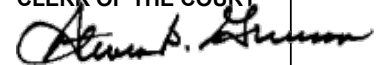


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Steven D. Grierson
CLERK OF THE COURT



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Mar 16 2021 02:15 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

1 MSJD
2 Peter Dubowsky, Esq.
3 Nevada Bar No. 4972
4 DUBOWSKY LAW OFFICE, CHTD.
5 300 South Fourth Street, Suite 1020
6 Las Vegas, Nevada 89101
7 (702) 360-3500
8 Fax (702) 360-3515
9 Attorney for Plaintiff

DISTRICT COURT

CLARK COUNTY, NEVADA

10 JAMES J. CONETTA) Case No.: A-19-800160-C
11)
12 Plaintiff,) Dept No.: XVI
13)
14 vs.)
15)
16 JOHN J. MADSEN aka KLEINSTRUP JORDEN)
17 MADSEN aka JORGEN K. MADSEN aka JOHN) HEARING REQUESTED
18 J MADISEN aka JORGEN KLEINSTRUP)
19 MADSEN and MYCH 3D, INC., a Florida profit)
20 corporation; and DOES I-X and ROE)
21 CORPORATIONS I-X, inclusive)
22)
23 Defendants)
24)
25)

MOTION FOR SUMMARY JUDGMENT

17 JAMES J. CONETTA ("Plaintiff") by and through its counsel of record, Peter
18 Dubowsky, Esq. of the DUBOWSKY LAW OFFICE, CHTD. moves for summary judgment
19 against Defendant JOHN J. MADSEN ("Madsen") and MYCH 3D, INC. in the amount of
20 \$735,000.00 plus interest, court costs, and attorney's fees.

21 Dated: October 11, 2019

22 DUBOWSKY LAW OFFICE, CHTD.

23 By: /s/Peter Dubowsky
24 Peter Dubowsky, Esq.
25 Attorney for Plaintiff

- 1 I. SUMMARY OF MOTION
- 2 The Defendants owe Plaintiff \$735,000.00.
- 3 Defendant Madsen was contractually obligated to pay \$735,000.00 to Plaintiff by January
- 4 2019 and never did, despite repeated and continuing promises.
- 5 Also, his company, Defendant MYCH 3D, Inc. as beneficiary of Plaintiff's money is
- 6 liable to Plaintiff for unjust enrichment.
- 7 II. UNDISPUTED MATERIAL FACTS
- 8 1. On or about December 5, 2018, Plaintiff and Defendant Madsen executed an
- 9 Agreement (the "Agreement") wherein Plaintiff would invest in Defendant and his company and
- 10 get his return investment by January 2019. (The Agreement is attached as **Exhibit "1"** to the
- 11 Affidavit of Plaintiff James Conetta in Support of Motion for Summary Judgment ("Affidavit"))
- 12 2. In accordance with the Agreement, Plaintiff had made contributions of a total
- 13 investment of \$490,000.00 to Defendants from July 2018 through November 2018. (The
- 14 investment checks are attached as **Exhibit "2"** to the Affidavit.)
- 15 3. Pursuant to the Agreement, Defendant Madsen promised to repay Plaintiff 150%
- 16 of the original \$490,000.00 principal balance, which amount equals \$735,000.00.
- 17 4. Defendant Madsen promised to pay the \$735,000.00 no later than January 30,
- 18 2019.
- 19 5. Despite repeated promise by Defendant Madsen, Madsen materially breached the
- 20 Agreement by failing to pay the \$735,000.00.
- 21 6. Defendant MYCH 3D, Inc. ("MYCH") has been unjustly enriched at the expense
- 22 of Plaintiff.
- 23 7. As a beneficiary of Plaintiff's investment (see **Exhibit "2"** to the Affidavit), the
- 24 Plaintiff conferred a benefit on the Defendant MYCH 3D, Inc. ("MYCH"), for which the MYCH
- 25 appreciated and accepted the benefit.

1 8. The Plaintiff conferred the benefit on MYCH with expectation of payment for
2 those benefits, even in the absence of any express contract.

3 9. Under these circumstances, it would be inequitable for the Defendants to retain
4 the benefits conferred by Plaintiff without payment of the value thereof to Plaintiff.

5 III. LAW

6 A. Summary Judgment Timing and Standard

7 Pursuant to N.R.C.P. 56(a), “The court shall grant summary judgment if the movant
8 shows that there is no genuine dispute as to any material fact and the movant is entitled to
9 judgment as a matter of law.”

10 This Motion is timely pursuant to N.R.C.P 56(b), which states, “[A] party may file a
11 motion for summary judgment at any time until 30 days after the close of all discovery.”¹

12 In Boesiger v. Desert Appraisals, LLC, 135 Nev., Adv.Op. 25 (2019), the Nevada
13 Supreme Court affirmed a summary judgment and stated, “Summary judgment is an important
14 procedural tool by which ‘factually insufficient . . . defenses [may] be isolated and prevented
15 from going to trial with the attendant unwarranted consumption of public and private resources.’”
16 (citing Celotex Corp. v Catrett, 477 U.S. 317, 327 (1986)).

17 In Cuzze v. Univ. & Cmty. Coll. Sys. of Nev., 123 Nev. 598 (2007), the Nevada Supreme
18 Court explained the summary judgment standard. The party moving for summary judgment bears
19 the initial burden of production to show the absence of a genuine issue of material fact. If such
20 a showing is made, then the party opposing summary judgment assumes a burden of production
21 to show the existence of a genuine issue of material fact. If the moving party will bear the burden
22 to show the existence of a genuine issue of material fact. If the moving party will bear the burden
23

24
25 ¹ Both Defendants, Madsen and MYCH have been served. Neither has filed any formal appearance. On October 8, 2019, after an extension or so, we received the **attached** “Answer” from attorney Thomas S. Shaddix. For unknown reasons, he has not yet filed it.

1 of persuasion, that party must present evidence that would entitle it to a judgment as a matter of
2 law in the absence of contrary evidence.

3 In Wood v Safeway, Inc., 121 Nev. 724 (2005), the Nevada Supreme Court expressly
4 rejected the “slightest doubt” standard and stated that the non-moving party “bears the burden to
5 ‘do more than simply show that there is some metaphysical doubt’ as to operative facts.” The
6 Court stated, “A factual dispute is genuine when the evidence is such that a rational trier of fact
7 could return a verdict for the nonmoving party.” Id.

8
9 B. Madsen Liable for Breach of Contract

10 Madsen is liable to Plaintiff for defaulting on the Agreement. As the Nevada Supreme
11 Court stated in Rd. & Highway Builders, LLC v. N. Nev. Rebar, Inc., 128 Nev. 384 (2012), “It
12 is well established that in contracts cases, compensatory damages ‘are awarded to make the
13 aggrieved party whole and ... should place the plaintiff in the position he would have been in had
14 the contract not been breached.’” *citing* Hornwood v. Smith's Food King No. 1, 107 Nev. 80, 84,
15 807 P.2d 208, 211 (1991). “This includes awards for lost profits or expectancy damages.”
16 Colorado Environments v. Valley Grading, 105 Nev. 464, 470–71, 779 P.2d 80, 84 (1989)
17 (adopting the test espoused in Restatement (Second) of Contracts §347 (1979)).

18
19 Madsen breached the Agreement by defaulting on his promise to pay Plaintiff
20 \$735,000.00 by January 2019. The Plaintiff is entitled at the very least to an award against
21 Madsen in the principal amount of \$735,000.00 for Madsen’s breach of contract.

22 C. Unjust Enrichment as MYCH

23 Defendant MYCH was unjustly enriched at the expense of Plaintiff. At the direction of
24 Madsen, most of Plaintiff’s investment checks were payable directly to MYCH.
25

1 As stated in Certified Fire Prot., Inc. v. Precision Constr., Inc., 128 Nev. 371 (2012),
2 “Unjust enrichment exists when the plaintiff confers a benefit on the defendant, the defendant
3 appreciates such benefit, and there is “acceptance and retention by the defendant of such benefit
4 under circumstances such that it would be inequitable for him to retain the benefit without
5 payment of the value thereof.” *Citing Unionamerica Mtg. v. McDonald*, 97 Nev. 210, 212 (1981)
6 Unjust enrichment applies when a party confers a benefit with a reasonable expectation of
7 payment (Id.)

8 Madsen directed Plaintiff to send most of the investment checks to MYCH, and is
9 therefore liable to Plaintiff in unjust enrichment.

10 There are no issues of fact. The Defendants are liable to Plaintiff in the principal amount
11 of \$735,000.00. Summary judgment is appropriate.

12 **CONCLUSION**

13 Based on the foregoing, Plaintiff respectfully requests summary judgment in the amount
14 of \$735,000 plus interest, court costs and a reasonable attorney’s fee.

15 Dated: October 11, 2019

16 DUBOWSKY LAW OFFICE, CHTD.

17 By: /s/Peter Dubowsky
18 Peter Dubowsky, Esq.
19 Nevada Bar No. 4972
20 300 South Fourth Street
21 Suite 1020
22 Las Vegas, Nevada 89101
23 (702) 360-3500
24 Fax (702) 360-3515
25 Attorney for Plaintiff

CERTIFICATE OF SERVICE

Pursuant to N.R.C.P 5(b), I hereby certify that on the 11th day of October 2019, I served a true and correct copy of the foregoing MOTION FOR SUMMARY JUDGMENT and AFFIDAVIT IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT upon those persons designated by the parties in the E-Service Master List for the above-referenced matter in the Eighth Judicial District Court eFiling System in accordance with the mandatory electronic service requirements of Administrative Order 14-2 and the Nevada Electronic Filing Conversion Rules:

Thomas S. Shaddix, Esq.
Attorney for Defendants

/s/Peter Dubowsky
An employee of Dubowsky Law Office, Chtd.

ANS

LAW OFFICE OF THOMAS S. SHADDIX

Thomas S. Shaddix, Esq.

Nevada State Bar No.: 7905

6166 S. Sandhill Road

Suite 146

Las Vegas, NV 89120

Telephone: (702) 430-8420

Facsimile: (702) 522-6069

Email: thomas@shaddixlaw.com

Attorney for Defendants

**EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA**

JAMES J. CONETTA,

Case No.: A-19-800160-C

Plaintiff,

Dept. No.: 16

vs.

JOHN J. MADSEN aka KLEINSTRUP
JORDEN MADSEN aka JORGEN K.
MADSEN aka JOHN J. MADISEN aka
JORGEN KLEINSTRUP MADSEN and
MYCH 3D, INC., a Florida profit
corporation; DOES I-X and ROE
CORPORATIONS I-X, inclusive

ANSWER

Defendants.

COMES NOW, JOHN J. MADSEN aka KLEINSTRUP JORDEN MADSEN aka JORGEN K. MADSEN aka JOHN J. MADISEN aka JORGEN KLEINSTRUP MADSEN and MYCH 3D, INC., a Florida profit corporation, by and through their attorney THOMAS S. SHADDIX, ESQ. of the LAW OFFICE OF THOMAS S. SHADDIX, and hereby admit, deny, and aver as follows:

1. Answering the allegations as set forth in paragraph 1 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and

each and every part thereof.

2. Answering the allegations as set forth in paragraph 2 of Plaintiff's complaint on file herein, these answering Defendants admit the same.

3. Answering the allegations as set forth in paragraph 3 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

4. Answering the allegations as set forth in paragraph 4 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

5. This allegation merely repeats and re-alleges allegations previously responded to, and therefore no further response is necessary.

6. Answering the allegations as set forth in paragraph 6 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

7. Answering the allegations as set forth in paragraph 7 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

8. Answering the allegations as set forth in paragraph 8 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and

each and every part thereof.

9. Answering the allegations as set forth in paragraph 9 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

10. Answering the allegations as set forth in paragraph 10 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

11. Answering the allegations as set forth in paragraph 11 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

12. Answering the allegations as set forth in paragraph 12 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

13. Answering the allegations as set forth in paragraph 13 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

14. Answering the allegations as set forth in paragraph 14 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and

each and every part thereof.

15. Answering the allegations as set forth in paragraph 15 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

16. This allegation merely repeats and re-alleges allegations previously responded to, and therefore no further response is necessary.

17. Answering the allegations as set forth in paragraph 17 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

18. Answering the allegations as set forth in paragraph 18 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

19. Answering the allegations as set forth in paragraph 19 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

20. Answering the allegations as set forth in paragraph 20 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

21. Answering the allegations as set forth in paragraph 21 of Plaintiff's complaint on

file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

AFFIRMATIVE DEFENSES

1. Plaintiff has failed to state against these answering Defendants upon which relief can be granted.
2. By virtue of his conduct, by the conduct of its agents, representatives, and consultants Plaintiff should be estopped from making a claim against these answering Defendants.
3. Plaintiff has failed to mitigate his damages.
4. Pursuant to the Nevada Rules of Civil Procedure, as amended, these answering

///

///

///

Defendants specifically reserve the right to supplement these affirmative defenses as investigation and discovery warrants.

WHEREFORE, these answering Defendants pray Plaintiff take nothing by way of his complaint on file herein.

Dated: October 7, 2019

Respectfully submitted,

LAW OFFICE OF THOMAS S. SHADDIX

/s/ Thomas S. Shaddix

Thomas S. Shaddix, Esq.

