELSON'S ALTER EGO TRUST, or the LSN TRUST depending on the transaction and to bottom line – protect LYNITA. At no time did ERIC state that the creation of ERIC NELSON'S ALTER EGO TRUST, or the LSN TRUST were to limit either his or LYNITA's rights to receive at least an equal division of assets upon a dissolution of their marriage, or to remove any asset from the realm of community property created during the parties' marriage. In fact, Jeffrey Burr, Esq. testified in the Instant Divorce Action on November 22, 2010, and by his

testimony confirmed that the sole intent of both ERIC and LYNITA at the time of the creation of the Trusts was to protect their community assets from third-party creditors; the Trusts were not intended to create separate property for either ERIC or LYNITA. Mr. Burr further confirmed that it was the intent of both ERIC and LYNITA for the assets held in both Trusts to continue to be the parties' community property.

32. LYNITA, upon information and belief, and on that basis alleges, that all of the acts set forth in this Pleading alleged to have been done by ERIC and/or one or more of the co-conspirators, were, where applicable, authorized, approved, and/or ratified by one another in breach of each individual's fiduciary duties to another and to the detriment of LYNITA.

33. LYNITA, upon information and belief, and on that basis alleges, that where applicable, ERIC and/or one or more of the co-conspirators, have been, at all material times, acting with the full knowledge, consent, authority, ratification and/or permission of the other named persons.

34. LYNITA, upon information and belief, and on that basis alleges, that where applicable, ERIC, and/or one or more of the co-conspirators, knowingly and substantially assisted, encouraged, conspired with, authorized, requested, commanded, ratified, and/or recklessly tolerated the statements and actions of each other in order to engage in a scheme to defraud LYNITA of her interest in community assets and the community estate.

35. Pursuant to the terms of Section 2.1 of ERIC NELSON'S ALTER EGO TRUST, ERIC and ERIC's five (5) living children are named as beneficiaries of ERIC NELSON'S ALTER EGO TRUST. Pursuant to Article IV of ERIC NELSON'S ALTER EGO TRUST, LYNITA is named as a beneficiary of ERIC NELSON'S ALTER EGO TRUST.

36. Pursuant to the terms of Section 2.1 of the LSN TRUST, LYNITA and LYNITA's five (5) living children are named as beneficiaries of the LSN TRUST.

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37. Both Trusts have identical language concerning the use of trust income, veto rights of the Trustor, powers of the Investment Trustee, and powers of the Distribution Trustee.

38. Pursuant to the terms of Section 3.1 of both Trusts, the income of each Trust is to be used as follows:

> [T]o manage, invest and reinvest same, to collect the income thereof, and to pay over or apply the net income and/or principal thereof, and in such amounts and proportions, including all to the exclusion of the others, and at such time or times as the Trustees, in their sole and absolute discretion, shall determine, to or for the benefit of such one or more members of the class consisting of the Trustor, the Trustor's issue and other beneficiaries named herein or as described in Section 2.1 above, until the death of Trustor.

39. Pursuant to the terms of Section 3.3 of both Trusts, the Trustor, during the Trustor's lifetime, retains a veto right over "any payment or application of income or principal to any beneficiary other than the Trustor . . .," and may direct that the Distribution Trustee "shall not make and/or authorize the intended payment or application to the intended beneficiary."

40. Pursuant to the terms of Section 3.3 of both Trusts,

> [A]ny decision to make a distribution to the Trustor may not be made by the Trustor, even though the Trustor may be serving as a Trustee hereunder. Prior to any distribution to the Trustor of either income or principal of Trust estate, a meeting of the majority of the Trustees, which majority must also include the Distribution Trustee, shall be held. At such meeting the Trustees shall discuss the advisability of making a distribution of the Trust estate to the Trustor. Upon vote of the Distribution Trustee and a majority of the other Trustees in attendance at such meeting, which vote must in all events include the affirmative vote of the Distribution Trustee, the Trustee may authorize and carry out the distribution of Trust income and/or principal to the Trustors.

41. Pursuant to the terms of Section 3.4 of both Trusts,

> In the event any distribution of any of the Trust estate shall be made to the Trustor, and if such distribution is not previously authorized by the Trustees in the manner as required pursuant to Section 3.3 above, then such distribution made to the Trustor shall be void and the Distribution Trustee shall have a lien against the Trust estate distributed to the Trustor and such lien shall also extend if necessary to make the Trust estate whole, to any and all other assets of the Trustor.

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42. The powers afforded to the Investment Trustee by the Trusts are as set forth in Section 12.1 of both Trusts. The Investment Trustee has no other powers over the Trusts' assets other than as specifically set forth in Section 12.1 of the Trusts.

43. Pursuant to the terms of Section 12.2 of both Trusts, the "Distribution Trustee shall have the power to authorize distribution of principal and/or income to the beneficiaries hereunder at times and in amounts as determined in the sole discretion of the Distribution Trustee, subject only to the veto power vested in the Trustor, according to the standards set forth in Section 3.1 above."

44. LYNITA, upon information and belief, and on that basis alleges, that LANA is intertwined with ERIC and ERIC's entities, including being ERIC's employee, an investor in at least one of ERIC's entities, and a close friend and confidant of ERIC. LANA's legal bills incurred in this action are presently being paid by assets held in ERIC NELSON'S ALTER EGO TRUST, in violation of the terms of ERIC NELSON'S ALTER EGO TRUST.

45. LYNITA, upon information and belief, and on that basis alleges, that LANA, in her capacity as Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, has made repeated distributions of trust assets in violation of the specific terms of the Trust.

46. LYNITA, upon information and belief, and on that basis alleges, that ERIC has controlled LANA's actions as Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST since its creation, that LANA has breached her duties as Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, and that LANA has had no independent authority to exercise the powers afforded to the Distribution Trustee by ERIC NELSON'S ALTER EGO TRUST, but has performed exactly as ERIC instructed.

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47. On February 22, 2007, LANA was replaced by NOLA as the Distribution Trustee for ERIC NELSON'S ALTER EGO TRUST at ERIC's request. NOLA is ERIC's sister and is intertwined with ERIC and ERIC's entities. NOLA is not an independent trustee as defined by Section 672(c) of the Internal Revenue Code, as she is related by blood to ERIC.

48. LYNITA, upon information and belief, and on that basis alleges, that ERIC has controlled NOLA's actions as Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST since its creation, that NOLA has breached her duties as Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST, and that NOLA has had no independent authority to exercise the powers afforded to the Distribution Trustee by ERIC NELSON'S ALTER EGO TRUST, but has performed exactly as ERIC instructed.

49. LYNITA, upon information and belief, and on that basis alleges, that NOLA is the current Distribution Trustee of ERIC NELSON'S ALTER EGO TRUST.

50. LYNITA, upon information and belief, and on that basis alleges, that ERIC has controlled LANA's actions as Distribution Trustee of the LSN TRUST since its creation, that LANA has breached her duties as Distribution Trustee of the LSN TRUST, and that LANA has had no independent authority to exercise the powers afforded to the Distribution Trustee by the LSN TRUST, but has performed exactly as ERIC instructed.

51. On February 22, 2007, LANA was replaced by NOLA as the Distribution Trustee for the LSN TRUST at ERIC's request. NOLA is ERIC's sister and is intertwined with ERIC and ERIC's entities. NOLA is not an independent trustee as defined by Section 672(c) of the Internal Revenue Code, as she is related by marriage to LYNITA.

52. LYNITA, upon information and belief, and on that basis alleges, that ERIC has controlled NOLA's actions as Distribution Trustee of the LSN TRUST since her appointment as Distribution Trustee of the LSN TRUST, that NOLA has breached

her duties as Distribution Trustee of the LSN TRUST, and that NOLA has had no independent authority to exercise the powers afforded to the Distribution Trustee by the LSN TRUST, but has performed exactly as ERIC instructed.

53. LYNITA, upon information and belief, and on that basis alleges, that since the creation of ERIC NELSON'S ALTER EGO TRUST, without adequate consideration, trust assets have been inappropriately distributed to ERIC and third parties in violation of the terms of ERIC NELSON'S ALTER EGO TRUST; without adequate consideration, trust assets have been sold in violation of the terms of ERIC NELSON'S ALTER EGO TRUST; and without adequate consideration, trust assets have been transferred to other entities in violation of the terms of ERIC NELSON'S ALTER EGO TRUST.

54. LYNITA, upon information and belief, and on that basis alleges, that since the creation of the LSN TRUST, without adequate consideration, trust assets have been inappropriately distributed to ERIC and third parties in violation of the terms of the LSN TRUST; without adequate consideration, trust assets have been sold in violation of the terms of the LSN TRUST; and without adequate consideration, trust assets have been transferred to other entities in violation of the terms of the LSN TRUST.

55. LYNITA, upon information and belief, and on that basis alleges, that since the creation of the LSN TRUST, trust assets have been inappropriately distributed to ERIC and third parties in violation of the terms of the LSN TRUST; trust assets have been sold in violation of the terms of the LSN TRUST; and trust assets have been transferred to other entities in violation of the terms of the LSN TRUST.

56. LYNITA, upon information and belief, and on that basis alleges, that since the creation of ERIC NELSON'S ALTER EGO TRUST, trust assets have been inappropriately distributed to ERIC and third parties in violation of the terms of the

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Trust; trust assets have been sold in violation of the terms of the Trust; and trust assets have been transferred to other entities in violation of the terms of the Trust.

57. On December 8, 2011, Larry L. Bertsch, CPA, CFF, and Nicholas S. Miller, CFE, of the accounting firm of Larry L. Bertsch, CPA & Associates, the Court appointed forensic accountants, filed a report entitled "Source and Application of Funds for Eric L. Nelson Nevada Trust" ("Mr. Bertsch's Report") documenting some of the inappropriate distributions to ERIC and third parties from ERIC NELSON'S ALTER EGO TRUST during the period January 1, 2009 through May 31, 2011.

58. Mr. Bertsch's Report outlines the following payments to ERIC, ERIC's family members, and other third parties during the time period audited, all of which, upon information and belief, are in direct contravention of the terms of ERIC NELSON'S ALTER EGO TRUST:

A. $56,000.00 paid to Element Iron & Design, LLC and ERIC's Nephew, Brock Nelson;

B. $1,304,368.17 paid to ERIC's brother, Clarence Nelson, or Cal's Blue Water Marine, a company owned by Clarence Nelson;

C. $30,000.00 paid to ERIC's sister, Carlene Gutierrez, and/or The Grotta Group, LLC, a company for which Carlene Gutierrez is a member;

D. $3,000.00 paid to ERIC's nephew, and NOLA's son, Chad Ramos;

E. $5,000.00 paid to ERIC's nephew, Eric T. Nelson;

F. $25,025.00 paid to ERIC's nephew, and NOLA's son, Jesse Harber;

G. $13,318.83 paid to ERIC's brother-in-law, and NOLA's husband, Paul Harber;

H. $19,975.00 paid to ERIC's brother, Paul Nelson; and

I. $3,000.00 paid to ERIC's nephew, Ryan Nelson.

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59. Mr. Bertsch's Report also documents $90,607.89 in personal expenditures paid for ERIC from ERIC NELSON'S ALTER EGO TRUST for legal services, automobile purchases, charitable contributions, "expenses designated by [ERIC] to be personal," gifts, gym memberships, Las Vegas hotels, music service, restaurants, sporting event tickets, and vacations.

60. Mr. Bertsch's Report also indicates that ERIC took $1,243,623.47 in payments to himself and "distributions" from ERIC NELSON'S ALTER EGO TRUST between January 2009, and May 2011.

61. Upon information and belief, there were countless other inappropriate distributions to ERIC and third parties from ERIC NELSON'S ALTER EGO TRUST during the period preceding Mr. Bertsch's Report, including, but not limited to, $23,675.00 paid to Chad Ramos in June and July 2007, $12,500.00 paid to Paul Harber in June 2007, and $4,900.00 in Christmas gifts from ERIC to Briana Ramos, Joseph Lawson, Chad Ramos, ROCHELLE and JOAN in December 2007.

62. On May 6, 2009, ERIC filed his Complaint for Divorce against LYNITA. However, ERIC has engaged in "divorce planning" since at least 2003.

63. On multiple dates between August 30, 2011 and present, ERIC testified before this Court and repeatedly asserted that all assets held by ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, are community assets owned by ERIC and LYNITA, and merely titled in the name of such trusts.

64. On multiple dates between August 30, 2011 and present, ERIC testified before this Court and repeatedly asserted he has managed all assets in ERIC NELSON'S ALTER EGO TRUST, and all assets held in the LSN TRUST.

65. Until early 2009, LYNITA has never directed or managed any aspect of the LSN TRUST. Rather, LYNITA relied upon ERIC to direct and manage all assets held by the LSN TRUST.

66. LYNITA, upon information and belief, and on that basis alleges, that there exists, and at all times mentioned herein existed, a unity of interest and effective

ownership between ERIC and ERIC NELSON'S ALTER EGO TRUST, and ERIC and the LSN TRUST, such that any individuality or separateness between ERIC and ERIC NELSON'S ALTER EGO TRUST, and ERIC and the LSN TRUST, ceased to exist.