Nevada State Bar No.: 7905

6166 S. Sandhill Road

Suite 146

Las Vegas, NV 89120

Telephone: (702) 430-8420

Email: thomas@shaddixlaw.com

Attorney for Defendants,

JOHN J. MADSEN aka KLEINSTRUP JORDEN

MADSEN aka JORGEN K. MADSEN aka JOHN J.

MADISEN aka JORGEN KLEINSTRUP

MADSEN and MYCH 3D, INC.

DISTRICT COURT
CLARK COUNTY, NEVADA

Other Contract

COURT MINUTES

December 10, 2019

A-19-800160-C James Conetta, Plaintiff(s)
 vs.
 John Madsen, Defendant(s)

December 10, 2019 09:30 AM Plaintiff's Motion for Summary Judgment

HEARD BY: Williams, Timothy C. COURTROOM: RJC Courtroom 03H

COURT CLERK: Darling, Christopher

RECORDER:

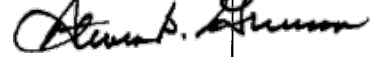
REPORTER: Isom, Peggy

PARTIES PRESENT:

Peter Dubowsky Attorney for Plaintiff

JOURNAL ENTRIES

Mr. Dubowsky reviewed history of matter and advised no opposition to the Motion. COURT ORDERED, in light of no answer and there being notice of the matter, Plaintiff's Motion for Summary Judgment GRANTED. Mr. Dubowsky provided proposed order for Court's review.



1 **MRCN**

2 CORY J. HILTON, ESQ.

3 Nevada Bar No. 4290

4 PETER M. ANGULO, ESQ.

5 Nevada Bar No. 3672

6 **LAW OFFICE OF CORY J. HILTON**

7 5545 S. Mountain Vista St. Ste. F

8 Las Vegas, NV 89120

9 Tel: (702) 384-8000

10 Fax: (702) 384-8200

11 *Attorneys for Defendants*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 JAMES J. CONETTA

15 Plaintiff,

Case No.: A-19-800160-C

Dept. No.: XVI

16 vs.

17 JOHN J. MADSEN aka KLEINSTRUP JORDEN
18 MADSEN aka JORGEN K. MADSEN aka JOHN
19 J. MADISEN aka JORGEN KLEINSTRUP
20 MADSEN AND MYCH 3-D, INC., a Florida
21 Profit Corporation; and DOES I-X, and ROE
22 CORPORATIONS I-X, inclusive,

23 Defendants.

24 **MOTION FOR**
25 **RECONSIDERATION OF ORDER**
26 **GRANTING SUMMARY**
27 **JUDGMENT**

28 **Hearing Requested**

COMES NOW, Defendants, by and through their attorney of record, CORY J. HILTON, ESQ., of the LAW OFFICE OF CORY J. HILTON, and hereby submits the following Motion for Reconsideration of this Court's Order Granting Summary Judgment.

I. FACTUAL/PROCEDURAL BACKGROUND

On August 13, 2019, Plaintiff filed with this Court a Complaint which alleged a breach of contract by Defendants. At the time this Complaint was filed, Defendants were represented by Thomas S. Shaddix, Esq.—who was retained to handle all of Defendants' legal issues. Although Plaintiff properly served Defendants, Mr. Shaddix failed to file a timely Answer. Defendants are in possession of an Answer dated October 7, 2019 with an electronic signature of Mr. Shaddix

MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 1

1 (Exhibit A), but a review of the Court docket indicates no Answer has ever been actually filed.
2 Exhibit B.

3 Despite the fact no Answer was ever formally filed, Mr. Shaddix' role in representing
4 Defendants was apparently known to Plaintiff since the "Certificate of Service" of the Motion for
5 Summary Judgment filed on October 11, 2019 with this Court lists Mr. Shaddix as the recipient
6 of the E-Service delivery. Unfortunately, as with the Answer, Mr. Shaddix failed to inform
7 Defendants of the need to oppose the Motion nor did he ever file any formal or informal
8 Opposition. This failure to make any appearance at all was specifically noted by This Court in
9 its Order granting summary judgment against Defendants as a considered factor in that decision.
10

11 For reasons not germane to this Court in this context, Mr. Shaddix is no longer associated
12 with Defendants. Undersigned counsel was only recently retained by Defendants to provide
13 them legal assistance. Within a day or two of being retained, the instant Order was brought to
14 their attention.

15 In reviewing the Motion for Summary Judgment, there are a number of concerns which,
16 respectfully, warrant reconsideration of the propriety of granting summary judgment.

17 Initially, this matter is in the nascent stages of litigation. As noted, Defendants have not even
18 made an initial appearance in the matter. Documents have not been exchanged and witness have
19 not been identified and interviewed. There are a number of factual circumstances which come
20 into play which are not considered in the scope of the motion as presented, along with several
21 technical/legal deficiencies which were never raised.

22 Defendants will not disagree that they borrowed the money for the continued operation of
23 their business. At the time the money was borrowed, Plaintiff was fully aware the business
24 lacked a sufficient income stream to be able to repay those borrowed funds and, further, that Mr.
25 Madsen lacked any personal assets of sufficient magnitude to cover this obligation. Exhibit C.
26 Instead, Plaintiff was willing to lend these monies because he understood Defendants were
27

28 MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 2

1 anticipating the sale of several patents which would net hundreds of millions of dollars upon
2 conclusion. Id.

3 Unfortunately, that sale was delayed and is scheduled to be concluded this year. Id. As soon
4 as the delay in this sale was known, Plaintiff was immediately contacted and kept in the
5 information “loop” about the progress of the sale. Id. From the time the obligation was due
6 under the written agreement, Plaintiff and Defendants have maintained steady streams of
7 communication and discussions about alternate resolutions until the sale of the patents is
8 finalized. Id.

9 These facts, if true, do not create a factual panorama sufficient to warrant summary
10 judgment. At the very least, discovery under NRCP 56(d) should be allowed to provide this
11 Court the full factual background necessary for a reasoned consideration of the parties’
12 respective positions.

14 **II. LEGAL ANALYSIS**

15 **A. STANDARDS FOR GRANTING RECONSIDERATION**

16 Summary judgment is appropriate only when no genuine issue of material fact remains for
17 trial and the moving party is entitled to judgment as a matter of law. NRCP 56(c); Walker v.
18 American Bankers Ins., 108 Nev. 533, 536, 836 P.2d 59, 61 (1992). Pursuant to EDCR 2.24, and
19 N.R.C.P. 59(e), the parties are empowered to bring before this Court a Motion for
20 Reconsideration--asking it to examine its prior ruling in this matter—so long as it is brought
21 within 28 days of the Notice of Entry of the Order.

22 Such a motion covers a broad range of motions, limited only in that such a motion must not
23 merely seek correction of a clerical error, or relief of a type wholly collateral to the judgment.
24 AA Primo Builders, LLC v. Washington, 126 Nev. 578, 582, 245 P.3d 1190, 1193 (2010). "A
25 district court may reconsider a previously decided issue if substantially different evidence is
26

27 MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 3
28

1 subsequently introduced or the decision is clearly erroneous." Masonry & Tile Contractors Ass'n
2 of S. Nev. v. Jolley, Urga & Wirth Ltd., 113 Nev. 737, 741, 941 P.2d 486, 489 (1997). Unless
3 and until an Order is appealed, the District Court always retains jurisdiction to reconsider the
4 matter at a later time. Gibbs v. Giles, 96 Nev. 243, 607 P.2d 119 (1980).

5
6 As indicated, reconsideration of matters is always appropriate when new issues of fact or
7 law, or some error of law or fact is raised supporting a contrary result to that already reached.
8 Moore v. City of Las Vegas, 92 Nev. 402, 551 P.2d 244 (1976). One of the major grounds
9 justifying reconsideration is the need to correct clear error or to prevent manifest in justice.
10 Kern-Tulare Water Dist. v. City of Bakersfield, 634 F. Supp. 656, 665 (E.D. Ca. 1986); Major v.
11 Benton, 647 F.2d 110, 112 (10th Cir. 1988). To be considered, the motion must first
12 demonstrate some reason why the court should reconsider its prior decision and, second, it must
13 set forth facts or law of a strongly convincing nature to induce the court to reverse its prior
14 decision. See Great Hawaiian Financial Corp. v. Aiu, 116 F.R.D. 612, 616 (D. Hawaii 1987).

15
16 It cannot be gainsaid every litigant has a right to a trial on the merits of his case unless there
17 is no genuine issue of fact to be determined by the judge or jury. Short v. Hotel Riviera, Inc., 79
18 Nev. 94, 378 P.2d 979 (1963). In this case, there very compelling reasons to have this Court
19 reconsider its prior position and reverse the grant of summary judgment to allow Defendants the
20 opportunity to have this matter tried on its merits—or at least to allow sufficient discovery to
21 determine whether genuine issues truly exist.

22 23 24 **B. THERE WAS NO ADMISSIBLE EVIDENCE PRESENTED**

25 Initially, the copy of the submitted Motion for Summary Judgment failed to present
26 admissible evidence upon which a decision could be reached. Summary judgment can only be
27 granted or denied based upon evidence that would be admissible at trial. See NRCP 56(e)

28 MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 4

1 (affidavits in support of or in opposition to summary judgment "shall set forth such facts as
2 would be admissible in evidence"); see also Collins v. Union Fed. Sav. & Loan Ass'n, 99 Nev.
3 284, 302, 662 P.2d 610, 621 (1983)(evidence in support of or in opposition to summary
4 judgment must be evidence that would be admissible at trial); Schneider v. Cont'l Assurance Co.,
5 110 Nev. 1270 1274, 885 P.2d 572, 575 (1994)("The district court thus erred in relying solely on
6 inadmissible evidence to grant summary judgment."); Adamson v. Bowker, 85 Nev. 115, 119,
7 450 P.2d 796, 799 (1969)("[E]vidence that would be inadmissible at the trial of the case is
8 inadmissible on a motion for summary judgment."). The evidence submitted must be
9 authenticated and in a format which would ultimately be considered admissible at the time of
10 trial. Orr v. Bank of America, 285 F.3d 764, 773 (9th Cir. 2002). In Canada v. Blain's
11 Helicopters, Inc., 831 F.2d 920, 925 (9th Cir. 1987) the court held, for a document to be
12 considered on summary judgment, it must be authenticated by and attached to an affidavit
13 meeting the requirements of Rule 56 and the affiant must be a person by whom the exhibits
14 could be admitted into evidence.

15 In this case, the filed "affidavit" of Plaintiff is not notarized. Indeed, it is not even signed by
16 the declarant (should it be deemed a declaration rather than an affidavit). The document, on its
17 face, fails to lay a foundation for the accuracy or validity of the Exhibits attached to it.
18 Moreover, it states, without foundation, legal principles (see Affidavit In Support at Paragraphs
19 7-10) and is rife with hearsay and/or speculation (see Affidavit In Support at Paragraph 8).

20 Even the attached Exhibits to the Affidavit create, on their face, issues of fact. These checks
21 are variously designated as "Investments," "Royalties," "Equity Upgrades," "Loans," or some
22 hybrid of each category. These are potentially crucial distinctions. While investments and
23 royalties anticipate a return on monies paid, they are not considered a loan. What constitutes an
24 MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 5

1 Equity upgrade is also subject to question and further inspection. Regardless of the reasons, it
2 cannot be denied the evidence placed before the Court in support of summary judgment was not
3 in a properly admissible format and, accordingly, summary judgment should be reversed.

4
5 **C. THERE ARE VALID DEFENSES TO THE MOTION FOR SUMARY**
6 **JUDGMENT**

7
8 **1. The Loan is VOID Under Nevada Statutes**

9 Upon even a cursory examination of the purported loan document, it becomes apparent the
10 document is illegal and in direct violation of Nevada's statutory prohibitions. NRS 604A deals
11 with the severe restrictions placed upon "high-interest" loans. It applies to any loan charging an
12 interest rate of more than 40%. NRS 604A.0703. It applies regardless of the designation given
13 to the loan, or any other "device, subterfuge or pretense" used to avoid the statute's application.
14 NRS 604A.200. A person who issues a high interest loan must first be licensed by the
15 Commissioner of Financial Institutions. NRS 604A.400. Moreover, such a high interest loan
16 cannot be made unless the lender has independently determined "the customer has the ability to
17 repay the high-interest loan and that the high-interest loan complies with the provisions of NRS
18 604A.5045 or subsection 2 of NRS 604A.5057, as applicable." NRS 604A.5038. In considering
19 the ability to repay the loan, the lender cannot consider the ability of any other person to pay the
20 loan but must focus on the "current or reasonably expected income of the customer; [t]he current
21 employment status of the customer based on evidence including, without limitation, a pay stub or
22 bank deposit; [t]he credit history of the customer; [t]he amount due under the original term of the
23 high-interest loan, the monthly payment on the high-interest loan, if the high-interest loan is an
24 installment loan, or the potential repayment plan if the customer defaults on the high-interest
25 loan; and [o]ther evidence, including, without limitation, bank statements, electronic bank
26
27
28

MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 6

1 statements and written representations to the licensee.” Id. Any repayment scheme cannot
2 exceed 25% of the customer’s expected gross monthly income. NRS 604A.5045.

3 The failure to follow these procedures results in the loan being declared void and open the
4 lender to various civil and administrative penalties. NRS 604A.900-.940.

5
6 In this case the “loan” document clearly falls within the purview of these statutes. It purports
7 to loan \$490,000.00 to Defendants and demands a repayment of those monies at a 50% interest
8 rate running from December 5, 2018 to January 30, 2019 (at the latest). Rounding the interest
9 period to 2 months, the charged annual rate is 300%. Even at 50% it falls afoul of the statutory
10 restrictions.

11
12 There is no evidence before the Court of proper licensure, proper determination of the ability
13 to repay, or even of properly conformable written documentation for such a loan—pursuant to
14 NRS 604A.504. Moreover, there is no evidence before the Court the one-time repayment
15 amount grossly exceeds 25% of Defendants’ monthly gross income (which is not evidenced in
16 the Motion). Under these circumstances, the penalty is clear. Rather than being honored with an
17 award of over \$700,000.00, the proper result is to declare the loan void and to ensure the lender
18 “is not entitled to collect, receive or retain any principal, interest or other charges or fees with
19 respect to the loan.” NRS 604A.900(1).

20
21 **2. The Contract is Subject to the Doctrine of Changed Circumstances**

22 Initially, the subject contract smacks as one which may be properly designated an adhesion
23 contract. Certainly, it may be argued Plaintiff in this matter took advantage on the financial
24 desperation of Defendants—who required funds to keep the business afloat until the patents
25 could be sold. Burch v. Second Judicial Dist. Court of State ex rel. County of Washoe, 118 Nev.
26 438, 442, 49 P.3d 647, 649, (2002)(The distinctive feature of an adhesion contract is that the
27

28 MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 7

1 weaker party has no choice as to its terms.); Las Vegas Metro. Police Dep't v. Coregis Ins. Co.,
2 127 Nev. 548, 558, 256 P.3d 958, 964 (2011); Benchmark Ins. Co. v. Sparks, 127 Nev. 407, 412,
3 254 P.3d 617, 621 (2011). As a matter of law, if the circumstances warrant, the Court cannot
4 enforce such terms.

5
6 Moreover, in this case, a crucial event was required before any payment could be made—the
7 finalized sale of the patents. The declaration of John Madsen indicates this failed to happen as
8 hoped by the parties. Under Nevada law, Nevada Jury Instruction 13.31 directs “[a] contract
9 cannot be enforced against a party whose performance was made impossible or highly
10 impractical by the occurrence of an unforeseen contingency that was not provided for in the
11 contract and was beyond the control of the party asserting this defense.” Instruction 13.32
12 concurs, noting “[a] contract cannot be enforced against a party who proves that performance of
13 the contract remains possible, but the expected value of performance to the party seeking to be
14 excused from performance has been destroyed by an unforeseen event, resulting in an actual but
15 not literal failure of consideration.”

16
17 Here, that is precisely what is alleged as having happened. Accordingly, under these factual
18 circumstances, the contract cannot be enforced. This is not a situation of unjust enrichment.
19 “[U]njust enrichment occurs whenever a person has and retains a benefit which in equity and
20 good conscience belongs to another. Unjust enrichment is the unjust retention of a benefit to the
21 loss of another” Nevada Industrial Dev. v. Benedetti, 103 Nev. 360, 363 n. 2, 741 P.2d 802,
22 804 n. 2 (1987). Here, the facts do not support such a conclusion.

23
24 Even if there was a valid contract, it terms may be declared invalid or void based on
25 changed circumstances. Coury v. Robison, 115 Nev. 84, 88-89, 976 P.2d 518, 520-21
26

27
28 MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 8

1 (1999)(stating conditions that are not void as a matter of law may become void in particular
2 circumstances if changed circumstances so dictate).

3 Again, this evidence was not put before the Court. Defendants are confident, in light of such
4 evidence and argument, summary judgment would never have been granted. They ask the Court
5 to not punish them for the sloth (or even more malign intent) of their former counsel. Instead,
6 they ask the Court reconsider and reverse the entry of judgment against them.
7

8 **D. THE MOTION SHOULD BE STAYED UNTIL FURTHER DISCOVERY CAN BE**
9 **CONDUCTED**

10 NRCP 56(e) requires a party opposing a motion for summary judgment and seeking a denial
11 or continuance of the motion in order to conduct further discovery provide an affidavit or
12 declaration giving the reasons why the party cannot present “facts essential to justify the party’s
13 opposition.” A motion for a continuance under NRCP 56(e) is appropriate when the movant
14 expresses how further discovery will lead to the creation of a genuine issue of material fact.
15 Aviation Ventures v. Joan Morris, Inc., 121 Nev. 113, 118, 110 P.3d 59, 62 (2005). In that case,
16 the Court held such relief was appropriate where less than eight months had passed between the
17 complaint filing and the granting of summary judgment.
18

19 Here, the declaration of John Madsen raises triable issues of fact which directly impact the
20 viability of the subject contract. Insufficient time has passed between the filing of the Complaint
21 and the grant of summary judgment to allow Defendants to conduct any discovery at all. The
22 issues raised strongly suggest the need for further discovery to allow the fact to be ferreted out.
23 Thus, if the Court is not inclined to simply void the contract for the reasons stated above, it
24 should reverse summary judgment and allow the parties some time to conduct meaningful
25 discovery before revisiting this topic.
26
27

28 MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 9

1 **CONCLUSION**

2 For the foregoing reasons, Defendants respectfully request this Court reconsider and reverse
3 its decision to grant summary judgment and either declare the subject contract void *ab initio* or
4 allow the parties to proceed forward with discovery to develop a proper foundation for same—
5 should one exist.
6

7 Respectfully submitted this 13th day of January, 2020.

8 **LAW OFFICES OF CORY J. HILTON**

9
10 

11 CORY J. HILTON, ESQ.
12 Nevada Bar No. 004290
13 PETER M. ANGULO, ESQ.
14 Nevada Bar No. 3672
15 5545 S. Mountain Vista St., Ste. F
16 Las Vegas, Nevada 89120
17 Attorneys for Plaintiffs
18
19
20
21
22
23
24
25
26
27
28

MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 10

1 **CERTIFICATE OF SERVICE**

2 I HEREBY CERTIFY, that pursuant to Nev. R. Civ. P. 5(b), I am an employee of
3 Mountain Vista Law Group LLC, and that on the 14th day of January, 2020, I caused a true and
4 correct copy of the above and foregoing MOTION FOR RECONSIDERATION OF ORDER
5 GRANTING SUMMARY JUDGMENT to be duly served upon the party(s) listed below by one
6 or more of the following, accepted methods of service, as follows:
7

8 ☒ [X] By placing the same in a sealed envelope upon which first-class postage was fully
9 prepaid and depositing same for First-Class Mail with the United States Postal
10 Service; and/or

11 ☒ [X] By electronic service with the Eighth Judicial District Court *Odyssey* e-filing
12 system; and/or

13 ☐ [] By electronic mail (email); and/or

14 ☐ [] By facsimile; and/or

15 ☐ [] By hand-delivery.
16

17 **PARTIES SERVED:**

18 Peter Dubowsky, Esq.
19 300 South Fourth Street, Suite 1020
20 Las Vegas, Nevada 89101
21 Attorney for Plaintiff
22

23
24 /s/ Margaret Anthis
25 An Employee of MOUNTAIN VISTA LAW
26 GROUP
27
28

MOTION FOR RECONSIDERATION OF ORDER GRANTING SUMMARY JUDGMENT - 11

EXHIBIT A

EXHIBIT A

ANS
LAW OFFICE OF THOMAS S. SHADDIX
Thomas S. Shaddix, Esq.
Nevada State Bar No.: 7905
6166 S. Sandhill Road
Suite 146
Las Vegas, NV 89120
Telephone: (702) 430-8420
Facsimile: (702) 522-6069
Email: thomas@shaddixlaw.com
Attorney for Defendants

**EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA**

JAMES J. CONETTA,

Case No.: A-19-800160-C

Plaintiff,

Dept. No.: 16

vs.

JOHN J. MADSEN aka KLEINSTRUP
JORDEN MADSEN aka JORGEN K.
MADSEN aka JOHN J. MADISEN aka
JORGEN KLEINSTRUP MADSEN and
MYCH 3D, INC., a Florida profit
corporation; DOES I-X and ROE
CORPORATIONS I-X, inclusive

ANSWER

Defendants.

COMES NOW, JOHN J. MADSEN aka KLEINSTRUP JORDEN MADSEN aka
JORGEN K. MADSEN aka JOHN J. MADISEN aka JORGEN KLEINSTRUP MADSEN and
MYCH 3D, INC., a Florida profit corporation, by and through their attorney THOMAS S.
SHADDIX, ESQ. of the LAW OFFICE OF THOMAS S. SHADDIX, and hereby admit, deny,
and aver as follows:

1. Answering the allegations as set forth in paragraph 1 of Plaintiff's complaint on
file herein, these answering Defendants are without sufficient knowledge to form a belief as to
the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and

each and every part thereof.

2. Answering the allegations as set forth in paragraph 2 of Plaintiff's complaint on file herein, these answering Defendants admit the same.

3. Answering the allegations as set forth in paragraph 3 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

4. Answering the allegations as set forth in paragraph 4 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

5. This allegation merely repeats and re-alleges allegations previously responded to, and therefore no further response is necessary.

6. Answering the allegations as set forth in paragraph 6 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

7. Answering the allegations as set forth in paragraph 7 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

8. Answering the allegations as set forth in paragraph 8 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and

each and every part thereof.

9. Answering the allegations as set forth in paragraph 9 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

10. Answering the allegations as set forth in paragraph 10 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

11. Answering the allegations as set forth in paragraph 11 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

12. Answering the allegations as set forth in paragraph 12 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

13. Answering the allegations as set forth in paragraph 13 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

14. Answering the allegations as set forth in paragraph 14 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and

each and every part thereof.

15. Answering the allegations as set forth in paragraph 15 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

16. This allegation merely repeats and re-alleges allegations previously responded to, and therefore no further response is necessary.

17. Answering the allegations as set forth in paragraph 17 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

18. Answering the allegations as set forth in paragraph 18 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

19. Answering the allegations as set forth in paragraph 19 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

20. Answering the allegations as set forth in paragraph 20 of Plaintiff's complaint on file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

21. Answering the allegations as set forth in paragraph 21 of Plaintiff's complaint on

file herein, these answering Defendants are without sufficient knowledge to form a belief as to the truthfulness or falsity thereof, and therefore these answering Defendants deny the same, and each and every part thereof.

AFFIRMATIVE DEFENSES

1. Plaintiff has failed to state against these answering Defendants upon which relief can be granted.
2. By virtue of his conduct, by the conduct of its agents, representatives, and consultants Plaintiff should be estopped from making a claim against these answering Defendants.
3. Plaintiff has failed to mitigate his damages.
4. Pursuant to the Nevada Rules of Civil Procedure, as amended, these answering

///

///

///

Defendants specifically reserve the right to supplement these affirmative defenses as investigation and discovery warrants.

WHEREFORE, these answering Defendants pray Plaintiff take nothing by way of his complaint on file herein.

Dated: October 7, 2019

Respectfully submitted,

LAW OFFICE OF THOMAS S. SHADDIX

/s/ Thomas S. Shaddix

Thomas S. Shaddix, Esq.

Nevada State Bar No.: 7905

6166 S. Sandhill Road

Suite 146

Las Vegas, NV 89120

Telephone: (702) 430-8420

Email: thomas@shaddixlaw.com

Attorney for Defendants,

JOHN J. MADSEN aka KLEINSTRUP JORDEN

MADSEN aka JORGEN K. MADSEN aka JOHN J.

MADISEN aka JORGEN KLEINSTRUP

MADSEN and MYCH 3D, INC.