67. LYNITA, upon information and belief, and on that basis alleges, that ERIC invested trust assets of both Trusts with third parties that ERIC controlled and directed, or in which ERIC held a direct financial interest, for ERIC's own benefit.

68. LYNITA, upon information and belief, and on that basis alleges, that ERIC directed one or more of the co-conspirators to distribute trust assets from both Trusts to individuals and entities who were not beneficiaries of either trust, for ERIC's own benefit.

69. ERIC, in his capacity as Investment Trustee of ERIC NELSON'S ALTER EGO TRUST, has over funded and ignored the formalities of ERIC NELSON'S ALTER EGO TRUST, and with the assistance of one or more of the co-conspirators, has operated both Trusts as his own personal piggy bank.

70. ERIC and one or more of ERIC's co-conspirators, have also transferred assets between ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, or ERIC's and LYNITA's community assets to both Trusts, without authority from LYNITA, forging LYNITA's signature at times to accomplish such transfers.

71. Adherence to the fiction of a separate existence between ERIC and ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST would sanction fraud and permit injustice as it would inhibit LYNITA from receiving her equal share of the community assets created during the parties' lengthy marriage.

72. Since the initiation of this divorce litigation, ERIC has continuously asserted that the assets of ERIC NELSON'S ALTER EGO TRUST are his personal assets and are subject to division in this Instant Divorce Action.

73. Since the initiation of this divorce litigation, ERIC has continuously asserted that the assets of the LSN TRUST are LYNITA's assets and are subject to division in this Instant Divorce Action.

74. ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST are illusory, sham trusts as they are being used by ERIC to secrete community property from LYNITA in an effort to minimize the assets LYNITA will receive upon conclusion of this Instant Divorce Action.

75. LYNITA, upon information and belief, and on that basis alleges, that ERIC's actions since the start of this Instant Divorce Action have drained ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST of nearly all liquidity, in an effort to entice LYNITA to settle this action. ERIC's actions further demonstrate his game playing, and establish that proper trust formalities have not been followed with respect to ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, justifying piercing the veil of ERIC NELSON'S ALTER EGO TRUST.

76. LYNITA, upon information and belief, and on that basis alleges, that separate ledgers and business records have not been maintained for ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, or have been maintained on the same accounting software used and maintained by ERIC's other entities. ERIC's commingling of the ledgers for ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, and ERIC's personal entities and assets, further support LYNITA's allegations that ERIC has exerted influence and control over the co-conspirators, and ERIC NELSON'S ALTER EGO TRUST's, and the LSN TRUST's business affairs, and the lack of a separate identity of both Trusts.

77. The above referenced activities all demonstrate that (1) ERIC is directing and controlling the activities of ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST; (2) ERIC NELSON'S ALTER EGO TRUST's, and the LSN TRUST's operational formalities are not being followed, and in fact are being directly contravened; (3) ERIC broke the sanctity of ERIC NELSON'S ALTER EGO TRUST and the LSN TRUST by withdrawing or directing trust assets for his own benefit; (4) ERIC NELSON'S ALTER EGO TRUST and the LSN TRUST are nothing more than

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sham, illusory trusts and ERIC's alter egos used in an attempt to minimize the assets LYNITA will receive upon the conclusion of this Instant Divorce Action.

FIRST CLAIM FOR RELIEF
(VEIL-PIERCING AGAINST ERIC, LANA, NOLA, AND ERIC NELSON'S ALTER EGO TRUST)

78. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 77 of this Pleading as if fully set forth herein.

79. ERIC's actions demonstrate that ERIC NELSON'S ALTER EGO TRUST, and the former and/or current Distribution Trustees of ERIC NELSON'S ALTER EGO TRUST, LANA and NOLA, were influenced, directed, controlled and governed by ERIC in all respects as though no trust actually existed.

80. There has been such unity of interest and ownership between ERIC and ERIC NELSON'S ALTER EGO TRUST that one is inseparable from the other.

81. The facts show that adherence to the fiction of ERIC NELSON'S ALTER EGO TRUST as a separate trust entity would, under the circumstances, sanction fraud and promote injustice.

82. Pursuant to NRS 78.747, and/or NRS 163.418, LYNITA seeks a declaratory judgment piercing the veil of ERIC NELSON'S ALTER EGO TRUST, and declaring that the assets held in ERIC NELSON'S ALTER EGO TRUST are the community assets of ERIC and LYNITA, subject to division in the Instant Divorce Action.

83. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

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SECOND CLAIM FOR RELIEF
(REVERSE VEIL-PIERCING AGAINST ERIC, LANA, NOLA, AND ERIC NELSON'S ALTER EGO TRUST)

84. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 83 of this Pleading as if fully set forth herein.

85. ERIC's actions demonstrate that ERIC NELSON'S ALTER EGO TRUST, and the former and/or current Distribution Trustees of ERIC NELSON'S ALTER EGO TRUST, LANA and NOLA, were influenced, directed, controlled and governed by ERIC in all respects as though no trust actually existed.

86. There has been such unity of interest and ownership between ERIC and ERIC NELSON'S ALTER EGO TRUST that one is inseparable from the other.

87. The facts show that adherence to the fiction of ERIC NELSON'S ALTER EGO TRUST as a separate trust entity would, under the circumstances, sanction fraud and promote injustice.

88. Pursuant to NRS 78.747, and/or NRS 163.418, LYNITA seeks a declaratory judgment piercing the veil of ERIC NELSON'S ALTER EGO TRUST, and declaring that the assets held in ERIC NELSON'S ALTER EGO TRUST are the community assets of ERIC and LYNITA, subject to division in the Instant Divorce Action.

89. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

THIRD CLAIM FOR RELIEF
(BREACH OF FIDUCIARY DUTY AGAINST ERIC)

90. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 89 of this Pleading as if fully set forth herein.

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91. A fiduciary duty arises from the existence of the marital relationship, precipitating a duty to create and sustain community assets and disclose factors which may effect community assets.

92. A fiduciary relationship existed between ERIC and LYNITA when ERIC NELSON'S ALTER EGO TRUST was created, and at all time relevant hereto.

93. As a result of this fiduciary relationship, ERIC was bound to act in good faith and with due regard to the interests of LYNITA who remained his wife and the mother of his five (5) children. ERIC had an obligation to not act in any manner so as to destroy or injure the parties' community assets, or to injure LYNITA's ability to receive at least her one-half (1/2) share, if not more, of the parties' community property.

94. As a direct and proximate result of ERIC's breach of his fiduciary duty to LYNITA, LYNITA has sustained actual damages in excess of $10,000.00.

95. Moreover, in breaching his fiduciary duties to LYNITA, ERIC acted with oppression, fraud, and malice, and LYNITA is entitled to punitive damages in an amount in excess of $10,000.00.

96. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

FOURTH CLAIM FOR RELIEF
(BREACH OF FIDUCIARY DUTY AGAINST LANA AND NOLA)

97. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 96 of this Pleading as if fully set forth herein.

98. A fiduciary duty is deemed to exist when one party is bound to act for the benefit of the other party. Such a relationship imposes a duty of utmost good faith and loyalty.

99. A fiduciary relationship existed between LYNITA and LANA when LANA assumed the position of Distribution Trustee for the LSN TRUST.

100. A fiduciary relationship existed between LYNITA and NOLA when NOLA assumed the position of Distribution Trustee for the LSN TRUST.

101. As a result of this fiduciary relationship, LANA and NOLA were individually bound to act in good faith and with due regard to the interests of LYNITA, who was a beneficiary of the LSN TRUST. LANA and NOLA individually had an obligation to not act in any manner adverse to LYNITA, or in any way which would destroy or injure LYNITA, or LYNITA's ability to benefit from the existence of the LSN TRUST.

102. LANA and NOLA each individually breached their fiduciary duty to LYNITA by aligning themselves with ERIC, and acting as ERIC directed, even when such actions were to the detriment of LYNITA and the LSN TRUST.

103. As a direct and proximate result of LANA's and NOLA's breach of fiduciary duty to LYNITA, LYNITA has sustained actual damages in excess of $10,000.00.

104. Moreover, in breaching their fiduciary duties to LYNITA, LANA and NOLA acted with oppression, fraud, and malice, and LYNITA is entitled to punitive damages in an amount in excess of $10,000.00.

105. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

FIFTH CLAIM FOR RELIEF
(FRAUD, DECEIT AND INTENTIONAL MISREPRESENTATION AGAINST ERIC)

106. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 105 of this Pleading as if fully set forth herein.

107. As alleged above, at all times relevant hereto ERIC represented to LYNITA that all assets transferred to, and held in the names of the LSN TRUST, and ERIC NELSON'S ALTER EGO TRUST, were the parties' community property assets.

108. ERIC now contends that the parties have no interest in the assets held by the LSN TRUST, and ERIC NELSON'S ALTER EGO TRUST.

109. As further alleged above, while representing to LYNITA that the assets transferred to, and held in the names of the LSN TRUST, and ERIC NELSON'S ALTER EGO TRUST were the parties' community property, ERIC engaged in a course of conduct intended to diminish, minimize and destroy such property interests to prevent LYNITA from recovering her community interest in such property in the Instant Divorce Action.

110. As a direct and proximate result of the aforementioned wrongful conduct of ERIC, LYNITA has sustained actual damages in excess of $10,000.00.

111. In committing the acts alleged above, ERIC acted with oppression, fraud, and malice, and LYNITA is entitled to punitive damages in an amount in excess of $10,000.00.

112. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

SIXTH CLAIM FOR RELIEF
(CONVERSION AGAINST ERIC, LANA, NOLA, AND ERIC NELSON'S ALTER EGO TRUST)

113. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 112 of this Pleading as if fully set forth herein.

114. As alleged above, throughout ERIC's and LYNITA's marriage, and the first twenty-seven (27) months of this Instant Divorce Action, ERIC asserted that the

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property held by ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, were the parties' community property.

115. ERIC has suddenly changed positions, causing ERIC NELSON'S ALTER EGO TRUST to wrongfully exert dominion over ERIC's and LYNITA's community property, in denial of, and inconsistent with the parties' community property rights.

116. As a direct and proximate result of the aforementioned conversion of community property assets by ERIC and ERIC NELSON'S ALTER EGO TRUST, LYNITA has sustained actual damages in excess of $10,000.00.

117. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

SEVENTH CLAIM FOR RELIEF
(MONEY HAD AND RECEIVED AGAINST ERIC, LANA, NOLA, AND ERIC NELSON'S ALTER EGO TRUST)

118. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 117 of this Pleading as if fully set forth herein.

119. As alleged above, throughout ERIC's and LYNITA's marriage, and the first twenty-seven (27) months of this Instant Divorce Action, ERIC asserted that the property held by ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, were the parties' community property.

120. As a result, ERIC and ERIC NELSON'S ALTER EGO TRUST received possession of money and property belonging to ERIC and LYNITA as community property, which ERIC and ERIC NELSON'S ALTER EGO TRUST ought to, in equity and good conscience, pay over to ERIC and LYNITA.

121. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable

attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

EIGHTH CLAIM FOR RELIEF
(FRAUD IN THE INDUCEMENT AGAINST ERIC)

122. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 121 of this Pleading as if fully set forth herein.

123. On or about May 30, 2001, ERIC caused ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST to be formed.

124. From May 30, 2001, to August 2011, ERIC represented to LYNITA that all properties held by ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST were the parties' community properties.

125. ERIC knew and believed that such representations were made without sufficient basis, if the LSN TRUST and ERIC NELSON'S ALTER EGO TRUST were valid, spendthrift trusts.

126. Trusting her husband to protect her and the community as he had repeatedly promised to do, LYNITA justifiably relied on ERIC's representations and signed documents presented to her to create the LSN TRUST, and to transfer assets to and from the LSN TRUST, and ERIC NELSON'S ALTER EGO TRUST.

127. As a direct and proximate result of the aforementioned wrongful conduct of ERIC, LYNITA has sustained actual damages in excess of $10,000.00.

128. In committing the acts alleged above, ERIC acted with oppression, fraud, and malice, and LYNITA is entitled to punitive damages in an amount in excess of $10,000.00.

129. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

NINTH CLAIM FOR RELIEF
(UNJUST ENRICHMENT AGAINST ERIC, LANA, NOLA, AND ERIC NELSON'S ALTER EGO TRUST)

130. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 129 of this Pleading as if fully set forth herein.

131. As alleged above, ERIC and ERIC NELSON'S ALTER EGO TRUST received, and/or accepted possession of money and property belonging to ERIC and LYNITA as community property.

132. ERIC's and ERIC NELSON'S ALTER EGO TRUST'S retention of such money and property is against the fundamental principles of justice or equity and good conscience.

133. As a direct and proximate result of the aforementioned acts, ERIC and ERIC NELSON'S ALTER EGO TRUST have been unjustly enriched, to the detriment of LYNITA, causing LYNITA actual damages in excess of $10,000.00.

134. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

TENTH CLAIM FOR RELIEF
(BREACH OF ORAL CONTRACT AGAINST ERIC)

135. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 134 of this Pleading as if fully set forth herein.

136. On or about May 30, 2001, ERIC caused ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST to be formed.

137. From May 30, 2001, to August 2011, ERIC represented to LYNITA and agreed that all properties held by ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST were the parties' community properties. Trusting her husband to protect her and the community as he had repeatedly promised to do, LYNITA signed

documents presented to her to create the LSN TRUST, and to transfer assets to and from the LSN TRUST, and ERIC NELSON'S ALTER EGO TRUST.

138. ERIC has attempted to breach, or has in fact breached the oral agreement with LYNITA to maintain the parties' rights to community property assets despite titling same in the name of ERIC NELSON'S ALTER EGO TRUST, by causing ERIC NELSON'S ALTER EGO TRUST to assert that LYNITA and ERIC have no interest in the assets held by ERIC NELSON'S ALTER EGO TRUST in the Instant Divorce Action.

139. As a direct and proximate result of the aforementioned breach, LYNITA has sustained actual damages in excess of $10,000.00.

140. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

ELEVENTH CLAIM FOR RELIEF (CONSPIRACY AGAINST ERIC, LANA, NOLA, ROCHELLE, AND JOAN)

141. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 140 of this Pleading as if fully set forth herein.

142. ERIC directed and controlled the distribution of income and assets to and from ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, from May 30, 2001, through at least early 2011. ERIC's actions were committed to the detriment of LYNITA, the LSN TRUST, and the community estate. Such acts include, but are not limited to, the release of tens of thousands of dollars of trust income to ERIC and other third parties, including ERIC's family members, during the time period October 1, 2001 through the present. Further, ERIC directed and controlled the release of trust assets to fund ERIC's personal expenditures; directed and controlled the purchase of assets with community funds only to later direct that title to such assets be held in the

name of ERIC NELSON'S ALTER EGO TRUST, or an entity wholly controlled by ERIC NELSON'S ALTER EGO TRUST, rather than in ERIC's personal name, to shield the assets from creditors and from distribution by this Court as part of this Instant Divorce Action, inclusive of the transaction involving the Russell Road property which has been discussed throughout this Instant Divorce Action; and directed and controlled the transfer of assets between ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST without compensation or for less than fair market value compensation.

143. ERIC and one or more of ERIC's named co-conspirators, LANA, NOLA, ROCHELLE, and JOAN, conspired with ERIC, knowingly agreed and consented to ERIC's actions, and assisted ERIC to take such actions.

144. ERIC and one or more of ERIC's co-conspirators, LANA, NOLA, ROCHELLE, and JOAN, knowingly and substantially assisted ERIC in fraudulently conveying assets out of ERIC NELSON'S ALTER EGO TRUST and the LSN TRUST, ignoring the provisions of ERIC NELSON'S ALTER EGO TRUST and the LSN TRUST, and provisions of Nevada law, to the detriment of LYNITA, the LSN TRUST, and the community estate. LYNITA, upon information and belief, and on that basis alleges, that while the co-conspirators actions were directed and controlled by ERIC, each co-conspirator was aware of her role in assisting ERIC to the detriment of LYNITA, the LSN TRUST, and the community estate.

145. As a direct and proximate result of such actions by ERIC, LANA, NOLA, ROCHELLE, and JOAN, LYNITA has sustained actual damages in excess of $10,000.00.

146. In committing the acts alleged above, ERIC, LANA, NOLA, ROCHELLE, and JOAN acted with oppression, fraud, and malice, and LYNITA is entitled to punitive damages in an amount in excess of $10,000.00.

147. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading

on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

TWELFTH CLAIM FOR RELIEF
(CONCERT OF ACTION FOR BREACH OF FIDUCIARY DUTY, FRAUD, AND CONVERSION AGAINST ERIC, LANA, NOLA, ROCHELLE, AND JOAN)

148. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 147 of this Pleading as if fully set forth herein.

149. ERIC directed and controlled the distribution of income and assets to and from ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, from May 30, 2001, through at least early 2011. ERIC's actions were committed to the detriment of LYNITA, the LSN TRUST, and the community estate. Such acts include, but are not limited to, the release of tens of thousands of dollars of trust income to ERIC and other third parties, including ERIC's family members, during the time period October 1, 2001 through the present. Further, ERIC directed and controlled the release of trust assets to fund ERIC's personal expenditures; directed and controlled the purchase of assets with community funds only to later direct that title to such assets be held in the name of ERIC NELSON'S ALTER EGO TRUST, or an entity wholly controlled by ERIC NELSON'S ALTER EGO TRUST, rather than in ERIC's personal name; and directed and controlled the transfer of assets between ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST without compensation or for less than fair market value compensation.

150. ERIC and one or more of ERIC's co-conspirators, LANA, NOLA, ROCHELLE, and JOAN, acted in concert with, knowingly agreed and allowed, and substantially assisted ERIC to take the actions alleged above and throughout this Pleading.

151. ERIC and one or more of ERIC's co-conspirators, LANA, NOLA, ROCHELLE, and JOAN, knowingly and substantially assisted ERIC in fraudulently

conveying assets out of ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, in breaching fiduciary duties owed to LYNITA, and in converting community assets to ERIC NELSON'S ALTER EGO TRUST, to the detriment of LYNITA, the LSN TRUST, and the community estate. LYNITA, upon information and belief, and on that basis alleges, that while the co-conspirators actions were directed and controlled by ERIC, each of the co-conspirators was aware of her role in assisting ERIC to the detriment of LYNITA, the LSN TRUST, and the community estate.

152. As a direct and proximate result of such actions by ERIC, LANA, NOLA, ROCHELLE, and JOAN, LYNITA has sustained actual damages in excess of $10,000.00.

153. In committing the acts alleged above, ERIC, LANA, NOLA, ROCHELLE, and JOAN acted with oppression, fraud, and malice, and LYNITA is entitled to punitive damages in an amount in excess of $10,000.00.

154. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

THIRTEENTH CLAIM FOR RELIEF
(AIDING AND ABETTING BREACH OF FIDUCIARY DUTY, FRAUD, AND CONVERSION AGAINST ERIC, LANA, NOLA, ROCHELLE, AND JOAN)

155. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 154 of this Pleading as if fully set forth herein.

156. ERIC directed and controlled the distribution of income and assets to and from ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, from May 30, 2001, through at least early 2011. ERIC's actions were committed to the detriment of LYNITA, the LSN TRUST, and the community estate. Such acts include, but are not limited to, the release of tens of thousands of dollars of trust income to ERIC and other third parties, including ERIC's family members, during the time period October

1, 2001 through the present. Further, ERIC directed and controlled the release of trust assets to fund ERIC's personal expenditures; directed and controlled the purchase of assets with community funds only to later direct that title to such assets be held in the name of ERIC NELSON'S ALTER EGO TRUST, or an entity wholly controlled by ERIC NELSON'S ALTER EGO TRUST, rather than in ERIC's personal name; and directed and controlled the transfer of assets between ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST without compensation or for less than fair market value compensation.

157. ERIC and one or more of ERIC's co-conspirators, LANA, NOLA, ROCHELLE, and JOAN, aided and abetted ERIC, and knowingly agreed and allowed and substantially assisted ERIC to take the actions alleged above and throughout this Pleading.

158. ERIC and one or more of ERIC's co-conspirators, LANA, NOLA, ROCHELLE, and JOAN, knowingly and substantially assisted ERIC in fraudulently conveying assets out of ERIC NELSON'S ALTER EGO TRUST, and the LSN TRUST, in breaching fiduciary duties owed to LYNITA, and in converting community assets to ERIC NELSON'S ALTER EGO TRUST, to the detriment of LYNITA, the LSN TRUST, and the community estate. LYNITA, upon information and belief, and on that basis alleges, that while the co-conspirators actions were directed and controlled by ERIC, each of the co-conspirators was aware of her role in assisting ERIC to the detriment of LYNITA, the LSN TRUST, and the community estate.

159. As a direct and proximate result of such actions by ERIC, LANA, NOLA, ROCHELLE, and JOAN, LYNITA has sustained actual damage in excess of $10,000.00.

160. In committing the acts alleged above, ERIC, LANA, NOLA, ROCHELLE, and JOAN acted with oppression, fraud, and malice, and LYNITA is entitled to punitive damages in an amount in excess of $10,000.00.

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161. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

FOURTEENTH CLAIM FOR RELIEF (CONSTRUCTIVE TRUST AGAINST ERIC, LANA, NOLA, AND ERIC NELSON'S ALTER EGO TRUST)

162. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 161 of this Pleading as if fully set forth herein.

163. For the reasons set forth above, the assets, income, profits, rents, and fees received by ERIC, or any of ERIC's intricate web of entities, including ERIC NELSON'S ALTER EGO TRUST, belong, in good conscious, to ERIC and LYNITA and are subject to division by this Court in this Instant Divorce Action.

164. For the reasons set forth above, all of ERIC NELSON'S ALTER EGO TRUST's assets, including its interest in any third-party entity and real property, belong, in good conscious, to ERIC and LYNITA and are subject to division by this Court in this Instant Divorce Action.

165. ERIC NELSON'S ALTER EGO TRUST has wrongfully asserted ownership and dominion over ERIC's and LYNITA's assets, and ERIC has retained control of such assets, their revenues, or other proceeds for himself to the detriment of LYNITA and the community estate.

166. In equity, a constructive trust in favor of LYNITA and the community estate should be imposed over all assets in the possession or control of ERIC, and ERIC NELSON'S ALTER EGO TRUST, and over all assets in the possession or control of other entities or instrumentalities which are owned or controlled, directly or indirectly, by ERIC and/or ERIC NELSON'S ALTER EGO TRUST.

167. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading

on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

FIFTEENTH CLAIM FOR RELIEF
(INJUNCTIVE RELIEF AGAINST ERIC, LANA, NOLA AND ERIC NELSON'S ALTER EGO TRUST)

168. LYNITA repeats and re-alleges all matters asserted in paragraphs 1 through 167 of this pleading as if fully set forth herein.

169. The above referenced allegations demonstrate that ERIC and the co-conspirators are ready, willing, and able to dissipate the assets of ERIC NELSON'S ALTER EGO TRUST for improper expenditures on ERIC's behalf, and for excessive and extravagant personal expenditures on behalf of ERIC NELSON'S ALTER EGO TRUST (such as continued funding of improvements to the Bella Kathryn property, and ERIC's personal vendetta through litigation against Paul Alanis, Jess Ravitch, the Manesses and any other third person whom ERIC believes has wronged him) all to the detriment of LYNITA and the community estate.

170. LYNITA and the community estate face the prospect of immediate, severe, and irreparable injury should ERIC be allowed to continue his current course of conduct with respect to ERIC NELSON'S ALTER EGO TRUST. By way of example only, the injuries include the threat of complete dissipation of the Mellon bank account and line of credit to fund litigation, assets which rightfully belong to LYNITA and the community estate. Given ERIC's continuing conduct with respect to ERIC NELSON'S ALTER EGO TRUST, LYNITA and the community estate lack adequate remedies at law to address ERIC's wrongful conduct. As such, LYNITA seeks the entry of a temporary restraining order, preliminary injunction, and permanent injunction.

171. LYNITA has been required to employ the services of her attorneys to protect her interests as set forth in this Pleading, and to file and prosecute this Pleading on her behalf, and LYNITA thus is entitled to and should be awarded the reasonable

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attorneys' fees and costs of suit she has incurred and will continue to incur in this action.

WHEREFORE, LYNITA SUE NELSON requests judgment as follows:

1. That ERIC NELSON'S ALTER EGO TRUST take nothing by way of the Fugitive Pleading filed by ERIC NELSON'S ALTER EGO TRUST;

2. That the veil between ERIC and ERIC NELSON'S ALTER EGO TRUST be pierced, and that ERIC NELSON'S ALTER EGO TRUST be declared to be ERIC's alter ego;

3. Declaring that ERIC NELSON'S ALTER EGO TRUST is an illusory, sham trust and not a valid, self-settled, Nevada spendthrift trust, and that the assets of ERIC NELSON'S ALTER EGO TRUST are LYNITA's and ERIC's community property, subject to division by this Court in the Instant Divorce Action;

4. Imposing a constructive trust on any property titled in the name of ERIC NELSON'S ALTER EGO TRUST, and all other properties which are in the possession or control of ERIC, and ERIC NELSON'S ALTER EGO TRUST, or in the possession or control of other entities or instrumentalities which are owned or controlled, directly or indirectly, by ERIC or ERIC NELSON'S ALTER EGO TRUST;

5. Entering a temporary restraining order, preliminary injunction, and permanent injunction barring ERIC and ERIC NELSON'S ALTER EGO TRUST from disposing of any assets held in ERIC NELSON'S ALTER EGO TRUST, or the LSN TRUST;

6. Awarding judgment against ERIC, ERIC NELSON'S ALTER EGO TRUST, LANA MARTIN, NOLA HARBER, ROCHELLE McGOWAN, and JOAN B. RAMOS, jointly and severally, for all damages sustained by LYNITA and the community estate by the conduct described herein in an amount in excess of $10,000.00, the exact amount of which to be proven at trial;

7. Awarding LYNITA punitive damages in an amount in excess of $10,000.00, the exact amount of which to be proven at trial;

8. For an award to LYNITA of the reasonable attorneys' fees and costs of suit she has incurred and will continue to incur in this action; and

9. For such other and further relief as the Court deems just, equitable and proper in the premises.

DATED this 20th day of December, 2011.