EXHIBIT B

EXHIBIT B

REGISTER OF ACTIONS
CASE NO. A-19-800160-C

James Conetta, Plaintiff(s) vs. John Madsen, Defendant(s)

Case Type: **Other Contract**

Date Filed: **08/13/2019**

Location: **Department 16**

Cross-Reference Case Number: **A800160**

PARTY INFORMATION

Defendant **Madsen, John J Also Known As Madisen, John J Also Known As Madsen, Jorgen K Also Known As Madsen, Jorgen Kleinstrup Also Known As Madsen, Kleinstrup Jorden**

Lead Attorneys

Defendant Mych 3D Inc

Plaintiff **Conetta, James J**

Peter Dubowsky
Retained
7023603500(W)

EVENTS & ORDERS OF THE COURT

DISPOSITIONS

12/20/2019	Summary Judgment (Judicial Officer: Williams, Timothy C.) Debtors: John J Madsen (Defendant), Mych 3D Inc (Defendant) Creditors: James J Conetta (Plaintiff) Judgment: 12/20/2019, Docketed: 12/23/2019 Total Judgment: 782,298.99
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OTHER EVENTS AND HEARINGS

08/13/2019	Complaint <i>Complaint</i>
08/13/2019	Summons Electronically Issued - Service Pending <i>Summons</i>
09/16/2019	Notice of Intent to Take Default <i>Notice of Intent to Take Default</i>
09/17/2019	Affidavit of Service <i>Affidavit of Service</i>
09/17/2019	Affidavit of Service <i>Affidavit of Service</i>
09/17/2019	Notice of Intent to Take Default <i>Notice of Intent to Take Default</i>
10/11/2019	Affidavit of Service <i>Affidavit of Service</i>
10/11/2019	Affidavit of Service <i>Affidavit of Service</i>
10/11/2019	Motion for Summary Judgment <i>Motion for Summary Judgment</i>
10/11/2019	Motion for Summary Judgment
10/11/2019	Affidavit in Support <i>Affidavit in Support of Motion for Summary Judgment</i>
10/11/2019	Affidavit in Support <i>Affidavit in Support of Motion for Summary Judgment</i>
10/11/2019	Clerk's Notice of Hearing <i>Notice of Hearing</i>
12/10/2019	Motion for Summary Judgment (9:30 AM) (Judicial Officer Williams, Timothy C.) <i>Plaintiff's Motion for Summary Judgment</i>
	<u>Parties Present</u>
	<u>Minutes</u>
	Result: Motion Granted

12/10/2019 **CANCELED Motion for Summary Judgment** (9:30 AM) (Judicial Officer Williams, Timothy C.)
Vacated - Duplicate Entry
Plaintiff's Motion for Summary Judgment
 12/20/2019 **Order Granting Summary Judgment**
Order and Judgment Granting Plaintiff's Motion for Summary Judgment
 12/20/2019 **Notice of Entry of Order**
Notice of Entry of Order

FINANCIAL INFORMATION

	Plaintiff Conetta, James J		
	Total Financial Assessment		475.00
	Total Payments and Credits		475.00
	Balance Due as of 01/11/2020		0.00
08/13/2019	Transaction Assessment		270.00
08/13/2019	Efile Payment	Receipt # 2019-49619-CCCLK	(270.00)
10/11/2019	Transaction Assessment		200.00
10/11/2019	Efile Payment	Receipt # 2019-62171-CCCLK	(200.00)
12/31/2019	Transaction Assessment		5.00
12/31/2019	Payment (Window)	Receipt # 2019-77550-CCCLK	(5.00)
		Conetta, James J.	
		Conetta, James J	
		Dubowsky Law Office	

EXHIBIT C

EXHIBIT C

Declaration of JOHN J. MADSEN

The undersigned, under penalty of perjury of the laws of the State of Nevada, hereby swears or affirms the following statements based upon his personal knowledge and recollection. To the extent is based on an understanding or belief, it is specifically so noted. With that understanding, the undersigned testifies as follows:

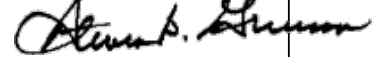
1. I am a resident of Clark County, Nevada and am over the age of 18 years.
2. MYCH 3-D, INC. operates a business which makes customized 3-dimensional figurines originating from 3-dimensional scans, photographs, drawings, paintings, or other 2-dimensional media. The figurines created can vary from miniature renditions to life-sized projects. It currently sells its products on-line and in a physical store located at the Galleria Mall in Henderson, NV under the company name "Memories You Can Hold."
3. I am the creator of this process and the primary stockholder in the business. I have several patents currently pending which are worth multiple millions of dollars. Until those patents have fully cleared, however, the business currently operates in a deficit position—requiring me to borrow money from a number of different sources.
4. At the time this Complaint was filed, I had retained Thomas S. Shaddix, Esq. to handle a number of legal issues—including this one. Unfortunately, I have since discovered he failed to take actions in a number of them—resulting in great personal loss and expense to me and my company.
5. In this case, he told me he had filed an Answer and never informed me about any pending Motion for Summary Judgment. I am aware he was supposed to be in conversations with Mr. Conetta's attorney. However, I have also been informed by Mr. Conetta that my attorney has offered to "throw [me] under the bus." I do not know if the intentional failure to file an Opposition was simply an act of malpractice on Mr. Shaddix' part or if it had more evil designs against me and my company.
6. Nevertheless, I readily concede that Mr. Conetta and I had a business relationship and that he gave me money to keep my business going until I could get my patents sold.
7. At all times when he gave me money, he was fully aware that neither I nor my company had sufficient funds to repay his monies off the business operation. He was also aware I was in the process of selling my patents for should amount to hundreds of millions of dollars—from which I would gladly repay his kindness in keeping my business afloat during its lean times.
8. We both anticipated and expected the sale of those patents to be concluded by early 2019. Unfortunately, for reasons beyond my control, the sales have been delayed. However, I anticipate they will be concluded sometime this year.

9. At that time, I am more than willing to be fair to Mr. Conetta and return him his principal at a fair rate of interest.
10. Frankly, at the time he prepared the loan agreement and placed in front of me, I was already the recipient of \$490,000 from him. I felt I was powerless to negotiate with him about the interest rate. Given the fact I expected a financial windfall that would dwarf this "loan" and its interest, I felt compelled to sign it.
11. Honestly, the business runs at a virtual deficit and I am constantly having to ask for an infusion of cash from various friends and investors. The actions (or inactions) of Mr. Shaddix have only further put me in a hole, financially and emotionally.
12. As soon as I knew the sale was delayed, I contacted Mr. Conetta and informed him of that fact. He knew that without that sale it was impossible to perform on the contract. I told him I just needed more time. We have maintained open lines of communication and he has always expressed a willingness to work with me, but there is nothing I can do until the sale is finalized.
13. I am aware there may be a problem with the legality of the loan documents and the rate of interest charged. I have read it is possible the loan could be declared as uncollectible, however, I want to repay Mr. Conetta as soon as I am able.
14. I know now the lawsuit was only just filed. To the extent there is any disagreement with my declaration, or if Mr. Conetta is revealed to be licensed to issue high interest loans, I do not have access to that information now and would need to have my attorneys do "discovery" on those facts necessary to establish my position and to show that I have experienced an unforeseen and unexpected change in my circumstances which has rendered my ability to repay the loan at this time impossible (although, in time, it should be very possible).
15. At any rate, I ask the Court to give me time to establish any facts surrounding the legality of the loan, its fairness, the change in circumstances and the options for repayment and to remove form myself and my company this entry of summary judgment.

Signed this 13th day of January, 2020, under penalty of perjury under the laws of the State of Nevada.



JOHN J. MADSEN



OPPS
Peter Dubowsky, Esq.
Nevada Bar No. 4972
DUBOWSKY LAW OFFICE, CHTD.
300 South Fourth Street, Suite 1020
Las Vegas, Nevada 89101
(702) 360-3500
Fax (702) 360-3515
Attorney for Plaintiff

DISTRICT COURT
CLARK COUNTY, NEVADA

JAMES J. CONETTA)	Case No.: A-19-800160-C
)	
Plaintiff,)	Dept No.: XVI
)	
vs.)	
)	
JOHN J. MADSEN aka KLEINSTRUP JORDEN)	Date: March 12, 2020
MADSEN aka JORGEN K. MADSEN aka JOHN)	
J MADISEN aka JORGEN KLEINSTRUP)	Time: 9:30 AM
MADSEN and MYCH 3D, INC., a Florida profit)	
corporation; and DOES I-X and ROE)	
CORPORATIONS I-X, inclusive)	
)	
Defendants)	

OPPOSITION TO DEFENDANTS' MOTION FOR RECONSIDERATION

JAMES J. CONETTA ("Plaintiff") by and through his counsel of record, Peter Dubowsky, Esq. of the DUBOWSKY LAW OFFICE, CHTD. opposes the Motion for Reconsideration filed by Defendants JOHN J. MADSEN ("Madsen") and MYCH 3D, INC. This Opposition is based on these Points and Authorities and all the papers and proceedings had herein.

Dated: February 17, 2020

DUBOWSKY LAW OFFICE, CHTD.

By: /s/Peter Dubowsky
Peter Dubowsky, Esq.
Attorney for Plaintiff

1 **I. SUMMARY OF MOTION**

2 The Motion for Reconsideration is completely without merit.

3 This Opposition will show that the Motion for Reconsideration is untimely, filed well
4 past the 10-day deadline of EDCR 2.24(b). This is sufficient alone to deny the meritless Motion.

5 In addition, the Agreement between the Plaintiff and Defendant is a business/commercial
6 Agreement, not a consumer pay-day loan transaction. Therefore, Chapter 604A has no
7 application to this case. Nevada has no usury law.

8 Finally, the Defendants repeatedly promised to pay the Plaintiff in accordance with their
9 Agreement. Unfortunately, the Defendants scammed Mr. Conetta out of his life-savings. If it
10 were not for the harm that the Defendants caused Mr. Conetta, it would almost be humorous how
11 the Defendants and their attorney scammed Mr. Conetta, stringing him along mercilessly, much
12 as a “deposed Nigerian Prince” would scam his victim.

13 **II. FACTS**

14 1. On or about December 5, 2018, Plaintiff and Defendant Madsen executed an
15 Agreement (the “Agreement”) wherein Plaintiff would invest in Defendant and his company and
16 get his return investment by January 2019. (The Agreement was previously attached as **Exhibit**
17 **“1”** to the Affidavit of Plaintiff James Conetta in Support of Opposition to Defendants’ Motion
18 for Reconsideration (“Summary Judgment Affidavit”)
19

20 2. In accordance with the Agreement, Plaintiff had made contributions of a total
21 investment of \$490,000.00 to Defendants from July 2018 through November 2018. (The
22 investment checks are previously attached as **Exhibit “2”** to the Summary Judgment Affidavit.)

23 3. Pursuant to the Agreement, Defendant Madsen promised to repay Plaintiff 150%
24 of the original \$490,000.00 principal balance, which amount equals \$735,000.00.

25 4. Defendant Madsen promised to pay the \$735,000.00 no later than January 30,
2019.

1 5. After demand for payment on March 7, 2019, Defendant Madsen stated in an e-
2 mail that:

3 However, even though we have agreed, to get repayment back to you prior to this
4 point, we have met several obstacles . . .

5 It is our wish to pay you as quick as possible . . . we are now going to handle this
6 transaction and the repayment which we desire to do as quick as possible through
the attorneys.

7 You have a transaction with us giving you a 50% bonus return on your money, in
8 a short time period, which is a very generous transaction that unfortunately has
9 taken a little longer than originally expected. However, due to your activities, we
10 will now be preparing through my lawyer/counsel a general release once that
general release is executed the money will be transferred to my lawyer's trust
account and then he will make payment to you with a full general release.
(emphasis in original)

11 ...

To be clear it is our desire to pay you pursuant to the agreements that we have
executed, in a timely as possible manner

12 ...

13 I have always thought that you are a good person, I think that you have been a
14 pivotal people point in our ability to get to where we are at today, for which, in
recognizing that this is why you received a generous return because it meant
something special.

15 ...

(Opposition Declaration **Exhibit “3”**)

16 6. On March 8, 2019, Defendant Madsen e-mailed Plaintiff, “[O]nce the general
17 releases issued, we are able to then settle up the accounts.” (Opposition Declaration **Exhibit “4”**)

18 7. On March 27, 2019, Defendant Madsen e-mailed Plaintiff:

19 Thank you for your e-mail, we have moved significant funds . . . I believe we are
20 within days of finishing, my attorney will be contacting you today or tomorrow
to confirm both funding and release.

21 (Opposition Declaration **Exhibit “5”**)

22 8. On March 28, 2019 Defendant Madsen e-mailed Plaintiff:

23 Even though we did have a discussion in my offices 2 ½ weeks ago, we indicated
24 that we should be able to complete everything in two weeks, hopefully having all
the releases and the money and all the other things behind us . . . we are actually
25 able to begin the process of moving monies in estate planning, which allows me
to be able to use money from another venture in order to pay

...

1 Please expect a call from my attorney, he will contact you to confirm the working
 2 out of an immediate general release, as well as getting monies returned to you,
 3 based upon the fact that they should've been returned pursuant to our agreements
 4 with our understanding and time periods accordingly.

5 ...
 6 I don't want you to think that we are not going to make a completed transaction
 7 pursuant to our agreements ...
 8 Rest assured that is our intention to honor what we have committed to. On a
 9 timely an [sic] expedited basis.

10 ...
 11 Look for a call from my attorney shortly, he is been instructed to prepare the
 12 release, he is instructed once the release is been prepared that he will forward the
 13 monies according to our agreements.

14 (Opposition Declaration **Exhibit "6"**)

15 9. On July 20, 2019, the Defendant Madsen acknowledged the contractual
 16 obligation to pay. He wrote:

17 I am using other assets to be able to return the money invested with an [sic] high
 18 rate of return, beyond Usury etc. it's what I agreed to, I will do what I agreed to,

19 As you are aware I made arrangements to have cashier's checks for which my
 20 attorney will be retaining ... your interests in the company are minor ...

21 Through the sale of another asset, I have been able to arrange to repay ...

22 Mr. Shaddix will be the attorney handling it, he will draft up the general releases
 23 I've told him to expedite it, so that the cashier's checks can be released to you ...
 24 we all acknowledge that that this is taken far longer than originally expected ...

25 I get you would like to have your money repaid, and I would like to repay it to
 you ... I'm using funds outside of memories you can hold to repay you.

(Opposition Declaration **Exhibit "7"**)

10. On July 22, 2019, Thomas Shaddix e-mailed Plaintiff and Defendant and
 promised to get releases for payment stating, "I will address thilede [sic] matters immediately."