THE DICKERSON LAW GROUP

By _____
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Exhibit "C"

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Attorneys for Lana Martin, Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001

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CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

ERIC L. NELSON, Plaintiff/Counterdefendant, vs. LYNITA SUE NELSON, LANA MARTIN, as Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001 Defendants/Counterclaimants.	Case No. D-411537 Dept. No. O
LANA MARTIN, Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, Crossclaimant, vs. LYNITA SUE NELSON, Crossdefendant.	

ANSWER TO COMPLAINT FOR DIVORCE AND COUNTERCLAIM AND CROSS-CLAIM

Lana Martin, Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May

SOLOMON DWIGGINS FREER & MORSE, LTD.
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30, 2001 ("TRUST"), by and through her counsel, Solomon Dwiggins Freer & Morse, Ltd., Answers Plaintiff Eric L. Nelson's Complaint for Divorce as follows:

1. The TRUST lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations contained in Paragraphs I, II, III, IV, V, VI, VII, VIII, X, XII, XIII and XIV.

2. As to Paragraph IX, the TRUST denies that the assets belonging to the TRUST are the "community property of the parties."

3. As to Paragraph XI, the TRUST denies that the assets belonging to the TRUST are the "separate property of the parties."

AFFIRMATIVE DEFENSES

1. The Complaint fails to state a claim on which any relief can be granted against the TRUST and should therefore be dismissed.

2. The Causes of Action are barred by the statute of limitations.

3. The Causes of Action are barred by the doctrine of laches and/or any other equitable defense.

4. The Parties have waived any potential claims against the TRUST.

5. Pursuant to NRCP 11, all possible affirmative defenses may not have been alleged herein insofar as sufficient facts were not available after reasonable inquiry upon the filing of this Answer, and therefore, the TRUST reserves his right to amend the Answer to assert additional affirmative defenses as subsequent investigation warrants.

COUNTERCLAIM AND CROSS-CLAIM

Lana Martin, Distribution Trustee of the ERIC L. NELSON NEVADA TRUST dated May 30, 2001 ("TRUST"), by and through her counsel, Solomon Dwiggins Freer & Morse, Ltd., hereby complains against Eric L. Nelson and Lynita S. Nelson as follows:

1. Upon information and belief, Counterdefendant Eric. L. Nelson, is a resident of Clark County, Nevada.

2. Upon information and belief, Crossdefendant Lynita S. Nelson, is a resident of Clark County, Nevada.

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3. Counterclaimant/Cross-Claimant, Lana Martin, Distribution Trustee of the TRUST, is a resident of Clark County, Nevada.

4. On May 30, 2001, the TRUST was established by Eric L. Nelson. The Eric L. Nelson Trust is a single-settlor spendthrift trust established pursuant to NRS 166 for the benefit of Eric L. Nelson and his five children.

5. The TRUST is irrevocable and "may not be altered, amended or revoked." The TRUST was funded, in part, by assets that were wholly owned by the ERIC L. NELSON SEPARATE PROPERTY TRUST dated July 13, 1993.

6. The TRUST is a separate and distinct legal entity, and neither Eric L. Nelson nor Lynita S. Nelson have a legal estate in the capital, principal or corpus of the TRUST.

FIRST CLAIM FOR RELIEF

7. Counterclaimant/Cross-Claimant repeats and realleges each and every allegation contained in the preceding paragraphs of this Counterclaim/Cross-Claim, incorporates them by reference, and further alleges as follows:

8. Upon information and belief, Eric L. Nelson and/or Lynita S. Nelson contend that some or all of the assets owned by the TRUST are community property and/or separate property, and as such, are subject to division in the instant divorce proceeding.

9. A ripe case in controversy exists between Counterclaimant/Cross-Claimant and Eric L. Nelson and Lynita S. Nelson regarding their community property and/or separate property interest, if any, in the TRUST.

10. Pursuant to NRS 30.040, Counterclaimant/Cross-Claimant seeks a declaratory judgment that the TRUST is a valid self-settled spendthrift trust duly established pursuant to NRS 166, and that neither Eric L. Nelson nor Lynita S. Nelson have a community property and/or separate property interest therein.

11. As a result of the allegations herein, Counterclaimant/Cross-Claimant has been compelled to retain the services of counsel in order to institute and prosecute these proceedings, and to retain expert consultants and witnesses as reasonably necessary to prove its case, thus entitling Counterclaimant/Cross-Claimant to an award of attorneys' fees and costs in amounts to be

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established at the time of trial.

12. Counterclaimant/Cross-Claimant is entitled to recover damages, including but not limited to, attorneys' fees, statutory interest, and any costs expended in pursuit of this Counterclaim/Cross-Claim.

WHEREFORE, Counterclaimant/Cross-Claimant pray for judgment as follows:

1. For a declaratory judgment that the ERIC L. NELSON NEVADA TRUST dated May 30, 2001, is a valid self-settled spendthrift trust duly established pursuant to NRS 166, and that neither Eric L. Nelson nor Lynita S. Nelson have a community property and/or separate property interest therein;

2. For reasonable attorneys' fees and costs incurred in the prosecution of this matter; and

3. For such order and further relief as this Court deems just and proper.

DATED this 19th day of August, 2011.

SOLOMON DWIGGINS FREER & MORSE, LTD.

By: _____

MARK A. SOLOMON, ESQ.
Nevada State Bar No. 0418
JEFFREY P. LUSZECK
Nevada State Bar No. 9619
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that pursuant to EDCR 7.26(a), service of the foregoing **ANSWER TO COMPLAINT FOR DIVORCE AND COUNTERCLAIM AND CROSS CLAIM** was made on this 19 day of August, 2011, by sending a true and correct copy of the same by United States Postal Service, first class postage fully prepaid, to the following at his last known address as listed below:

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Stephens, Gourley & Bywater
3636 N. Rancho Drive
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Exhibit "B"

ANS
THE DICKERSON LAW GROUP
ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
DENISE L. GENTILE, ESQ.
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Attorneys for Defendant, Lynita Sue Nelson

DISTRICT COURT
FAMILY DIVISION

CLARK COUNTY, NEVADA

ERIC L. NELSON,

Plaintiff/Counterdefendant,

v.

LYNITA SUE NELSON,

Defendant/Counterclaimant.

CASE NO. D-09-411637-D
DEPT NO. "O"

ANSWER TO COMPLAINT FOR DIVORCE AND COUNTERCLAIM FOR DIVORCE and DECLARATORY RELIEF

ANSWER TO COMPLAINT FOR DIVORCE

COMES NOW Defendant, LYNITA SUE NELSON ("LYNITA") or "Defendant"), by and through her attorneys, ROBERT P. DICKERSON, ESQ., and DENISE L. GENTILE, ESQ., of THE DICKERSON LAW GROUP, and as and for her Answer to the Complaint for Divorce (the "Complaint") filed herein by Plaintiff, ERIC L. NELSON ("ERIC" or "Plaintiff"), admits, denies, alleges, and states as follows:

1. Defendant denies all allegations of Plaintiff's Complaint not specifically admitted herein.

2. Answering paragraphs 1, 2, 3, 4. 5, 13, and 15 of the Complaint, Defendant admits each and every allegation contained therein.

3. Answering paragraphs 8, 11, and 14 of the Complaint, Defendant generally and specifically denies each and every allegation contained therein.

4. Answering paragraph 6 of the Complaint, Defendant admits the allegations contained therein that both parents have an obligation to support said minor children to age of majority, or if attending high school until the age of 19 years whichever occurs first. However, Defendant affirmatively alleges that Plaintiff is well-able to pay, as and for support and maintenance of the parties' minor children, an amount not less than twenty five percent (25%) of his average gross monthly income from all sources, but in no event less than $100.00 per month, per child. Such child support is necessary in order to allow the children to maintain their present lifestyle and standard of living. LYNITA requires such child support in order to provide and maintain housing, food, clothing, maintenance, necessities, and incidentals for the parties' minor children. ERIC additionally is well-able to provide major medical and health insurance coverage for the children and to pay all the children 's medical, surgical, dental, optical, psychological and orthodontic expenses not otherwise covered by such insurance.

5. Answering paragraph 7 of the Complaint, Defendant admits that Plaintiff should continue to provide major medical insurance coverage for the minor children herein. With respect to the remaining allegations contained in paragraph 7 of the Complaint, Defendant generally and specifically denies each and every allegation contained therein; and, Defendant affirmatively alleges that Plaintiff should pay all of the children's medical, surgical, dental, optical, psychological and orthodontic expenses not otherwise covered by such insurance

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6. Answering paragraph 9 of the Complaint, Defendant admits that there is community property of the parties herein to be adjudicated by the Court, but denies that the full nature and extent of such community property is unknown to Plaintiff at this time.

7. Answering paragraph 10 of the Complaint, Defendant admits that there are community and joint debts of the parties herein to be adjudicated by the Court, but denies that the full nature and extent of such community and joint debts are unknown to Plaintiff at this time.

8. Answering paragraph 12 of the Complaint, Defendant is without sufficient knowledge or information upon which to form a belief as to the truth of the allegations contained therein, and, therefore, Defendant respectfully denies the same.

COUNTERCLAIM FOR DIVORCE AND FOR A DECLARATORY DECREE

COUNTERCLAIM FOR DIVORCE

COMES NOW Counterclaimant, LYNITA SUE NELSON ("LYNITA"), and as and for her Counterclaim for Divorce against the Counterdefendant, ERIC L. NELSON ("ERIC"), alleges and states as follows:

I.

LYNITA is, and for more than six weeks immediately preceding the commencement of this action and the verification and filing of this Counterclaim for Divorce has been, an actual bona fide resident and domiciliary of the County of Clark, State of Nevada, and during all of said period of time LYNITA had and still has the intent to make the State of Nevada her home, residence and domicile for an indefinite period of time.

II.

LYNITA and ERIC were duly and legally married in St, George, Utah, on or about the 17th day of September, 1983, and ever since said date have been and are now husband and wife.

. . .

III.

There are are two (2) minor children born the issue of the parties' marriage, namely: Garett Nelson, born September 13, 1994; and Carli Ann Nelson, born October 17, 1997. LYNITA is not pregnant, and the parties have no other children the issue of the parties' relationship, including any adopted children, who have yet to reach the legal age of majority as of the date of the filing of this Counterclaim for Divorce. The parties have three (3) adult children the issue of their marriage to each other, namely: Amanda Stromberg, Aubrey Nelson, and Erica Nelson, all of whom were raised primarily by LYNITA during the parties' lengthy marital relationship.

IV.

All questions relating to custody of the parties minor children have been resolved by that certain Stipulated Parenting Agreement ("Parenting Agreement") entered into by and between LYNITA and ERIC on October 15, 2008. A copy of the parties' Parenting Agreement is attached hereto as **Exhibit 1**. At the time of trial of this divorce matter, the parties' Parenting Agreement, or a copy thereof, will be offered into evidence for the purpose of having the Court ratify, confirm and approve the same, and such Agreement should be incorporated and merged into the Court's Decree of Divorce.

V.

ERIC is a skilled real estate developer, investor, and business entrepreneur and is well-able to pay, as and for support and maintenance of the parties' minor children, an amount not less than twenty five percent (25%) of his average gross monthly income from all sources, but in no event less than $100.00 per month, per child. Such child support is necessary in order to allow the children to maintain their present lifestyle and standard of living. LYNITA requires such child support in order to provide and maintain housing, food, clothing, maintenance, necessities, and incidentals for the parties' minor children. ERIC additionally is well-able to provide major medical and health insurance coverage for the children and to pay all the children 's medical, surgical, dental, optical, psychological and orthodontic expenses not otherwise covered

by such insurance. ERIC further is able to maintain one or more life insurance policies insuring his life in an amount sufficient to secure and provide for the payment of such child support should ERIC die prior to the children reaching the age of majority. LYNITA should be the irrevocable beneficiary of such life insurance, with LYNITA to use any life insurance proceeds received therefrom for the benefit of the parties' children .

VI.

LYNITA is financially dependent upon ERIC for her support. LYNITA is without professional skills with which to support herself, and is financially unable to support herself and the parties' minor children. LYNITA, thus, is entitled to an award of alimony pendente lite, permanent alimony, rehabilitative alimony, and other support and maintenance from ERIC in such amounts that LYNITA is able to live as nearly as possible to the station in life she has enjoyed during the parties' marriage. Moreover, ERIC is financially able, and should be ordered to pay, a sufficient sum necessary to maintain LYNITA and the parties' minor children in the standard to which they have become accustomed. The Court should make a permanent alimony award in such amount as to equalize the income of the parties, as recognized by the Nevada Supreme Court in *Gardner v. Gardner*, 110 Nev. 1053, 881 P.2d 645 (1994). Such alimony payments should continue until the death of LYNITA. ERIC additionally is well-able to provide major medical and health insurance coverage for LYNITA and to pay all medical, surgical, dental, optical, psychological, and orthodontic expenses not otherwise covered by such insurance. ERIC further is able to maintain one or more life insurance policies insuring his life in an amount sufficient to secure and provide for the payment of such support, with LYNITA being the irrevocable beneficiary thereof.

VII.

There is certain community and jointly owned property of the parties, the full character, nature, and extent of which currently are unknown to LYNITA, and the same should be adjudicated by the Court. Pursuant to NRS 125.150(1), *Putterman v.*

Putterman, 113 Nev. 606, 939 P.2d 1047 (1997), and *Lofgren v. Lofgren*, 112 Nev. 1282, 926 P.2d 296 (1996), compelling circumstances exist which support an award to LYNITA of greater than one-half (½) of the community and jointly owned property of the parties. Such compelling circumstances include, but are not limited to, ERIC 's waste, dissipation, and/or concealment of community and jointly held property, LYNITA's inability to obtain access to information regarding community and jointly held property; LYNITA's inability to actually receive her one-half (½) share of any community and jointly owned property; and the condition in which LYNITA will be left following the divorce.

VIII.

There may be other assets which are LYNITA's separate property; however, LYNITA currently is unaware of the full character, nature, and extent of such additional separate property. All LYNITA's separate property should be confirmed to LYNITA as her sole and separate property.

IX.

There are community and joint debts and financial obligations of the parties, the full character, nature, and extent of which currently are unknown to LYNITA, and the same should be adjudicated by the Court.

X.

The Court should issue its Joint Preliminary Injunction enjoining the parties from transferring, encumbering, concealing, selling or otherwise disposing of any of the joint, common or community property of the parties, or any property which is the subject of a claim of community interest, except in the usual course of business or for the necessities of life, without the written consent of the parties or the permission of the Court.

XI.

It has been necessary for LYNITA to retain the services of attorneys to represent her in this divorce action. The Court should award LYNITA the reasonable attorneys'

fees, expert fees, and costs of suit she has incurred and will continue to incur as a result of this divorce action. Such fees and costs are necessary and essential to afford LYNITA her day in court without destroying her financial position and to allow her to meet ERIC in the courtroom on the equal basis to which she is entitled pursuant to *Sargeant v. Sargeant*, 88 Nev. 223, 227, 495 P.2d 618 (1972).

XII.

LYNITA and ERIC are incompatible in their tastes, natures, views, likes and dislikes, which have become so widely separate and divergent that the parties have been and currently are incompatible to such an extent that it now appears that there is no possibility of reconciliation between LYNITA and ERIC. There currently remains such an incompatible temperament between LYNITA and ERIC that a happy marital relationship can no longer exist.

DECLARATORY RELIEF

XIII.

LYNITA repeats, re-alleges, and incorporates herein by reference each allegation contained in Paragraphs I through XII, of her Counterclaim as though stated in full herein.

XIV.

On or about April 28, 1993, ERIC induced LYNITA to execute a document titled "Separate Property Agreement" hereinafter ("Agreement").

XV.

At the time of the execution of such purported agreement, ERIC represented to LYNITA that such Agreement was not intended to fix community property rights of the parties, but was being executed for purposes of asset protection from third party claims.

XVI.

At that time that ERIC induced LYNITA to execute such purported agreement, ERIC may have known that those representations may have been false when made.

XVII.

At that time that ERIC induced LYNITA to execute such purported agreement, ERIC may have made those representations with the intent that LYNITA rely upon such representations which may have been false when made.

XVIII.

At that time that ERIC induced LYNITA to execute such purported agreement, LYNITA fully relied upon such representations which may have been false when made.

XIX.

ERIC's representations, and each of them, may have been designed to prevent LYNITA from adequately protecting her own interests by preventing LYNITA from among other things, conducting a full investigation into the extent and value of the community property and interests which were then and their stated to be divided, and securing adequate legal representation, amongst other measures, both before and after the execution of such purported Agreement.

XX.

A full disclosure of the value of the property and debt which was purportedly being transferred under such purported separate property agreement was never made from ERIC to LYNITA.

XXI.

A full disclosure of the full extent and value of the community property and debt in existence at the time of the execution of the purported Agreement was never made by ERIC to LYNITA.

XXII.

A full disclosure of the full extent and value of the community property and/or separate property and debt, if any exists, has never made by ERIC to LYNITA.

. . .

. . .

XXIII.

At all times herein mentioned, ERIC has, and has had, full knowledge, control and understanding of the extent and value of the community property and debt of the parties.

XXIV.

Notwithstanding the purported Agreement, ERIC continued to devote community time, effort, and expertise to the development and growth of the community property which was purported to be allocated to each party as well as both parties' alleged sole and separate property under the purported agreement.

XXV.

ERIC continued and does continue to exercise total and absolute control over the property of the parties, either individually or through numerous and various trusts which have since been created by him or at his behest, including such property as was purported to be allocated to each party as that parties' sole and separate property, treating all such property as community.

XXVI.

No consideration, or insufficient consideration was exchanged for such Agreement.

XXVII.

The community property of the parties which is purported to be divided by such Agreement has been co-mingled to such a degree that it is impossible to distinguish which property, if any, would be allocated as separate property to each of the parties under the purported agreement, if any.

XXVIII.

Upon ERIC's decision to seek a divorce from LYNITA, ERIC has indicated his intent to seek enforcement of the parties' alleged Agreement, whereby placing the interpretation, validity, and enforceability of such Agreement at issue.

XXIX.

A controversy exists as to the interpretation, validity, and enforceability of such Agreement whereby LYNITA seeks a Declaration from this Court as to such Agreement's interpretation and that said Agreement is null and void, of no cause or effect, invalid, and unenforceable.

XXX.

A controversy exists with regard to whether the Agreement was procured by fraud.

XXXI.

A controversy exists with regard to whether the Agreement was abandoned whether at its inception or an in the sixteen (16) years that followed.

XXXII.

In accordance with NRS 30.010 *et seq.*, LYNITA is entitled to a Declaratory Judgment that said Agreement is null and void, of no cause or effect, invalid, and unenforceable.

XXXIII.

In accordance with NRS 30.010 *et seq.*, LYNITA is entitled to a Declaratory Judgment as to whether the Agreement was procured through fraud.

XXXIV.

In accordance with NRS 30.010 *et seq.*, LYNITA is entitled to a Declaratory Judgment that the Agreement has been abandoned.

XXXV.

In accordance with NRCP 57 LYNITA requests a speedy hearing on this request for Declaratory Relief in accordance with NRCP 57.

XXXVI.

LYNITA has been required to retain the services of attorneys to represent her to prosecute this action, and therefore is entitled to an award of attorneys' fees and costs of suit incurred herein.

WHEREFORE, LYNITA respectfully prays that the Court enter judgment as follows:

1. That ERIC take nothing by virtue of his Complaint for Divorce filed in this action.

2. That the bonds of matrimony now and heretofore existing between LYNITA and ERIC be dissolved, set aside and forever held for naught, and that LYNITA be awarded a Decree of Divorce and the parties hereto and each of them be restored to their status of being a single, unmarried person.

3. That the Stipulated Parenting Agreement entered into by and between the parties on or about October 15, 2008, be ratified, confirmed and approved by the Court, and be incorporated and merged into and become a part of the Court's Decree of Divorce to the same extent as if fully set forth therein.

4. That LYNITA and ERIC be awarded joint legal custody of the parties' minor children, with LYNITA having primary physical custody of the children, subject to ERIC's right of reasonable specified visitation, with such custodial and timeshare arrangements being as set forth in (the Stipulated Parenting Agreement) Exhibit 1 attached hereto.

5. That ERIC be ordered to pay to LYNITA, as and for support of the parties' minor children, at least twenty five percent (25%) of his average gross monthly income from all sources.

6. That ERIC continue to provide and maintain major medical and health insurance coverage for the parties' minor children and to pay all the children 's medical, surgical, dental, orthodontic, optical, and psychological expenses not covered by such insurance.

7. That ERIC be ordered to provide one or more life insurance policies insuring his life in an amount sufficient to provide for the child support awarded to LYNITA by this Court, with LYNITA to use any life insurance proceeds received therefrom for the benefit of the parties' children .

8. That ERIC be ordered to pay such other sum necessary for the support of the parties' children as the Court determines to be just and reasonable under the circumstances.

9. That ERIC be ordered to pay alimony and spousal support to LYNITA as requested in this Counterclaim for Divorce, and in such amounts sufficient to maintain LYNITA and the parties' minor children in the standard to which they have become accustomed.

10. That the Court equitably divide the parties' community and jointly owned property by awarding LYNITA with greater than one-half (½) of all such community and jointly owned property, taking into consideration the condition in which the parties will be left after their divorce and all other compelling circumstances supporting such an unequal division.

11. That the Court confirm to LYNITA her separate property.

12. That the Court equally equitably divide the community and joint debts of the parties.

13. That the Court issue its Joint Preliminary Injunction enjoining the parties from transferring, encumbering, concealing, selling or otherwise disposing of any of the joint, common or community property of the parties, or any property which is the subject of a claim of community interest, except in the usual course of business or for the necessities of life, without the written consent of the parties or the permission of the Court.

14. That LYNITA be the awarded the reasonable attorneys' fees, expert fees, and costs incurred by LYNITA in this action.

15. For a Declaration that the purported Separate Property Agreement executed on or about April 28, 1993, is null and void, not valid, is not enforceable, has been abandoned, and as otherwise pled under Paragraphs XXXII-XXXIV of LYNITA's Counterclaim.

. . .

16. For an expedited hearing on her request for Declaratory Relief in accordance with NRCP 57.

17. For such other and further relief as the Court may determine to be just and proper in the premises.

DATED this 22nd day of June, 2009.

THE DICKERSON LAW GROUP

By _____

ROBERT P. DICKERSON, ESQ.
Nevada Bar No. 000945
DENISE L. GENTILE, ESQ.
Nevada Bar No. 004271
1745 Village Center Circle
Las Vegas, Nevada 89134
Attorneys for Defendant/
Counterclaimant

VERIFICATION

STATE OF NEVADA)
) SS:
COUNTY OF CLARK)

LYNITA SUE NELSON, being first duly sworn upon oath, deposes and says: That she is the Defendant/Counterclaimant in the above-entitled action; that she read the foregoing Answer to Complaint for Divorce and Counterclaim for Divorce and knows the contents thereof, and that the same is true of her own knowledge except for those matters therein stated on information and belief, and as for those matters, she believes the same to be true.

Lynita Sue Nelson
LYNITA SUE NELSON

Subscribed and sworn to before me
this 22 day of June, 2009.

Notary Public in and for said
County and State.

Notary Public - State of Nevada
County of Clark
JENNIFER L. MEACHAM
My Appointment Expires
May 1, 2012
No: 08-6513-1

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing Answer and Counterclaim is hereby acknowledged on this 22 day of June, 2009. 01:12pm.

ECKER & KAINEN, CHTD.

Howard Ecker

By _____
HOWARD ECKER, ESQ.
Nevada Bar No. 01207
300 S. Fourth Street, Suite 901
Las Vegas, Nevada 89101
Attorneys for Plaintiff

STIPULATED PARENTING AGREEMENT

COME NOW the above-named parties, LYNITA NELSON ("LYNITA") and ERIC NELSON ("ERIC") (hereinafter collectively sometimes referred to as the "parents," and individually sometimes referred to as a "parent"), personally and by and through their respective counsel, and hereby stipulate and agree as follows:

The parents have discussed between themselves and have agreed to this Parenting Agreement. The parents further recognize that it may be necessary for the terms and conditions of this Parenting Agreement to be supplemented or revised as the needs of the child and/or the circumstances of the parents change. The parents agree that any such revisions shall be in writing, signed and dated by both parents. However, the parents understand that such agreed upon revisions and changes do not modify this Agreement. In the event a controversy arises, and until this Agreement is modified by the Court, this Agreement shall remain in full force and effect, and the parents are encouraged to resolve the controversy themselves or seek mediation prior to initiating further Court proceedings and hearings.

It is the intent of the parents, LYNITA NELSON, the natural mother, and ERIC NELSON, the natural father, to make every effort to maintain free access and unhampered contact between their minor children, GARETT NELSON, born September 13, 1994, and CARLI NELSON, born October 17, 1997, and the other parent. Neither parent shall do anything which may estrange the children from the other parent or impair the natural development of the children's love and respect for the other parent. Both parents understand that parenting requires the acceptance of mutual

responsibilities and rights insofar as the children are concerned. Each parent agrees to communicate and cooperate with the other parent with respect to all matters relating to their children. The parents understand and agree that the best interests of their children will be served by the parents continuing to openly and freely communicate with each other in a civil manner and to cooperate with each other in raising their children.