(Opposition Declaration **Exhibit "7"**)

11. On July 23, 2019, Thomas Shaddix responded to both Plaintiff and Defendant
 that he is drafting releases "in short order" for payment to Plaintiff. (Opposition Declaration
Exhibit "8")

1 12. On July 24, 2019, the Plaintiff followed up in an e-mail to Shaddix and Madsen.
2 (Opposition Declaration **Exhibit “9”**)

3 13. On July 29, 2019, Shaddix responded, “Rest assured that I will continue to work
4 on the perfecting releases in the meantime and I appreciate your continued patience.” (Opposition
5 Declaration **Exhibit “9”**)

6 14. On July 30, 2019, Shaddix again stated, “I . . . will follow up with you daily
7 whether I have been able to make progress on the releases or not . . .” (Opposition Declaration
8 **Exhibit “9”**)

9 15. Later that day, Defendant Madsen e-mailed Plaintiff and Shaddix, “You are
10 receiving a significant amount of money in return approximately 100% return on your money . .
11 .” (Opposition Declaration **Exhibit “10”**)

12 16. On September 12, 2019, “Just so we’re straight, when all the stuff blew up I
13 deposited those cashiers checks back in the bank . . .” Madsen then responded, “I intend to do
14 the right thing, which includes repayment, the money is not gone it got deposited in the bank.”
15 (Opposition Declaration **Exhibit “11”**)

16 17. On November 14, 2019, Defendant texted, “[J]ust so you know settlement
17 documents are being prepared they should be forwarded to your attorney by Tuesday Wednesday
18 at the latest and then we will be prepared to settle.” (Opposition Declaration **Exhibit “12”**)

19 18. There was no communication of any kind from Defendant to Plaintiff’s counsel.
20

21 19. On December 4, 2019, Madsen texted to Plaintiff, “Hey Jim Conetta the plans the
22 same I’m just waiting for paperwork.” (Opposition Declaration **Exhibit “13”**)

23 20. On December 15, 2019, Madsen texted, “Jim it’s Sunday night 9 o’clock . . . you
24 keep telling me I’m not going to pay you if that’s what you want I will pay you.” (Opposition
25 Declaration **Exhibit “14”**)

1 III. THE MOTION FOR RECONSIDERATION IS UNTIMELY.

2 The Motion for Reconsideration is untimely, beyond the 10-day deadline. Pursuant to
 3 EDCR 2.24(b), a motion to reconsider must be filed within 10 days. The Notice of Entry of
 4 Judgment was served on December 20, 2019. This Motion for Reconsideration was filed on
 5 January 14, 2020. According to the Nevada Supreme Court, a post-judgment motion for
 6 reconsideration must still be filed within 10 days (even if it elevated to a Rule 59(e) motion to
 7 alter or amend a judgment and toll the time to appeal). AA Primo Builders, LLC v. Wash., 126
 8 Nev. 578 (2010)

9 IV. STANDARD OF RECONSIDERATION

10 A district court may reconsider a previously decided issue if substantially different
 11 evidence is subsequently introduced or if the prior decision was clearly erroneous. Masonry &
 12 Tile v. Jolley, Urga & Wirth, 113 Nev. 737, 741 (1997); “Only in very rare instances in which
 13 new issues of fact or law are raised supporting a ruling contrary to the ruling already reached
 14 should a motion for rehearing be granted.” Moore v. City of Las Vegas, 92 Nev. 402, 404 (1976).
 15 Points or contentions not raised in the first instance cannot be maintained or considered on
 16 rehearing. Achrem v. Expressway Plaza, Ltd., 112 Nev. 737, 742 (1996). Further, a motion for
 17 reconsideration should not be granted, absent highly unusual circumstances, unless the district
 18 court is presented with newly discovered evidence, committed clear error, or if there is an
 19 intervening change in the controlling law. Kona Enterprises, Inc. v. Estate of Bishop, 229 F.3d
 20 877, 890 (9th Cir. 2000). There is nothing in the Motion for Reconsideration that warrants
 21 reconsideration of this Court’s properly granted Motion for Summary Judgment.

22 V. SUMMARY JUDGMENT EVIDENCE WAS ADMISSIBLE

23 The Defendants’ argument that the Motion for Summary Judgment presented “no
 24 admissible evidence” is completely without merit. Pursuant to N.R.S. 52.025, “The testimony
 25

1 of a witness is sufficient for authentication or identification if the witness has personal knowledge
 2 that a matter is what it is claimed to be.” All the evidence Plaintiff attached in his declaration in
 3 support of the Motion for Summary Judgment was admissible and properly authenticated by the
 4 Plaintiff. The Plaintiff has personal knowledge, and he properly authenticated and identified the
 5 signed Agreement and the checks he paid the Defendants in performance of the Agreement. The
 6 Defendants did not rebut the Plaintiff’s authentication of the documents. The Motion does not
 7 articulate how the business records are not allegedly admissible. Accordingly, the Motion for
 8 Summary Judgment was properly supported under N.R.C.P. 56(c)(4) and there is no issue as to
 9 admissibility. The Affidavit was properly signed pursuant to N.R.S. 53.045, which states:

10 Any matter whose existence or truth may be established by an affidavit . . . may
 11 be established with the same effect by an unsworn declaration of its existence or
 12 truth signed by the declarant under penalty of perjury, and dated, in substantially
 13 the following form: . . . (2) . . . if executed outside this State: “I declare under
 penalty of perjury under the law of the State of Nevada that the foregoing is true
 and correct.

14 The Motion for Summary Judgment and its Affidavit contained admissible evidence of the
 15 Agreement, and were in proper form.

16 VI. CHAPTER 604A. DOES NOT APPLY TO THIS BUSINESS AGREEMENT

17 The Definition of “High-interest loan” expressly excludes business and commercial
 18 agreements, such as this Agreement between Plaintiff and Defendants. Pursuant to NRS
 19 604A.0703(2) “[High-interest loan includes, without limitation, any single-payment loan . . . for
 20 a purpose other than a business, commercial . . . purpose . . .” (emphasis added) “Nevada does
 21 not have a usury law, so there is no statutory cap on interest rates.” State Dep’t of Bus. & Indus.,
 22 Fin. Insts. Div. v. Check City P’ship, LLC, 130 Nev. Adv. Op. 90 (Nev. 2014) (emphasis added)
 23 Further, “The Nevada Legislature adopted NRS Chapter 604A in an effort to protect Nevada
 24 consumers . . .” Nev. Dep’t of Bus. & Indus. v. TitleMax of Nev., Inc. 135 Nev. Adv. Op. 44
 25 (2019) (emphasis added)

VII. THE “DOCTRINE OF CHANGED CIRCUMSTANCES” DOES NOT APPLY

The customized Agreement between Plaintiff and Defendants was freely bargained-for between Mr. Conetta and the Defendants, one of whom is a wily businessperson. It is not an adhesion contract by definition. “This court has defined an adhesion contract as “a standardized contract form offered to consumers ... on a ‘take it or leave it’ basis, without affording the consumer a realistic opportunity to bargain.”” Burch v. Dist. Ct., 118 Nev. 438, (2002) This was not a “standardized contract form” but a freely negotiated business Agreement between two business people for business purposes.

The cases cited by the Defendants do not support their argument of “doctrine of changed circumstances” and the doctrine has no application to this Agreement. As stated in Coury v. Robison, 115 Nev. 84 (1999):

The doctrine of changed conditions operates to prevent the perpetuation of inequitable and oppressive restrictions on land use and development that would merely harass or injure one party without benefiting the other.... [It] is an equitable doctrine which stays enforcement of unreasonably burdensome restrictions on land use, notwithstanding an agreement between the parties specifying the intended duration of the restrictions.

There are no “changed circumstances.” The Defendants have been promising payment to Mr. Conetta for almost a year, without any protest of “changed circumstances.” Defendants cite to both Las Vegas Metro. Police Dep’t v. Coregis Ins. Co., 127 Nev. 548 (2011) and Benchmark Ins. Co. v. Sparks, 254 P.3d 617, 127 Nev. Adv. Op. 33 (Nev. 2011), which are both about interpreting an insurance policy. The cases have no application to the Defendants’ breach of contract.

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CONCLUSION

Based on the foregoing, Plaintiff respectfully requests that the Defendants' Motion for Reconsideration be denied.

Dated: February 17, 2020

DUBOWSKY LAW OFFICE, CHTD.

By: /s/Peter Dubowsky
Peter Dubowsky, Esq.
Nevada Bar No. 4972
300 South Fourth Street
Suite 1020
Las Vegas, Nevada 89101
(702) 360-3500
Fax (702) 360-3515
Attorney for Plaintiff

CERTIFICATE OF SERVICE

Pursuant to N.R.C.P 5(b), I hereby certify that on the 18th day of February 2020, I served a true and correct copy of the foregoing OPPOSITION TO DEFENDANTS' MOTION FOR RECONSIDERATION and DECLARATON IN SUPPORT OF OPPOSITION TO DEFENDANTS' MOTION FOR RECONSIDERATION upon those persons designated by the parties in the E-Service Master List for the above-referenced matter in the Eighth Judicial District Court eFiling System in accordance with the mandatory electronic service requirements of Administrative Order 14-2 and the Nevada Electronic Filing Conversion Rules:

Peter M. Angulo, Esq.
Attorney for Defendants

/s/William Thompson
An employee of Dubowsky Law Office, Chtd.

Location : District Court Civil/Criminal [Help](#)

James Conetta, Plaintiff(s) vs. John Madsen, Defendant(s)

www.pearsoned.com

Case Type: **Other Contract**
Date Filed: **08/13/2019**
Location: **Department 16**
Cross-Reference Case Number: **A800160**

PARTY INFORMATION

Defendant	Madsen, John J. <i>Also Known As</i> Madisen, John J. <i>Also Known As</i> Madsen, Jorgen K. <i>Also Known As</i> Madsen, Jorgen Kleinstrup. <i>Also Known As</i> Madsen, Kleinstrup Jorden	Lead Attorneys Cory J. Hilton <i>Retained</i> 7023848000(W)
Defendant	Mych 3D Inc	Cory J. Hilton <i>Retained</i> 7023848000(W)
Plaintiff	Conetta, James J	Peter Dubowsky <i>Retained</i> 7023603500(W)

EVENTS & ORDERS OF THE COURT

DISPOSITIONS

12/20/2019 **Summary Judgment** (Judicial Officer: Williams, Timothy C.)
Debtors: John J Madsen (Defendant), Mych 3D Inc (Defendant)
Creditors: James J Conetta (Plaintiff)
Judgment: 12/20/2019, Docketed: 12/23/2019
Total Judgment: 782,298.99

OTHER EVENTS AND HEARINGS

08/13/2019	Complaint <i>Complaint</i>
08/13/2019	Summons Electronically Issued - Service Pending <i>Summons</i>
09/16/2019	Notice of Intent to Take Default <i>Notice of Intent to Take Default</i>
09/17/2019	Affidavit of Service <i>Affidavit of Service</i>
09/17/2019	Affidavit of Service <i>Affidavit of Service</i>
09/17/2019	Notice of Intent to Take Default <i>Notice of Intent to Take Default</i>
10/11/2019	Affidavit of Service <i>Affidavit of Service</i>
10/11/2019	Affidavit of Service <i>Affidavit of Service</i>
10/11/2019	Motion for Summary Judgment <i>Motion for Summary Judgment</i>
10/11/2019	Motion for Summary Judgment
10/11/2019	Affidavit in Support <i>Affidavit in Support of Motion for Summary Judgment</i>
10/11/2019	Affidavit in Support <i>Affidavit in Support of Motion for Summary Judgment</i>
10/11/2019	Clerk's Notice of Hearing <i>Notice of Hearing</i>
12/10/2019	Motion for Summary Judgment (9:30 AM) (Judicial Officer Williams, Timothy C.) <i>Plaintiff's Motion for Summary Judgment</i> Parties Present Minutes
	Result: Motion Granted
12/10/2019	CANCELED Motion for Summary Judgment (9:30 AM) (Judicial Officer Williams, Timothy C.) <i>Vacated - Duplicate Entry</i> <i>Plaintiff's Motion for Summary Judgment</i>
12/20/2019	Order Granting Summary Judgment <i>Order and Judgment Granting Plaintiff's Motion for Summary Judgment</i>
12/20/2019	Notice of Entry of Order <i>Notice of Entry of Order</i>
01/14/2020	Motion to Reconsider <i>Motion for Reconsideration of Order Granting Summary Judgment</i>
01/14/2020	Initial Appearance Fee Disclosure <i>Initial Appearance Fee Disclosure</i>
01/14/2020	Clerk's Notice of Hearing <i>Notice of Hearing</i>
02/05/2020	Stipulation <i>Stipulation and Order to Extend Opposition Deadline and Continue Hearing on Defendants' Motion for Reconsideration</i>
02/05/2020	Notice of Entry of Order <i>Notice of Entry of Order</i>
02/05/2020	Notice of Entry of Order <i>Notice of Entry of Order</i>
02/06/2020	Motion to Withdraw As Counsel <i>Emergency Motion to Withdraw as Counsel of Record</i>