I. LEGAL CUSTODY PROVISIONS:

The parents shall have joint legal custody of the minor children, which entails the following:

Each parent shall consult and cooperate with the other in substantial questions relating to religious upbringing, educational programs, significant changes in social environment, and health care of the children. The parents agree that the children shall continue to be raised in the LDS faith. Further, in raising the children, both parents express their desire and intent to incorporate the principles found in the *Strength of the Youth* pamphlet as a guideline for conduct.

Each parent shall have access to medical and school records pertaining to their children and be permitted to independently consult with any and all professionals involved with the children.

All schools, day care providers, and counselors for the children shall be selected jointly by the parents.

All health care providers, including all psychological counselors and mental health providers, for the children shall be selected jointly by the parties.

. . .

Each parent shall be empowered to obtain emergency health care for the children without the consent of the other parent. Each parent shall notify the other parent as soon as reasonably possible as to any illness requiring medical attention, or any emergency involving the children.

Each parent shall provide the other parent, upon receipt, with any information concerning the well-being of the children, including, but not limited to, copies of report cards; school meeting notices; vacation schedules; class programs; requests for conferences; results of standardized or diagnostic tests; notices of activities involving the children; samples of school work; order forms for school pictures; all communications from health care providers, and the names, addresses, and telephone numbers of all schools, health care providers, regular day care providers, and counselors.

Each parent shall advise the other parent of school, athletic, church, and social events in which the children participate, and each agrees to so notify the other parent within a reasonable time after first learning of the future occurrence of any such event so as to allow the other parent to make arrangements to attend the event if he or she chooses to do so. Both parents may participate in all such activities with the children, including, but not limited to, such activities as open house, attendance at all school and church activities and events, athletic events, school plays, graduation ceremonies, school carnivals, and any other events involving the children.

Each parent shall provide the other parent with the address and telephone number at which the minor children reside, and to notify the other parent at least ten (10) days

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prior to any change of address and provide the telephone number of such address change as soon as it is assigned.

Each parent shall provide the other parent with a travel itinerary and, whenever reasonably possible, telephone numbers at which the children can be reached whenever the children will be away from that parent's home for a period of two (2) nights or more.

The parents shall encourage liberal communication between the children and the other parent. Each parent shall be entitled to reasonable telephone communication with the children; and each parent agrees that he or she will not unreasonably interfere with the children's right to privacy during such telephone conversations. Each parent agrees to be restrained, and is restrained, from unreasonably interfering with the children's right to privacy during such telephone conversations.

Should either parent require children care to be provided by someone other than himself or herself for a period of four (4) hours or more while the children are in his or her physical care, the other parent shall be advised and given the opportunity to provide such care for the children before other arrangements are made for such children care.

Neither parent shall interfere with the right of the children to transport his or her clothing and personal belongings freely between the parents' respective homes.

Neither parent shall disparage the other in the presence of the children, nor shall either parent make any comment of any kind that would demean the other parent in the eyes of the children. Additionally, each parent agrees to instruct their respective family and friends that no disparaging remarks are to be made regarding the other parent in the presence of the children. The parents shall take all action necessary to prevent such

disparaging remarks from being made in the presence of the children, and shall report to each other in the event such disparaging remarks are made.

The parents further agree to communicate directly with each other regarding the needs and well being of their children and each parent agrees not to use the children to communicate with the other parent regarding parental issues.

II. PHYSICAL CUSTODY PROVISIONS:

A. LYNITA shall have primary physical custody of the minor children, subject to ERIC's visitation during the following four-week rotating visitation cycle:

1. ROTATING BI-WEEKLY VISITATION:

(a) WEEK ONE: ERIC shall have visitation commencing on Thursday of each such week at 6:00 p.m., at which time he may pick-up the children from LYNITA. Visitation during Week One shall continue until Monday morning, at which time ERIC shall take the children to school (or drop-off the children to LYNITA at 9:00 a.m. if there is no school).

(b) WEEK THREE: ERIC shall have visitation commencing on Thursday of each such third week at 6:00 p.m., at which time he may pick-up the children from LYNITA. Visitation during Week Three shall continue until Monday morning, at which time ERIC shall take the children to school. ERIC's visitation shall resume at 6:00 p.m. on each such Monday, at which time he may pick-up the children from LYNITA. Such visitation shall conclude Tuesday morning, at which time ERIC shall take the children to school (or drop-off the children to LYNITA at 9:00 a.m. if there is no school).

2. SUMMER VACATION: Both ERIC and LYNITA shall be entitled to take the children with him or her, for a period not to exceed three weeks, on any vacations either parent may take while the children are out of school for their summer vacation break from school. ERIC and LYNITA agree to cooperate and work with each other for the purpose of scheduling their respective vacations so as to avoid planning their vacations at the same time. Each party shall designate their vacation time by January 15th of each year. Thus, by way of example, each party shall designate their respective 2009 summer vacation time by January 15, 2009.

3. CHRISTMAS: The parents intend to be flexible in sharing the Christmas holiday together with their children. If the parents are unable to agree as to the manner in which the holiday will be shared, LYNITA will make the final decision as to specific holiday arrangements in even numbered years, and ERIC will make the final decision as to specific holiday arrangements in odd numbered years.

4. THANKSGIVING VACATION: The parents intend to be flexible in sharing the Thanksgiving holiday together with their children. If the parents are unable to agree as to the manner in which the holiday will be shared, LYNITA will make the final decision as to specific holiday arrangements in odd numbered years, and ERIC will make the final decision as to specific holiday arrangements in even numbered years.

5. EASTER: The parents intend to be flexible in sharing Easter together with their children. If the parents are unable to agree as to the manner in which the holiday will be shared, LYNITA will make the final decision as to specific

. . .

holiday arrangements in even numbered years, and ERIC will make the final decision as to specific holiday arrangements in odd numbered years.

6. MARTIN LUTHER KING DAY: ERIC shall have the children the entire three-day Martin Luther King Day holiday-weekend (i.e., that being the Monday in which Martin Luther King's birthday is observed nationally as a holiday, and the weekend immediately preceding the said nationally observed Monday holiday in which the children are out of school in each and every even numbered year, commencing the Friday before said holiday weekend, immediately after the children get out of school, and continuing through the following Monday at 6:00 p.m. LYNITA shall have the children during the entire said vacation period during each odd numbered year.

7. PRESIDENTS DAY: ERIC shall have the children the entire three-day Presidents Day holiday-weekend (i.e., that being the Monday in which Presidents Day is observed nationally as a holiday, and the weekend immediately preceding the said nationally observed Monday holiday) in which the children are out of school in each and every odd numbered year, commencing the Friday before said holiday weekend, immediately after the children get out of school, and continuing through the following Monday at 6:00 p.m. LYNITA shall have the children during the entire said vacation period during each even numbered year.

8. MEMORIAL DAY: ERIC shall have the children the entire three-day Memorial Day holiday-weekend (i.e., that being the Monday in which Memorial Day is observed nationally as a holiday, and the weekend immediately preceding the said nationally observed Monday holiday) in which the children are out of school in each and

every even numbered year, commencing the Friday before said holiday weekend, immediately after the children get out of school, and continuing through the following Monday at 6:00 p.m. LYNITA shall have the children during the entire said vacation period during each odd numbered year.

9. INDEPENDENCE DAY: ERIC shall have the children on Independence Day, July 4, of each and every odd numbered year, from at least 6:00 p.m. on July 3, until 10:00 a.m. on July 5. LYNITA shall have the children during the entire said vacation period during each even numbered year.

10. LABOR DAY: ERIC shall have the children the entire three-day Labor Day holiday-weekend in which the children is out of school in each and every even numbered year, commencing the Friday before said holiday weekend from at least 4:00 p.m., and continuing through the following Monday at 6:00 p.m. LYNITA shall have the children during the entire said vacation period during each odd numbered year.

11. NEVADA ADMISSION DAY: ERIC shall have the children the entire three-day Nevada Admission Day holiday-weekend (i.e., that being the Friday in which Nevada Admission Day is observed as a holiday, and the weekend immediately following the said observed Friday holiday) in which the children are out of school in each and every odd numbered year, commencing the Thursday before said holiday weekend immediately after the children get out of school and continuing through the following Monday morning at 8:00 a.m. LYNITA shall have the children during the entire said vacation period during each even numbered year. If, however, the said Nevada Admission Day holiday is observed on a Monday instead of a Friday, with the

children being out of school on such Monday instead of the preceding Friday, the holiday shall commence on Friday immediately after the children get out of school and continue through the following Tuesday morning at 8:00 a.m. Additionally, if Halloween falls during the Nevada Admission Day holiday period specified above, the party who has the children during such time period shall have the children for the entirety of Halloween. Conversely, if Halloween does not fall during the Nevada Admission Day holiday, then the party who did not have the children during such holiday shall have the children on Halloween from the time the children get out of school on Halloween until the following morning at 8:00 a.m.

12. VETERAN'S DAY: ERIC shall have the children from the time the children get out of school on November 10th, and shall continue to have the physical custody of the children until the morning of November 12th, when he takes the children to school, of each and every odd numbered year. However, if the Veteran's Day holiday is celebrated or observed in some other fashion during the years in which the children are to be in the physical custody of ERIC so as to make the same a three-day holiday or vacation period in which the children are not in school, ERIC shall have the children during the entire said three-day period. LYNITA shall have the children during the entire said vacation period during each even numbered year.

13. FATHER'S DAY: Regardless of which parent is entitled to have the children on the Sunday which is designated "Father's Day," ERIC shall be entitled to have the children from 4:00 p.m. on the Friday before Father's Day, until 6:00 p.m. on Father's Day.

14. MOTHER'S DAY: Regardless of which parent is entitled to have the children on the Sunday designated as "Mother's Day," LYNITA shall be entitled to have the children from 4:00 p.m. on the Friday before Mother's Day, until 6:00 p.m. on Mother's Day.

B. ERIC's specific visitation schedule set forth above in the Weekend Custody provisions set forth in subparagraph A(1), shall be subject to review in the event either party remarries.

C. The parents hereby acknowledge and agree that the visitation provisions as they apply to both parents as set forth above in subparagraphs A(2) through A(14) shall take precedence over the weekend and weekday visitation provided in subparagraph A(1) of this Section II.

D. The parents agree that in effectuating and implementing the aforementioned visitation arrangements, the parent to whom the physical custody of the children are to be transferred at any such time that the physical custody of the children are to be changed from one parent to the other shall be responsible for picking up the children at the other parent's residence (i.e., when ERIC is to have the actual physical custody of the children, ERIC shall be responsible for picking up the children at LYNITA's residence; and, conversely, when LYNITA is to have the physical custody of the children, LYNITA shall be responsible for picking up the children at ERIC's residence).

E. The parents agree that the children shall be picked up, and shall be available to be picked up, at the designated times set forth above. Should a delay

become necessary, the parent responsible for such a necessary delay shall immediately notify the other parent to advise him or her of the problem. For example, if the receiving parent is unable to pick up the children at the designated time, such receiving parent shall immediately notify the other parent of that fact. Conversely, if the children are not available for the receiving parent to pick up at the designated time, the receiving parent shall be notified immediately by the other parent. Moreover, in the event any scheduled time cannot be kept due to the illness or other unavailability of the children and/or the receiving parent, the parent unable to comply with the schedule shall notify the other parent and the children as soon as reasonably possible. In the event the time-shared arrangement cannot be kept due to the illness or other unavailability of the children, the receiving parent shall be entitled to comparable time within thirty (30) days after the occurrence of such missed time with the children.

F. The parents hereby covenant and agree that should either parent intend to move his or her residence to a place outside the State of Nevada, and take the minor children with him or her, such parent must, as soon as possible, and before the planned move, attempt to obtain the written consent of the other parent to move the minor children. If the other parent refuses to give that consent, the parent planning the move shall, before he or she leaves the State with the minor children, petition the Court for permission to move the children. The failure of the parent planning the move to comply with this provision may be considered as a factor if a change of custody is requested by the other parent. This provision does not apply to vacations planned by either parent.

. . .

G. The parties intend that the provisions set forth herein shall be incorporated into their Decree of Divorce and recognized as Orders of the Court. The parents hereby acknowledge and understand that NRS 125.510(6) provides as follows with respect to either parent's violation of such Orders:

> PENALTY FOR VIOLATION OF ORDER: THE ABDUCTION, CONCEALMENT OR DETENTION OF A CHILD IN VIOLATION OF THIS ORDER IS PUNISHABLE AS A CATEGORY D FELONY AS PROVIDED IN NRS 193.139. NRS 200.359 provides that every person having a limited right of custody to a child or any parent having no right of custody to the child who willfully detains, conceals or removes the child from a parent, guardian or other person having lawful custody or a right of visitation of the child in violation of an order of this court, or removes the child from the jurisdiction of the court without the consent of either the court or all persons who have the right to custody or visitation is subject to being punished for a category D felony as provided in NRS 193.130.

H. The parties understand and acknowledge that, pursuant to NRS 125.510(7) and (8), the terms of the Hague Convention of October 25, 1980, adopted by the Fourteenth Session of the Hague Conference on Private International Law, applies if a parent abducts or wrongfully retains a child in a foreign country. Further, the parties stipulate and agree that the minor child's habitual residence is located in the County of Clark, State of Nevada, within the United States of America. NRS 125.510(7) and (8) specifically provide as follows:

> Section 7. In addition to the language required pursuant to subsection 6, all orders authorized by this section must specify that the terms of the Hague Convention of October 25, 1980, adopted by the 14th Session of the Hague Conference on Private International Law, apply if a parent abducts or wrongfully retains a child in a foreign country.
>
> Section 8. If a parent of the child lives in a foreign country or has significant commitments in a foreign country:

(a) The parties may agree, and the Court shall include in the Order for custody of the child, that the United States is the country of habitual residence of the child for the purposes of applying the terms of the Hague Convention as set forth in Subsection 7.

(b) Upon motion of the parties, the Court may order the parent to post a bond if the Court determines that the parent poses an imminent risk of wrongfully removing or concealing the child outside the country of habitual residence. The bond must be in an amount determined by the Court and may be used only to pay for the cost of locating the child and returning him to his habitual residence if the child is wrongfully removed from or concealed outside the country of habitual residence. The fact that a parent has significant commitments in a foreign country does not create a presumption that the parent poses an imminent risk of wrongfully removing or concealing the child.

* * * * *

The above Parenting Agreement reflects the rights and obligations of each parent as they pertain to the legal and physical custody of the parties' minor child. The parties hereby agree to fully comply with the same; and in witness whereof, the parties hereto have hereunto set their hands to this Parenting Agreement the year and date written below each parties' respective signature.

LYNITA NELSON
Mother

DATE 10.15.08

ERIC NELSON
Father

DATE 10-15-08

STATE OF NEVADA)
) SS:
COUNTY OF CLARK)

On this 15th day of October, 2008, personally appeared before me, a notary public, Lynita Nelson, personally known (or proved) to me to be the person whose name is subscribed to the above instrument, and who acknowledged that she executed the instrument.

Kimberly Weiss
Notary Public in and for said
County and State.

NOTARY PUBLIC
KIMBERLY WEISS
STATE OF NEVADA - COUNTY OF CLARK
MY APPOINTMENT EXP MARCH 05, 2012
No: 00-61020-1

STATE OF NEVADA)
) SS:
COUNTY OF CLARK)

On this 15th day of October, 2008, personally appeared before me, a notary public, Eric Nelson, personally known (or proved) to me to be the person whose name is subscribed to the above instrument, and who acknowledged that he executed the instrument.

Kimberly Weiss
Notary Public in and for said
County and State.

NOTARY PUBLIC
KIMBERLY WEISS
STATE OF NEVADA - COUNTY OF CLARK
MY APPOINTMENT EXP. MARCH 05, 2012
No: 00-61020-1

Exhibit "A"

ECKER & KAINEN CHARTERED
A Professional Law Corporation
300 South Fourth Street Las Vegas, Nevada 89101
Bank of America Plaza, Suite 901
Tel (702) 384-1700 Fax (702) 384-8150

COMD
HOWARD ECKER, ESQ.
Nevada Bar No. 1207
EDWARD KAINEN, ESQ.
Nevada Bar No. 5029
ECKER & KAINEN, CHARTERED
300 S. Fourth St., Suite 901
Las Vegas, Nevada 89101
Telephone (702) 384-1700
Facsimile (702) 384-8150
Administration@eckerkainen.com
Attorneys for Plaintiff

FILED
MAY 6 4 08 PM '09
CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

ERIC L. NELSON, Plaintiff, vs. LYNITA SUE NELSON, Defendant.	CASE NO.	D-09-411537-D
	DEPT NO.	O
	Date of Hearing:	N/A
	Time of Hearing:	N/A

COMPLAINT FOR DIVORCE

COMES NOW, Plaintiff, ERIC L. NELSON, through his attorneys, HOWARD ECKER, ESQ., and EDWARD L. KAINEN, ESQ., of the law firm of ECKER & KAINEN, CHARTERED, and states his cause of action against Defendant, LYNITA SUE NELSON, as follows:

I.

That Plaintiff is a resident of the State of Nevada, and for a period of more than six weeks before commencement of this action has resided and been physically present and domiciled therein, and during all of said period of time, Plaintiff has had, and still has, the intent to make said State of Nevada, his home, residence and domicile for an indefinite period of time.

II.

That Plaintiff and Defendant were intermarried in St. George, Utah, on or about the 17th day of September, 1983, and are husband and wife.

III.

That there are two (2) minor children the issue of said marriage, to wit: Garett Nelson, born September 13, 1994; and Carli Ann Nelson, born October 17, 1997; and three (3) adult children, Amanda Nelson, Aubrey Nelson, and Eric Nelson. There are no children adopted by the parties and, to the best of Plaintiff's knowledge, Defendant is not pregnant.

IV.

That the parties have entered into a Stipulated Parenting Agreement, dated October 15, 2008, by which all matters relating to custody and visitation relating to the minor children have been resolved.

V.

That said Stipulated Parenting Agreement should, by its terms, be ratified, approved and confirmed by the Court, and shall be merged into, and made a part of, any Decree entered herein.

VI.

That both parents have an obligation to support said minor children, pursuant to statute, until such time as each child, respectively, (1) becomes emancipated, or (2) attains the age of eighteen (18) years, the age of majority, unless each child is still attending secondary education when each child reaches

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eighteen (18) years of age, in which event said child support payments shall continue until each child, respectively, graduates from high school, or attains the age of nineteen (19) years, whichever event first occurs.

VII.

That Plaintiff shall continue to provide major medical insurance coverage for the minor children herein. Further, that the parties should equally divide all medical, dental (including orthodontic), psychological and optical expenses of said minor children not covered by insurance, until such time as each child, respectively, (1) becomes emancipated, or (2) attains the age of eighteen (18) years, the age of majority, unless each child is still attending secondary education when each child reaches eighteen (18) years of age, in which event said medical coverage shall continue until each child, respectively, graduates from high school, or attains the age of nineteen (19) years, whichever event first occurs.

VIII.

That neither party is entitled to alimony from the other party herein.

IX.

That there is community property of the parties herein to be adjudicated by the Court, the full nature and extent of which is unknown to Plaintiff at this time and Plaintiff prays leave of the Court to amend this Complaint when additional information becomes available.

X.

That there are community and joint debts of the parties herein to be adjudicated by the Court, the full nature and extent of which is unknown to Plaintiff at this time and Plaintiff prays leave of the Court to amend this Complaint when additional information becomes available.

XI.

That there exists separate property of the parties to be adjudicated by the Court, the full nature and extent of which is unknown to Plaintiff at this time and Plaintiff prays leave of the Court to amend this Complaint when additional information becomes available.

XII.

That there exists separate debt of the parties to be adjudicated by the Court, the full nature and extent of which is unknown to Plaintiff at this time and Plaintiff prays leave of the Court to amend this Complaint when additional information becomes available.

XIII.

That Plaintiff requests this Court to jointly restrain the parties herein in accordance with the terms of the Joint Preliminary Injunction issued herewith.

. . . .

. . . .

. . . .

. . . .

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Tel (702) 384-1700

XIV.

That Plaintiff has been required to retain the services of ECKER & KAINEN, CHARTERED, to prosecute this action, and is therefore entitled to reasonable attorney's fees and costs of suit.

XV.

That the parties hereto are incompatible in marriage.

* * *

WHEREFORE, Plaintiff prays judgement as follows:

1. That the bonds of matrimony now and heretofore existing between Plaintiff and Defendant be dissolved; that Plaintiff be granted an absolute Decree of Divorce; and that each of the parties hereto be restored to the status of a single, unmarried person;

2. That the Court ratify, approve and confirm the Stipulated Parenting Agreement entered into by the parties on October 15, 2008;

3. For the Court to confirm that both parents have an obligation to support said minor children, pursuant to statute, until such time as each child, respectively, (1) becomes emancipated, or (2) attains the age of eighteen (18) years, the age of majority, unless each child is still attending secondary education when each child reaches eighteen (18) years of age, in which event said child support payments shall continue until each child, respectively, graduates from high school, or attains the age of nineteen (19) years, whichever event first occurs;

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4. For the Court to confirm that Plaintiff shall continue to maintain the existing major medical insurance coverage for the minor children herein, with the parties equally dividing all medical, dental (including orthodontic), psychological or optical expenses of said minor children not covered by insurance, until such time as each child, respectively, (1) becomes emancipated, or (2) attains the age of eighteen (18) years, the age of majority, unless each child is still attending secondary education when each child reaches eighteen (18) years of age, in which event said medical coverage and payment of each child's non-covered medical expenses shall continue until each child, respectively, graduates from high school, or attains the age of nineteen (19) years, whichever event first occurs;

5. That neither party be required to pay alimony/spousal support to the other.

6. That this Court make an equitable division of the community assets;

7. That this Court make an equitable division of the community obligations;

8. That the Court confirm to the parties their respective separate property and separate debt.

9. That this Court issue its Joint Preliminary Injunction enjoining the parties pursuant to the terms stated therein;

. . . .

. . . .

10. That Defendant be ordered to pay a reasonable sum to Plaintiff's counsel as and for attorney's fees, together with the cost of bringing this action; and

11. For such other and further relief as the Court may deem just and proper in the premises.

Dated this 5th day of May, 2009.

ECKER & KAINEN, CHARTERED

By: _____

HOWARD ECKER, ESQ.
Nevada Bar No. 1207
EDWARD KAINEN, ESQ.
Nevada Bar No. 5029
300 S. Fourth St., Suite 901
Las Vegas, Nevada 89101
Attorneys for Plaintiff

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VERIFICATION

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

ERIC NELSON, being first duly sworn, deposes and says:

That I am the Plaintiff herein; that I have read the foregoing Complaint for Divorce and the same is true of my own knowledge, except for those matters which are therein stated upon information and belief, and as to those matters, I believe them to be true.

ERIC NELSON

SUBSCRIBED AND SWORN to before me this 5th day of May, 2009.

NOTARY PUBLIC in and for said County and State

NOTARY PUBLIC
H.D. MAGALIANES
STATE OF NEVADA - COUNTY OF CLARK
MY APPOINTMENT EXP. FEBRUARY 19, 2012
No: 00-60427-1

IN THE SUPREME COURT OF THE STATE OF NEVADA

LYNITA SUE NELSON, INDIVIDUALLY, AND IN HER CAPACITY AS INVESTMENT TRUSTEE OF THE LSN NEVADA TRUST DATED MAY 30, 2001

Appellant,

vs.

ERIC L. NELSON, INDIVIDUALLY, AND IN HIS CAPACITY AS INVESTMENT TRUSTEE OF THE ERIC L. NELSON NEVADA TRUST DATED MAY 30, 2001; AND MATT KLABACKA, AS DISTRIBUTION TRUSTEE OF THE ERIC L. NELSON NEVADA TRUST DATED MAY 30, 2001,

Respondents.

SUPREME COURT CASE NO.: 77473
District Court Case No. D411537

DOCKETING STATEMENT
CIVIL APPEALS

1. Judicial District Eighth Department O
County Clark Judge Frank P. Sullivan
District Ct. Docket No. D-09-411537-D

2. **Attorneys filing this docketing statement:**

Attorneys Robert P. Dickerson, Esq., and Josef M. Karacsonyi, Esq.
Telephone (702) 388-8600
Firm The Dickerson Karacsonyi Law Group
Address 1745 Village Center Circle, Las Vegas, Nevada 89134
Client(s) Lynita Sue Nelson, Individually and as Investment Trustee of the LSN Nevada Trust dated May 30, 2001

If this is a joint statement by multiple appellants, add the names and addresses of other counsel and the names of their clients on an additional sheet accompanied by a certification that they concur in the filing of this statement.

3. **Attorney(s) representing Respondents:**

Attorneys Mark A. Solomon, Esq. and Jeffrey P. Luszeck, Esq.
Telephone (702) 589-3511
Firm Solomon Dwiggins & Freer, Ltd.
Address 9060 W. Cheyenne Avenue, Las Vegas, Nevada 89129
Client(s) Matt Klabacka, Distribution Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001

. . .