02/18/2020 **Motion to Withdraw as Counsel** (9:00 AM) (Judicial Officer Williams, Timothy C.)
Emergency Motion to Withdraw as Counsel of Record
[Parties Present](#)
[Minutes](#)
 Result: Motion Granted

02/18/2020 **Opposition to Motion**
Opposition to Defendant's Motion for Reconsideration

02/18/2020 **Declaration**
Declaration in Support of Opposition to Defendants' Motion for Reconsideration

02/27/2020 **Order Granting**
Order Granting Withdrawal of Counsel as Attorney of Record

02/28/2020 **Notice of Entry of Order**
Notice of Entry of Order

03/12/2020 **Motion For Reconsideration** (9:30 AM) (Judicial Officer Williams, Timothy C.)
Defendant Motion for Reconsideration of Order Granting Summary Judgment
[Parties Present](#)
[Minutes](#)
02/18/2020 Reset by Court to 03/12/2020
03/12/2020 Reset by Court to 03/12/2020
 Result: Motion Denied

03/23/2020 **Order Denying Motion**
Order Denying Defendants' Motion for Reconsideration of Order Granting Summary Judgment

03/23/2020 **Notice of Entry of Order**
Notice of Entry of Order

FINANCIAL INFORMATION

	Defendant Madsen, John J		
	Total Financial Assessment		253.00
	Total Payments and Credits		253.00
	Balance Due as of 07/21/2020		0.00
01/14/2020	Transaction Assessment		253.00
01/14/2020	Efile Payment	Receipt # 2020-02445-CCCLK	(253.00)
		Madsen, John J	
	Plaintiff Conetta, James J		
	Total Financial Assessment		475.00
	Total Payments and Credits		475.00
	Balance Due as of 07/21/2020		0.00
08/13/2019	Transaction Assessment		270.00
08/13/2019	Efile Payment		(270.00)
10/11/2019	Transaction Assessment		200.00
10/11/2019	Efile Payment	Receipt # 2019-62171-CCCLK	(200.00)
12/31/2019	Transaction Assessment		5.00
12/31/2019	Payment (Window)	Receipt # 2019-77550-CCCLK	(5.00)
		Conetta, James J.	
		Conetta, James J	
		Dubowsky Law Office	

James Conetta, Plaintiff(s) vs. John Madsen, Defendant(s)

www.ck12.org

Case Type: **Other Contract**
Date Filed: **08/13/2019**
Location: **Department 16**
Cross-Reference Case Number: **A800160**

PARTY INFORMATION

Defendant	Madsen, John J. <i>Also Known As</i> Madisen, John J. <i>Also Known As</i> Madsen, Jorgen K. <i>Also Known As</i> Madsen, Jorgen Kleinstrup. <i>Also Known As</i> Madsen, Kleinstrup Jorden	Lead Attorneys Cory J Hilton <i>Retained</i> 7023848000(W)
Defendant	Mych 3D Inc	Cory J Hilton <i>Retained</i> 7023848000(W)
Plaintiff	Conetta, James J	Peter Dubowsky <i>Retained</i> 7023603500(W)

EVENTS & ORDERS OF THE COURT

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 Debtors: John J Madsen (Defendant), Mych 3D Inc (Defendant)
 Creditors: James J Conetta (Plaintiff)
 Judgment: 12/20/2019, Docketed: 12/23/2019
 Total Judgment: 782,298.99

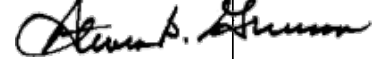
OTHER EVENTS AND HEARINGS

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08/13/2019	Summons Electronically Issued - Service Pending <i>Summons</i>
09/16/2019	Notice of Intent to Take Default <i>Notice of Intent to Take Default</i>
09/17/2019	Affidavit of Service <i>Affidavit of Service</i>
09/17/2019	Affidavit of Service <i>Affidavit of Service</i>
09/17/2019	Notice of Intent to Take Default <i>Notice of Intent to Take Default</i>
10/11/2019	Affidavit of Service <i>Affidavit of Service</i>
10/11/2019	Affidavit of Service <i>Affidavit of Service</i>
10/11/2019	Motion for Summary Judgment <i>Motion for Summary Judgment</i>
10/11/2019	Motion for Summary Judgment
10/11/2019	Affidavit in Support <i>Affidavit in Support of Motion for Summary Judgment</i>
10/11/2019	Affidavit in Support <i>Affidavit in Support of Motion for Summary Judgment</i>
10/11/2019	Clerk's Notice of Hearing <i>Notice of Hearing</i>
12/10/2019	Motion for Summary Judgment (9:30 AM) (Judicial Officer Williams, Timothy C.) <i>Plaintiff's Motion for Summary Judgment</i> Parties Present Minutes
	Result: Motion Granted
12/10/2019	CANCELED Motion for Summary Judgment (9:30 AM) (Judicial Officer Williams, Timothy C.) <i>Vacated - Duplicate Entry</i> <i>Plaintiff's Motion for Summary Judgment</i>
12/20/2019	Order Granting Summary Judgment <i>Order and Judgment Granting Plaintiff's Motion for Summary Judgment</i>
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02/05/2020	Stipulation <i>Stipulation and Order to Extend Opposition Deadline and Continue Hearing on Defendants' Motion for Reconsideration</i>
02/05/2020	Notice of Entry of Order <i>Notice of Entry of Order</i>
02/05/2020	Notice of Entry of Order <i>Notice of Entry of Order</i>
02/06/2020	Motion to Withdraw As Counsel <i>Emergency Motion to Withdraw as Counsel of Record</i>

02/18/2020 **Motion to Withdraw as Counsel** (9:00 AM) (Judicial Officer Williams, Timothy C.)
Emergency Motion to Withdraw as Counsel of Record
[Parties Present](#)
[Minutes](#)
 Result: Motion Granted
 02/18/2020 **Opposition to Motion**
Opposition to Defendant's Motion for Reconsideration
 02/18/2020 **Declaration**
Declaration in Support of Opposition to Defendants' Motion for Reconsideration
 03/12/2020 **Motion For Reconsideration** (9:30 AM) (Judicial Officer Williams, Timothy C.)
Defendant Motion for Reconsideration of Order Granting Summary Judgment
 02/18/2020 Reset by Court to 03/12/2020
 03/12/2020 Reset by Court to 03/12/2020

FINANCIAL INFORMATION

	Defendant Madsen, John J		
	Total Financial Assessment		253.00
	Total Payments and Credits		253.00
	Balance Due as of 02/26/2020		0.00
01/14/2020	Transaction Assessment		253.00
01/14/2020	Efile Payment	Receipt # 2020-02445-CCCLK	(253.00)
		Madsen, John J	
	Plaintiff Conetta, James J		
	Total Financial Assessment		475.00
	Total Payments and Credits		475.00
	Balance Due as of 02/26/2020		0.00
08/13/2019	Transaction Assessment		270.00
08/13/2019	Efile Payment	Receipt # 2019-49619-CCCLK	(270.00)
10/11/2019	Transaction Assessment		200.00
10/11/2019	Efile Payment	Receipt # 2019-62171-CCCLK	(200.00)
12/31/2019	Transaction Assessment		5.00
12/31/2019	Payment (Window)	Receipt # 2019-77550-CCCLK	(5.00)
		Dubowsky Law Office	



CASE NO: A-20-808391-C
Department 2

COMP
CORY J. HILTON, ESQ.
Nevada Bar No. 4290
PETER M. ANGULO, ESQ.
Nevada Bar No. 3672
LAW OFFICE OF CORY J. HILTON
5545 S. Mountain Vista St. Ste. F
Las Vegas, NV 89120
Tel: (702) 384-8000
Fax: (702) 384-8200
Attorneys for Plaintiffs

DISTRICT COURT

CLARK COUNTY, NEVADA

JOHN J. MADSEN, individually, and MYCH 3-D, INC., a
Florida Corporation

Plaintiffs,

vs.

THOMAS S. SHADDIX, an individual, RENEE BROWN,
an individual, THE LAW OFFICES OF THOMAS S.
SHADDIX, ESQ., and DOES I through X, and ROE
CORPORATIONS I through X, inclusive,

Defendants.

Case No.:
Dept. No.:

COMPLAINT

COMES NOW, Plaintiffs, by and through their attorneys of record, CORY J. HILTON, ESQ., of the LAW
OFFICE OF CORY J. HILTON, and hereby complains and alleges as follows:

I. GENERAL ALLEGATIONS AND JURISDICTION

1. That all times mentioned herein, Plaintiff JOHN J. MADSEN was and is a
resident of Clark County, Nevada.
2. That at all times relevant herein, Plaintiff MYCH 3-D, Inc. was and is a corporate
entity incorporated under the laws of the State of Florida with a registered
business address 4616 West Sahara Ave., Suite 415, Las Vegas, Nevada 89102
and doing business within the State of Nevada.
3. That at all times mentioned herein, upon information and belief, Defendant,
THOMAS S. SHADDIX ("SHADDIX"), was and is a resident of Clark County
4. That at all times relevant herein, Defendant THE LAW OFFICES OF THOMAS
S. SHADDIX, ESQ. was represented as being a company organized and existing

COMPLAINT - 1

1 in Nevada with offices located at 6166 S. Sandhill Rd. #146, Las Vegas, NV
2 89120.

3
4 5. That at all times mentioned herein, RENEE BROWN ("BROWN") was a resident
5 of Clark County, Nevada.

6
7 6. That, pursuant to NRCP 10(a), the identities of the Defendants, DOES I through
8 X and ROE CORPORATIONS I through X, are unknown at this time and may be
9 individuals, partnerships, companies, corporations, or other entity. Plaintiffs
10 alleges that each Defendant designated herein as DOE or ROE CORPORATIONS
11 are responsible in some manner for the damages alleged herein. Therefore,
12 Plaintiffs request leave of the Court to amend this Complaint to name the
13 Defendants specifically when their true identities become known.

14
15 7. That all the facts and circumstances giving rise to the subject lawsuit occurred in
16 the State of Nevada, County of Clark, and accordingly the Eighth Judicial District
17 Court, Clark County, Nevada is the proper forum and venue for this matter.

18
19 **II. FACTUAL ALLEGATIONS**

20
21 8. MYCH 3-D, INC. operates a business which makes customized 3-dimensional
22 statues originating from photographs, drawings, paintings, or other 2-dimensional
23 media. The statues created can vary from miniature renditions to life-sized
24 projects. It currently sells its products on-line and in a physical store located at
25 the Galleria Mall in Henderson, NV under the company name "Memories You
26 Can Hold."

27
28 9. JOHN J. MADSEN is the creator of this process and the primary stockholder in
the business. He has several patents currently pending which are worth multiple
millions of dollars. Until those patents have fully cleared, however, the business
currently operates in a deficit position—requiring Mr. Madsen to borrow money
from a number of different sources.

COMPLAINT - 2

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10. MYCH 3-D, INC. has one other shareholder/investor—George Johnsen—who owns a minority interest in the outstanding stock.
 11. In June of 2019, Mr. MADSEN was dealing with several issues which required legal assistance. Accordingly, on or about June 24, 2019, Plaintiffs retained Defendants to provide those general legal services.
 12. The written retainer agreement indicated Defendants were to charge \$250/hr for handling “general legal matters.” An initial retainer of \$2,500.00 was required. Bills would mailed “bi-monthly thereafter on the 1st and 15th of each month.” Any alterations to this agreement by Defendants was required to be done in writing.
 13. In the initial stages of the attorney-client relationship, it appeared that matters were being handled efficiently. However, over time, the relationship began to change as Defendants sought to inculcate themselves further into the business operations.
 14. Shortly after the relationship began, SHADDIX approached Mr. Madsen and asked is SHADDIX’ girlfriend, BROWN, could be engaged at the store, covering for missing employees or otherwise assisting. Plaintiffs were informed she would not be an employee and was not to be paid; he simply wanted something for her to do to keep herself occupied.
 15. Plaintiffs consented to this arrangement. After several months, and a move of the business to the Galleria Mall, Plaintiffs became aware BROWN was self-identifying her position to others as being the company’s “General Manager.” At no time was Ms. BROWN ever on the business’ payroll nor was she ever promoted or designated as a supervisor for the business. Further, at no time did she ever actually operate as a general manager of the business.