Attorney	Rhonda K. Forsberg, Esq.
Telephone	(702) 990-6468
Firm	Rhonda K. Forsberg, Chartered
Address	64 N. Pecos Road, Suite 800, Henderson, Nevada 89074
Client(s)	Eric L. Nelson, Individually and as Investment Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001

4. **Nature of disposition below (check all that apply):**

- ☒ Judgment after bench trial
- ☐ Judgment after jury verdict
- ☐ Summary judgment
- ☐ Default judgment
- ☐ Dismissal
  - ☐ Lack of jurisdiction
  - ☐ Failure to state a claim
  - ☐ Failure to prosecute
  - ☐ Other (specify)
- ☐ Grant/Denial of NRCP 60(b) relief
- ☒ Grant/Denial of injunction
- ☒ Grant/Denial of declaratory relief
- ☐ Review of agency determination
- ☒ Divorce decree:
  - ☒ Original ☐ Modification
- ☐ Other disposition (specify) _____

5. **Does this appeal raise issues concerning any of the following?** No

- ☐ Child custody
- ☐ Venue
- ☐ Termination of parental rights

6. **Pending and prior proceedings in this court.** List the case name and docket number of all appeals or original proceedings presently or previously pending before this court which are related to this appeal:

(a) Lynita Sue Nelson, Individually, and in her capacity as Investment Trustee of the LSN Nevada Trust Dated May 30, 2001, Petitioner, vs. Eighth Judicial District Court of the State of Nevada, and the Honorable Frank P. Sullivan, District Judge, Respondent; and Eric L. Nelson, Individually, and in his capacity as Investment Trustee of the Eric L. Nelson Nevada Trust Dated May 30, 2001, and Matt Klabacka, Distribution Trustee of the Eric L. Nelson Nevada Trust Dated May 30, 2001, Real Parties in Interest. Docket Number 77254.

(b) Matt Klabacka, as Distribution Trustee of the Eric L. Nelson Nevada Trust Dated May 30, 2001, Appellant, vs. Eric L. Nelson, Individually, and in his capacity as Investment Trustee of the Eric L. Nelson Nevada Trust Dated May 30, 2001, and Lynita Sue Nelson, Individually, and and in her capacity as Investment Trustee of the LSN Nevada Trust Dated May 30, 2001, Respondents. Docket Number 66772 (consolidated with Docket Number 68292).

(c) Lynita Sue Nelson, Individually, and in her capacity as Investment Trustee of the LSN Nevada Trust Dated May 30, 2001, Cross-respondent, vs. Eric L. Nelson, Individually, and in his capacity as Investment Trustee of the Eric L. Nelson Nevada Trust Dated May 30, 2001, Respondents/cross-appellant. Docket Number 68292.

(d) Nola Harber, Distribution Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001, Petitioner, vs. Eighth Judicial District Court, Clark County, Nevada; and the Honorable Frank P. Sullivan, District Judge,

Respondents, and Eric L. Nelson and Lynita S. Nelson, Individually; LSN Nevada Trust dated May 30, 2001; and Larry Bertsch, Real Parties in Interest. Docket Number 63432.

(e) Nola Harber, Distribution Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001, Petitioner, vs. Eighth Judicial District Court, Clark County, Nevada; and the Honorable Frank P. Sullivan, District Judge, Respondents, and Eric L. Nelson and Lynita S. Nelson, Individually; LSN Nevada Trust dated May 30, 2001, Real Parties in Interest. Docket Number 63545.

7. **Pending and prior proceedings in other courts.** List the case name, number and court of all pending and prior proceedings in other courts which are related to this appeal (*e.g.*, bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition:

(a) Lynita Sue Nelson, individually, and in her capacity as Investment Trustee of the Lynita S. Nelson Nevada Trust, dated May 30, 2001, vs. Eric L. Nelson, individually, and in his capacity as Investment Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001, Eighth Judicial District Court, Clark County, Nevada, Case No. A-17-763004-C, currently pending.

(b) Eric L. Nelson vs. Lynita Sue Nelson, Eighth Judicial District Court, Clark County, Nevada, Case No. D-09-411537-D, decided by Decree of Divorce entered June 3, 2013, reversed on appeal in Docket Number 66772 (consolidated with Docket Number 68282), and currently on remand.

(c) In Re: Dynasty Development Group, LLC, D/B/A Paradise Bay Hotel & Casino, United States Bankruptcy Court, Southern District of Mississippi, Case No. 11-50997-NPO, dismissed on June 24, 2011.

(d) In Re: Dynasty Development Group, LLC, D/B/A Paradise Bay Hotel & Casino, United States Bankruptcy Court, District of Nevada, Case No. 12-16334-LED, dismissed on December 3, 2013.

8. **Nature of the action.** Briefly describe the nature of the action and the result below:

This is an appeal from a district court order denying Appellant, Lynita Sue Nelson ("Lynita"), a Joint Preliminary Injunction ("JPI") as to properties held in trust which are subject to a claim of a community property interest, i.e., the properties held in the ELN Trust and the LSN Trust. This case was previously before the Nevada Supreme Court, where it reversed, in part, the Decree of Divorce entered by the district court on June 3, 2013, and remanded the case back to the district court to conduct a tracing of the assets held in the ELN Trust and LSN Trust.

Following the remand, Lynita requested the JPI be issued enjoining any sale, transfer, encumbrance, etc. of property subject to a claim of community property interest (i.e., nearly all property held in the ELN Trust or LSN Trust at the time of divorce). The district court granted the request for a JPI against the Banone, LLC and Lindell Properties, but denied the request to have the JPI extend to all properties subject to a claim of community property interest as required by Eighth Judicial District Court Rules, Rule 5.517 (2018).

9. **Issues on appeal.** State specifically all issues in this appeal:

(a) Whether the district court erred in denying the request for a Joint Preliminary Injunction as to all property subject to a claim of community property interest, including property held in trust.

(b) Whether the district court erred in finding that the ELN Trust and LSN Trust are not parties to the action, and that only Lynita Sue Nelson and Eric L. Nelson are parties to the action, in denying the request for a Joint Preliminary Injunction.

10. **Pending proceedings in this court raising the same or similar issues.** If you are aware of any proceedings presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket numbers and identify the same or similar issue raised:

None.

11. **Constitutional issues.** If this appeal challenges the constitutionality of a statute, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

N/A X Yes _____ No _____

If not, explain: _____

12. **Other issues.** Does this appeal involve any of the following issues? Yes.

☐ Reversal of well-settled Nevada precedent (identify the case(s))
☐ An issue arising under the United States and/or Nevada Constitutions
☒ A substantial issue of first-impression
☒ An issue of public policy
☐ An issue where en banc consideration is necessary to maintain uniformity of this court's decisions
☐ A ballot question

If so, explain: The Court has not addressed whether a district court may exclude from the Joint Preliminary Injunction authorized under EDCR 5.517 properties held in trust, where the trusts have been properly joined to the divorce action.

13. **Assignment to the Court of Appeals or retention in the Supreme Court.** Briefly set forth whether the matter is presumptively retained by the Supreme Court or assigned to the Court of Appeals under NRAP 17, and cite the subparagraph(s) of the Rule under which the matter falls. If appellant believes that the Supreme Court should retain the case despite its presumptive assignment to the Court of Appeals, identify the specific issue(s) or circumstance(s) that warrant retaining the case, and include an explanation of their importance or significance:

This matter could presumptively be assigned to the Court of Appeals. Pursuant to NRAP 17(b)(11), the Court of Appeals is presumptively assigned "cases involving family law matters other than termination of parental rights or NRS Chapter 432B proceedings." This case also involves trust and estate matters with a corpus in excess of $5,430,000, which are not presumptively assigned to the Court of Appeals pursuant

to NRAP 17(b)(15). The Supreme Court has previously heard an appeal in this matter – Nevada Supreme Court Case No. 66772 – which resulted in a published decision: *Klabacka v. Nelson*, 133 Adv. Op. 29, 394 P.3d 940 (2017).

14. **Trial.** If this action proceeded to trial, how many days did the trial last?

The divorce trial lasted fifteen (15) days, and a post-divorce evidentiary hearing lasted two (2) days (one (1) day for evidence and another day for the rendering of a decision).

Was it a bench or jury trial? Bench Trial

15. **Judicial disqualification.** Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal? No. If so, which Justice? N/A

TIMELINESS OF NOTICE OF APPEAL

16. **Date of entry of written judgment or order appealed from:**

Decision denying the Joint Preliminary Injunction: October 16, 2018

If no written judgment or order was filed in the district court, explain the basis for seeking appellate review: N/A

17. **Date written notice of entry of judgment or order was served:**

Decision denying the Joint Preliminary Injunction: October 16, 2018

Was service by delivery ___ or by mail __X__.

18. **If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52(b), or 59)** N/A

(a) Specify the type of motion, the date and method of service of the motion, and the date of filing.

NRCP 50(b) ___ Date served ___ By delivery ___ or by mail ___
Date of filing _____

NRCP 52(b) ___ Date served ___ By delivery ___ or by mail ___
Date of filing _____

NRCP 59 ___ Date served ___ By delivery ___ or by mail ___
Date of filing _____

NOTE: **Motions made pursuant to NRCP 60 or motions for rehearing or reconsideration may toll the time for filing a notice of appeal. *See* AA Primo Builders v. Washington, 126 Nev. ___, 245 P.3d 1190 (2010).**

(b) Date of entry of written order resolving tolling motion

(c) Date written notice of entry of order resolving motion was served

Was service by delivery ____ and/or by mail _____.

19. **Date notice of appeal was filed** November 7, 2018, by Lynita Sue Nelson, Individually and as Investment Trustee of the LSN Nevada Trust dated May 30, 2001.

If more than one party has appealed from the judgment or order, list the date each notice of appeal was filed and identify by name the party filing the notice of appeal:

20. **Specify statute or rule governing the time limit for filing the notice of appeal, *e.g.*, NRAP 4(a), or other**

NRAP 4(a)

SUBSTANTIVE APPEALABILITY

21. **Specify the statute or other authority granting this court jurisdiction to review the judgment or order appealed from:**

(a)

NRAP 3A(b)(1) _____	NRS 38.205 _____
NRAP 3A(b)(2) _____	NRS 233B.150 _____
NRAP 3A(b)(3) __X__	NRS 703.376 _____

Other (specify) _____

(b) Explain how each authority provides a basis for appeal from the judgment or order:

NRAP 3A(b)(3) permits an appeal from an order granting or refusing to grant an injunction.

22. **List all parties involved in the action or consolidated actions in the district court:**

(a) Parties:

(1) Eric L. Nelson, Individually and as Investment Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001.

(2) Lynita Sue Nelson, Individually and as Investment Trustee of the LSN Nevada Trust dated May 30, 2001.

(3) Matt Klabacka, Distribution Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001.

(b) If all parties in the district court are not parties to this appeal, explain in detail why those parties are not involved in this appeal, *e.g.*, formally dismissed, not served, or other: N/A

23. **Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, cross-claims, or third-party claims and the date of formal disposition of each claim.**

(a) Eric L. Nelson, Individually and as Investment Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001:

(1) Divorce, June 3, 2013.
(2) Declaratory Relief, June 3, 2013.

(b) Lynita Sue Nelson, Individually and as Investment Trustee of the LSN Nevada Trust dated May 30, 2001:

(1) Divorce, June 3, 2013.
(2) Veil-Piercing, June 3, 2013.
(3) Reverse Veil-Piercing, June 3, 2013.
(4) Constructive Trust, June 3, 2013.
(5) Injunctive Relief, August 29, 2012 and June 3, 2013.

(c) Matt Klabacka, Distribution Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001:

(1) Declaratory Relief, June 3, 2013.

24. **Did the judgment or order appealed from adjudicate ALL the claims alleged below and the rights and liabilities of ALL the parties to the action or consolidated actions below:**

Yes ____ No __X__

25. **If you answered "No" to question 24, complete the following:** N/A

(a) Specify the claims remaining pending below: Tracing of assets in ELN Trust and LSN Trust, and determination of the extent of community property assets held in trust pursuant to the remand from this Court.

(b) Specify the parties remaining below: Eric L. Nelson, Individually and as Investment Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001; Lynita Sue Nelson, Individually and as Investment Trustee of the LSN Nevada Trust dated May 30, 2001; and Matt Klabacka, Distribution Trustee of the Eric L. Nelson Nevada Trust dated May 30, 2001.

(c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b):

Yes _____ No __X__

(d) Did the district court make an express determination, pursuant to NRCP 54(b), that there is no just reason for delay and an express direction for the entry of judgment:

Yes _____ No __X__

26. **If you answered "No" to any part of question 25, explain the basis for seeking appellate review (*e.g.*, order is independently appealable under NRAP 3A(b)):** Order is independently appealable under NRAP 3A(b)(3).

27. **Attach file-stamped copies of the following documents:**

- The latest-filed complaint, counterclaims, cross-claims, and third-party claims
- Any tolling motion(s) and order(s) resolving tolling motion(s)
- Orders of NRCP 41(a) dismissals formally resolving each claim, counterclaims, cross-claims and/or third-party claims asserted in the action or consolidated action below, even if not at issue on appeal
- Any other order challenged on appeal
- Notices of entry for each attached order

VERIFICATION

I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.

Lynita Sue Nelson
Name of Appellant

12/17/18
Date

State of Nevada, County of Clark
State and county where signed

Josef M. Karacsonyi, Esq.
Name of Counsel of Record

Signature of counsel of record

CERTIFICATE OF SERVICE

Pursuant to NRAP 14(b), I certify that I am an employee of THE DICKERSON LAW GROUP, and that on this 17th day of December, 2018, I filed the above and foregoing document entitled **DOCKETING STATEMENT CIVIL APPEALS**, with the Clerk of the Court through the Court's eFlex electronic filing system and notice will be sent electronically by the Court to the following:

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