COMPLAINT - 3

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16. In fact, BROWN caused Plaintiffs to incur financial loss. For example, the Galleria Mall requires its tenants open their doors by a given time. The failure to do so would result in a \$500.00 fine levied against the business. On multiple occasions, BROWN would promise she would be at the store to timely open it and then would fail to show up as promised to open the store.
17. Over the same general time, SHADDIX would show up at the business to fill in for absent employees. He assured Mr. MADSEN he was doing this as a "friend" and there was no legal charge or employment compensation due for this assistance. SHADDIX asked for, and received, permission to use Mr. MADSEN's personal computer while at the store so he could perform his legal work for his firm remotely.
18. It is alleged that, unbeknownst to Mr. MADSEN, SHADDIX used this opportunity to gather personal information about Mr. MADSEN, including his personal contacts list/address book and also trade secrets, intellectual property and other proprietary information belonging to Mr. MADSEN and the company for his own personal use.
19. During the relevant time, Plaintiffs paid over \$6,300.00 to Defendants, in cash, for legal services allegedly being rendered. In addition, Plaintiffs gave SHADDIX \$1,600.00 on October 29, 2019, to help him avoid being evicted from his personal residence for unpaid rents. At other times, if Plaintiffs had extra money, they would do personal things for SHADDIX and BROWN, such as taking them out to lunch or dinner or allow them to borrow vehicles belonging to Mr. MADSEN.
20. In the second week of September, 2019, after MYCH 3-D had moved its store to the Galleria Mall in Henderson, Nevada, some issues with chargebacks and refunds arose which resulted in a negative balance on the company's Square

COMPLAINT - 4

1 credit card account (which was used for processing customer credit card
2 purchases) of \$1,600.00. SHADDIX offered to have the credit cards run through
3 his trust account until there were sufficient funds to pay off the negative
4 balance—at which time the company would return to using Square. During this
5 time, all customer receipts were printed on invoices from "Ticket Defenders".
6 (SHADDIX' law firm).
7

8 21. Repeatedly, while SHADDIX had control of these sales funds, Mr. MADSEN
9 would ask for an accounting of those monies from SHADDIX, but it was never
10 provided.
11

12 22. At some time while the company was operating out of the Galleria Mall location,
13 BROWN apparently spent some time trying to copy Mr. MADSEN's signature
14 for forgery purposes.
15

16 23. In August of 2019, Plaintiffs operated its business in a space at the Fashion Show
17 Mall in Las Vegas. Due to a number of thefts, vandalism, and problems with
18 various Mall employees, Plaintiffs determined to leave that location and move to
19 the Galleria Mall. This move was occasioned with the approval by SHADDIX
20 that it was appropriate. SHADDIX was also tasked with the responsibility of
21 reporting and handling all the problems experienced at the Mall.
22

23 24. In October of 2019, a Motion for Summary Judgment was filed against Mr.
24 MADSEN in District Court case No. A-19-800160-C. Despite the fact valid
25 defenses were available to Mr. MADSEN in that case, SHADDIX failed to file
26 any Opposition thereto and judgment in excess of \$750,000.00 was consequently
27 entered against Mr. MADSEN.
28

29 25. On December 10, 2019, Mr. MADSEN, aware SHADDIX' trust account was
30 holding over \$9,100.00 of company funds from various sales, requested
31 SHADDIX release sufficient funds to pay for December's Galleria Mall rent
32

COMPLAINT - 5

1 (\$#,000.00) and also to pay the art department in India (Suhail) \$1,000.00 so they
2 could finish processing several orders for figurines.

3
4 26. SHADDIX initially responded he was intending to use that money to get back
5 into his home. When pressed on this, he claimed there was a problem because his
6 bank accounts and his PayPal accounts were "frozen" for fraudulent activity so
7 the money could not be accessed.

8 27. Promises were made by SHADDIX of providing these funds, but they have never
9 been provided.

10 28. On December 12, 2019, Plaintiffs and SHADDIX attended a business meeting at
11 Madame Tussauds Wax Museums regarding a potentially lucrative business
12 arrangement with Plaintiffs and that entity. After the meeting, SHADDIX again
13 promised to give back the money, but never did.

14 29. Shortly thereafter, SHADDIX and/or BROWN began contacting Plaintiff's
15 investors/potential investors/business associates, making defamatory statements
16 against Plaintiffs and imputing they were involved in criminal activity, were liars
17 and frauds, and had misappropriated company funds—among other allegations.

18 30. On or about Saturday, December 14, 2019, SHADDIX and BROWN showed up
19 at the Galleria Mall store. SHADDIX and Mr. MADSEN went over the
20 accounting records in Mr. MADSEN's possession and agreed on the amount that
21 should have been in the trust account. Mr. MADSEN offered to forgive \$5,100.00
22 of the deficit if SHADDIX would give him the \$\$,000.00 needed for rent and to
23 pay Suhail. SHADDIX claimed everything was still tied up in PayPal.

24 31. In that meeting, BROWN asserted she was the general manager for Plaintiffs and
25 was at the store "24-7." She was informed that was not true; she then claimed she
26 "quit."
27

28
COMPLAINT - 6

- 1 32. Multiple requests were made by Plaintiffs (and multiple promises were received
2 from SHADDIX) for an accounting of this trust account. However, one has never
3 been submitted.
4
- 5 33. On or about December 14, 2019, Plaintiffs spoke with a potential business
6 partner/investor who had been present at the Madame Tussauds meeting. He
7 indicated he had been contacted by SHADDIX and others whom SHADDIX had
8 also contacted making defamatory comments which caused him to re-think the
9 terms, conditions and even the possibility of the business relationship. These
10 changes will severely impact Plaintiffs' profitability and ongoing viability.
11
- 12 34. SHADDIX also went to a business associate of Plaintiffs, Brian Beck and told
13 him untruths about Plaintiffs which also impacted his trust and confidence in
14 them.
15
- 16 35. SHADDIX further contacted friends and other investors in Plaintiffs' business
17 operation to tell them untruths and misrepresentations about Plaintiffs in an
18 attempt to injure Plaintiffs personally and financially.
19
- 20 36. In October of 2019, SHADDIX and BROWN borrowed a truck belonging to
21 Plaintiffs which SHADDIX subsequently damaged while driving. To date,
22 SHADDIX has not repaired the damage nor paid for the cost of its repair.
23
- 24 37. SHADDIX and/or BROWN have also gone to persons with whom Plaintiffs have
25 been involved in litigation and offered to assist them in gaining an advantage over
26 Plaintiffs. SHADDIX has also contacted the Fashion Show Mall and encouraged
27 them to bring a lawsuit against Plaintiffs for their leaving that facility in 2019.
28
38. SHADDIX and/or BROWN have engaged in hate speech directed to Mr.
MADSEN based on his sexual orientation.
39. SHADDIX and/or BROWN have harassed (and continue to harass) Plaintiffs by
phone calls, emails and text which are demeaning and threatening. Indeed Mr.

COMPLAINT - 7

1 MADSEN has become concerned for his physical safety based on these
2 communications.

3
4 40. SHADDIX and/or BROWN have contacted intentionally contacted Mr.
5 MADSEN's present landlord and his future potential landlord to allegedly inform
6 them about the type of person to whom they are either currently renting or
7 potentially renting.

8 41. SHADDIX has used personal information belonging to Mr. MADSEN to reach
9 and contact individuals with whom SHADDIX would have no other contact
10 solely to disparage and attack Plaintiffs.

11 42. SHADDIX has repeatedly expressed his intent in doing all this is to "burn"
12 Plaintiffs "to the ground" and ensure they will never be able to do business again.

13 43. BROWN has falsely held herself out to members of the public as being the only
14 "Owner" of MYCH 3-D. Inc. and has represented the figurines created are hers to
15 sell.

16 44. SHADDIX has indicated he now possesses sufficient knowledge on Plaintiff's
17 intellectual property and processes to start a new and competing business—which
18 information he gained only while operating as legal counsel for Plaintiffs.

19 45. The actions of SHADDIX and BROWN have caused a negative financial impact
20 to Plaintiffs as well as emotional distress and anguish. It has resulted in a tangible
21 sullyng of their reputations and cast them in a false light in this community.

22 Accordingly, Plaintiffs have had to retain the services of legal counsel to
23 prosecute this matter.

24 **FIRST CLAIM FOR RELIEF**

25 *(DEFAMATION)*

26 46. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
27 paragraphs 1 through 45 as though fully set forth herein.

- 1 47. Defendants have engaged in publishing false statements which were intended to
2 lower Plaintiffs in the estimation of the community, excite derogatory opinions
3 about them, or hold them up to contempt and which, in their entirety and in
4 context were susceptible of a defamatory meaning.
5
6 48. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
7 and will continue to suffer damages in an amount in excess of FIFTEEN
8 THOUSAND DOLLARS (\$15,000.00).
9
10 49. As a further and direct proximate result, Plaintiffs were forced to retain an
11 attorney to prosecute the instant action, incurring attorney's fees and costs and is
12 therefore entitled to same from Defendants in prosecuting this action.

13 **SECOND CLAIM FOR RELIEF**

14 *(CONVERSION)*

- 15 50. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
16 paragraphs 1 through 49 as though fully set forth herein.
17
18 51. Defendants' actions as alleged have converted possessions belonging to Plaintiffs
19 for their own personal use and, in the process, have deprived (or sought to
20 deprive) Plaintiffs of their full use, possession, benefit and enjoyment.
21
22 52. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
23 and will continue to suffer damages in an amount in excess of FIFTEEN
24 THOUSAND DOLLARS (\$15,000.00).
25
26 53. As a further and direct proximate result, Plaintiffs were forced to retain an
27 attorney to prosecute the instant action, incurring attorney's fees and costs and is
28 therefore entitled to same from Defendants in prosecuting this action.

THIRD CLAIM FOR RELIEF

(BREACH OF CONTRACT)

- 1 54. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
2 paragraphs 1 through 53 as though fully set forth herein.
- 3 55. Plaintiffs had a valid written contract with SHADDIX regarding the provision of
4 legal services. The actions by SHADDIX violated the terms and conditions of
5 that contract.
- 6 56. Furthermore, SHADDIX failed to provide proper legal advice to Plaintiffs and
7 failed to protect them from summary judgment by failing, without reason, to file
8 an Opposition to a pending Motion for Summary Judgement.
- 9 57. Despite never sending Plaintiffs a bill for his legal services, as he was required to
10 do, SHADDIX nevertheless received payment in cash and other considerations,
11 for the legal services he was supposed to be performing.
- 12 58. Such acts, either intentionally or negligently, constitute malpractice and a breach
13 of his contractual obligations to Plaintiffs.
- 14 59. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
15 and will continue to suffer damages in an amount in excess of FIFTEEN
16 THOUSAND DOLLARS (\$15,000.00).
- 17 60. As a further and direct proximate result, Plaintiffs were forced to retain an
18 attorney to prosecute the instant action, incurring attorney's fees and costs and is
19 therefore entitled to same from Defendants in prosecuting this action.

20
21 **FOURTH CLAIM FOR RELIEF**

22 *(INVASION OF PRIVACY)*

- 23 61. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
24 paragraphs 1 through 60 as though fully set forth herein.
- 25 62. Defendants have intentionally acted to invade Plaintiffs' private information and
26 have attempted to sue it to their personal advantage without the permission or
27 foreknowledge of Plaintiffs.
- 28

COMPLAINT - 10

1 63. Such actions have resulted in angst among Plaintiffs and has negatively impacted
2 interpersonal relationships between Plaintiffs and others.

3 64. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
4 and will continue to suffer damages in an amount in excess of FIFTEEN
5 THOUSAND DOLLARS (\$15,000.00).

6 65. As a further and direct proximate result, Plaintiffs were forced to retain an
7 attorney to prosecute the instant action, incurring attorney's fees and costs and is
8 therefore entitled to same from Defendants in prosecuting this action.

9
10 **FIFTH CLAIM FOR RELIEF**

11 *(BREACH OF FIDUCIARY DUTY)*

12 66. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
13 paragraphs 1 through 45 as though fully set forth herein.

14 67. SHADDIX had a fiduciary responsibility to act in accord with established canons
15 and ethics governing the practice of law including, but not limited to, maintaining
16 and attorney-client confidentiality; not using information gained in the course of
17 representation for his personal advantage or to the disadvantage of his client (or
18 former client); to not engage in business activities without following very strict
19 ethical constraints; and to act with fidelity and integrity to the best interests of his
20 client.

21 68. The alleged actions by SHADDIX failed to meet these established and recognized
22 duties, among others, and have constituted a breach of those obligations.

23 69. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
24 and will continue to suffer damages in an amount in excess of FIFTEEN
25 THOUSAND DOLLARS (\$15,000.00).

1 70. As a further and direct proximate result, Plaintiffs were forced to retain an
2 attorney to prosecute the instant action, incurring attorney's fees and costs and is
3 therefore entitled to same from Defendants in prosecuting this action.
4

5 **SIXTH CLAIM FOR RELIEF**

6 *(INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS)*

7 71. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
8 paragraphs 1 through 70 as though fully set forth herein.

9 72. Defendants' actions have been specifically designed and calculated to embarrass,
10 humiliate, and injure Plaintiffs financially and emotionally. Such actions are
11 outrageous in their scope and tenor and have, in fact, caused Plaintiffs to suffer
12 severe emotional distress.

13 73. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
14 and will continue to suffer damages in an amount in excess of FIFTEEN
15 THOUSAND DOLLARS (\$15,000.00).

16 74. As a further and direct proximate result, Plaintiffs were forced to retain an
17 attorney to prosecute the instant action, incurring attorney's fees and costs and is
18 therefore entitled to same from Defendants in prosecuting this action.

19 **SEVENTH CLAIM FOR RELIEF**

20 *(MISAPPROPRIATION OF TRADE SECRETS/INTELLECTUAL PROPERTY)*

21 75. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
22 paragraphs 1 through 74 as though fully set forth herein.

23 76. Defendants have wrongfully and without privilege, accessed proprietary
24 information, trade secrets and/or intellectual property belonging to Plaintiffs
25 without proper compensation, consent or permission.
26
27
28

1 77. Defendants have further indicated an intent to use such privileged and
2 confidential information for their own advantage and to Plaintiffs' direct and
3 substantial harm.

4 78. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
5 and will continue to suffer damages in an amount in excess of FIFTEEN
6 THOUSAND DOLLARS (\$15,000.00).

7 79. As a further and direct proximate result, Plaintiffs were forced to retain an
8 attorney to prosecute the instant action, incurring attorney's fees and costs and is
9 therefore entitled to same from Defendants in prosecuting this action.
10

11 **EIGHTH CLAIM FOR RELIEF**

12 *(ENGAGING IN HATE SPEECH)*

13 80. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
14 paragraphs 1 through 79 as though fully set forth herein.

15 81. Defendants have engaged in speech which is properly designated as "hate
16 speech." Such speech was specifically directed against Mr. Madsen's sexual
17 orientation and used pejorative slurs specifically designed to denigrate and
18 degrade Mr. Madsen.

19 82. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
20 and will continue to suffer damages in an amount in excess of FIFTEEN
21 THOUSAND DOLLARS (\$15,000.00).

22 83. As a further and direct proximate result, Plaintiffs were forced to retain an
23 attorney to prosecute the instant action, incurring attorney's fees and costs and is
24 therefore entitled to same from Defendants in prosecuting this action.

25 **NINTH CLAIM FOR RELIEF**

26 *(INTERFERENCE WITH CONTRACTUAL RELATIONSHIPS)*
27
28

- 1 84. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
2 paragraphs 1 through 83 as though fully set forth herein.
3
4 85. A valid and existing contract was in place between Plaintiffs and other
5 investors/owners of MYCH 3-D, Inc.
6 86. Defendants knew of those contractual relationships and intentionally acted to
7 interfere with and/or disrupt the contractual relationship.
8 87. Their actions resulted in a disruption of that contractual relationship which, in
9 turn, resulted in damages to Plaintiffs.
10 88. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
11 and will continue to suffer damages in an amount in excess of FIFTEEN
12 THOUSAND DOLLARS (\$15,000.00).
13 89. As a further and direct proximate result, Plaintiffs were forced to retain an
14 attorney to prosecute the instant action, incurring attorney's fees and costs and is
15 therefore entitled to same from Defendants in prosecuting this action.

16 **TENTH CLAIM FOR RELIEF**

17 *(INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE)*

- 18 90. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
19 paragraphs 1 through 89 as though fully set forth herein.
20 91. Defendants knew of a prospective contractual relationship existing between
21 Plaintiffs and a third party.
22 92. Defendants, and each of them, acted to harm and intended to harm this
23 relationship by their intentional interference designed to destroy or at least
24 prevent the relationship.
25 93. There was no privilege of justification for such actions by Defendants. And actual
26 harm has resulted from such actions.
27
28

1 94. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
2 and will continue to suffer damages in an amount in excess of FIFTEEN
3 THOUSAND DOLLARS (\$15,000.00).

4 95. As a further and direct proximate result, Plaintiffs were forced to retain an
5 attorney to prosecute the instant action, incurring attorney's fees and costs and is
6 therefore entitled to same from Defendants in prosecuting this action.
7

8 WHEREFORE, Plaintiffs, expressly reserving their right to amend this Complaint at the
9 time of the trial herein, to include all items of damage and claims for relief not yet identified but
10 to be established by the evidence, demands judgment against Defendants, as follows:
11

- 12 1. For Injunctive Relief in the form of a preliminary and permanent injunction;
- 13 2. For compensatory damages in excess of \$15,000.00;
- 14 3. For statutory damages, if appropriate;
- 15 4. For punitive damages;
- 16 5. For pre- and post-judgment interest as provided by the law and contract;
- 17 6. For attorney's fees and costs incurred and to be incurred herein; and
- 18 7. For such other and further relief as the Court deems just and proper in this matter.
19

20 DATED this 10th day of January, 2020.

21 **LAW OFFICES OF CORY J. HILTON**

22 
23 CORY J. HILTON, ESQ.

24 Nevada Bar No. 004290

25 PETER M. ANGULO, ESQ.

26 Nevada Bar No. 3672

27 5545 S. Mountain Vista St., Ste. F

28 Las Vegas, Nevada 89120

Attorneys for Plaintiffs

COMPLAINT - 15

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REGISTER OF ACTIONS

CASE No. A-20-808391-C

John Madsen, Plaintiff(s) vs. Thomas Shaddix, Defendant(s)

§
§
§
§
§
§
§

Case Type: **Other Tort**
Date Filed: **01/10/2020**
Location: **Department 2**
Cross-Reference Case Number: **A808391**

PARTY INFORMATION

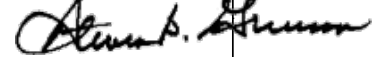
		Lead Attorneys
Defendant	Brown, Renee	
Defendant	Shaddix, Thomas S.	
Defendant	The Law Offices of Thomas S. Shaddix	
Plaintiff	Madsen, John J	Peter Maitland Angulo <i>Retained</i> 702-384-8000(W)
Plaintiff	MYCH 3-D, Inc.	Peter Maitland Angulo <i>Retained</i> 702-384-8000(W)

EVENTS & ORDERS OF THE COURT

OTHER EVENTS AND HEARINGS	
01/10/2020	Complaint <i>Complaint</i>
07/07/2020	Order Scheduling Status Check <i>Order Scheduling Status Check</i>
07/27/2020	Status Check (10:00 AM) (Judicial Officer Scotti, Richard F.)

FINANCIAL INFORMATION

		Plaintiff Madsen, John J	
		Total Financial Assessment	270.00
		Total Payments and Credits	270.00
		Balance Due as of 07/10/2020	0.00
01/13/2020	Transaction Assessment		270.00
01/13/2020	Efile Payment	Receipt # 2020-02147-CCCLK	(270.00)
		Plaintiff MYCH 3-D, Inc.	
		Total Financial Assessment	30.00
		Total Payments and Credits	0.00
		Balance Due as of 07/10/2020	30.00
01/13/2020	Transaction Assessment		30.00



CASE NO: A-20-808396-C
Department 27

COMP
CORY J. HILTON, ESQ.
Nevada Bar No. 4290
PETER M. ANGULO, ESQ.
Nevada Bar No. 3672
LAW OFFICE OF CORY J. HILTON
5545 S. Mountain Vista St. Ste. F
Las Vegas, NV 89120
Tel: (702) 384-8000
Fax: (702) 384-8200
Attorneys for Plaintiffs

DISTRICT COURT

CLARK COUNTY, NEVADA

JOHN J. MADSEN, individually, and MYCH 3-D, INC., a
Florida Corporation

Plaintiffs,

vs.

THOMAS S. SHADDIX, an individual, RENEE BROWN,
an individual, THE LAW OFFICES OF THOMAS S.
SHADDIX, ESQ., and DOES I through X, and ROE
CORPORATIONS I through X, inclusive,

Defendants.

Case No.:
Dept. No.:

COMPLAINT

COMES NOW, Plaintiffs, by and through their attorneys of record, CORY J. HILTON, ESQ., of the LAW
OFFICE OF CORY J. HILTON, and hereby complains and alleges as follows:

I. GENERAL ALLEGATIONS AND JURISDICTION

1. That all times mentioned herein, Plaintiff JOHN J. MADSEN was and is a
resident of Clark County, Nevada.
2. That at all times relevant herein, Plaintiff MYCH 3-D, Inc. was and is a corporate
entity incorporated under the laws of the State of Florida with a registered
business address 4616 West Sahara Ave., Suite 415, Las Vegas, Nevada 89102
and doing business within the State of Nevada.
3. That at all times mentioned herein, upon information and belief, Defendant,
THOMAS S. SHADDIX ("SHADDIX"), was and is a resident of Clark County
4. That at all times relevant herein, Defendant THE LAW OFFICES OF THOMAS
S. SHADDIX, ESQ. was represented as being a company organized and existing

COMPLAINT - 1

1 in Nevada with offices located at 6166 S. Sandhill Rd. #146, Las Vegas, NV
2 89120.

3
4 5. That at all times mentioned herein, RENEE BROWN ("BROWN") was a resident
5 of Clark County, Nevada.

6 6. That, pursuant to NRCP 10(a), the identities of the Defendants, DOES I through
7 X and ROE CORPORATIONS I through X, are unknown at this time and may be
8 individuals, partnerships, companies, corporations, or other entity. Plaintiffs
9 alleges that each Defendant designated herein as DOE or ROE CORPORATIONS
10 are responsible in some manner for the damages alleged herein. Therefore,
11 Plaintiffs request leave of the Court to amend this Complaint to name the
12 Defendants specifically when their true identities become known.

13 7. That all the facts and circumstances giving rise to the subject lawsuit occurred in
14 the State of Nevada, County of Clark, and accordingly the Eighth Judicial District
15 Court, Clark County, Nevada is the proper forum and venue for this matter.

16 **II. FACTUAL ALLEGATIONS**

17 8. MYCH 3-D, INC. operates a business which makes customized 3-dimensional
18 statues originating from photographs, drawings, paintings, or other 2-dimensional
19 media. The statues created can vary from miniature renditions to life-sized
20 projects. It currently sells its products on-line and in a physical store located at
21 the Galleria Mall in Henderson, NV under the company name "Memories You
22 Can Hold."

23 9. JOHN J. MADSEN is the creator of this process and the primary stockholder in
24 the business. He has several patents currently pending which are worth multiple
25 millions of dollars. Until those patents have fully cleared, however, the business
26 currently operates in a deficit position—requiring Mr. Madsen to borrow money
27 from a number of different sources.
28

COMPLAINT - 2

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10. MYCH 3-D, INC. has one other shareholder/investor—George Johnsen—who owns a minority interest in the outstanding stock.
 11. In June of 2019, Mr. MADSEN was dealing with several issues which required legal assistance. Accordingly, on or about June 24, 2019, Plaintiffs retained Defendants to provide those general legal services.
 12. The written retainer agreement indicated Defendants were to charge \$250/hr for handling “general legal matters.” An initial retainer of \$2,500.00 was required. Bills would mailed “bi-monthly thereafter on the 1st and 15th of each month.” Any alterations to this agreement by Defendants was required to be done in writing.
 13. In the initial stages of the attorney-client relationship, it appeared that matters were being handled efficiently. However, over time, the relationship began to change as Defendants sought to inculcate themselves further into the business operations.
 14. Shortly after the relationship began, SHADDIX approached Mr. Madsen and asked is SHADDIX’ girlfriend, BROWN, could be engaged at the store, covering for missing employees or otherwise assisting. Plaintiffs were informed she would not be an employee and was not to be paid; he simply wanted something for her to do to keep herself occupied.
 15. Plaintiffs consented to this arrangement. After several months, and a move of the business to the Galleria Mall, Plaintiffs became aware BROWN was self-identifying her position to others as being the company’s “General Manager.” At no time was Ms. BROWN ever on the business’ payroll nor was she ever promoted or designated as a supervisor for the business. Further, at no time did she ever actually operate as a general manager of the business.

COMPLAINT - 3

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16. In fact, BROWN caused Plaintiffs to incur financial loss. For example, the Galleria Mall requires its tenants open their doors by a given time. The failure to do so would result in a \$500.00 fine levied against the business. On multiple occasions, BROWN would promise she would be at the store to timely open it and then would fail to show up as promised to open the store.

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17. Over the same general time, SHADDIX would show up at the business to fill in for absent employees. He assured Mr. MADSEN he was doing this as a "friend" and there was no legal charge or employment compensation due for this assistance. SHADDIX asked for, and received, permission to use Mr. MADSEN's personal computer while at the store so he could perform his legal work for his firm remotely.

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17
18. It is alleged that, unbeknownst to Mr. MADSEN, SHADDIX used this opportunity to gather personal information about Mr. MADSEN, including his personal contacts list/address book and also trade secrets, intellectual property and other proprietary information belonging to Mr. MADSEN and the company for his own personal use.

19
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24
19. During the relevant time, Plaintiffs paid over \$6,300.00 to Defendants, in cash, for legal services allegedly being rendered. In addition, Plaintiffs gave SHADDIX \$1,600.00 on October 29, 2019, to help him avoid being evicted from his personal residence for unpaid rents. At other times, if Plaintiffs had extra money, they would do personal things for SHADDIX and BROWN, such as taking them out to lunch or dinner or allow them to borrow vehicles belonging to Mr. MADSEN.

25
26
27
28
20. In the second week of September, 2019, after MYCH 3-D had moved its store to the Galleria Mall in Henderson, Nevada, some issues with chargebacks and refunds arose which resulted in a negative balance on the company's Square

COMPLAINT - 4

1 credit card account (which was used for processing customer credit card
2 purchases) of \$1,600.00. SHADDIX offered to have the credit cards run through
3 his trust account until there were sufficient funds to pay off the negative
4 balance—at which time the company would return to using Square. During this
5 time, all customer receipts were printed on invoices from "Ticket Defenders".
6 (SHADDIX' law firm).
7

8 21. Repeatedly, while SHADDIX had control of these sales funds, Mr. MADSEN
9 would ask for an accounting of those monies from SHADDIX, but it was never
10 provided.
11

12 22. At some time while the company was operating out of the Galleria Mall location,
13 BROWN apparently spent some time trying to copy Mr. MADSEN's signature
14 for forgery purposes.
15

16 23. In August of 2019, Plaintiffs operated its business in a space at the Fashion Show
17 Mall in Las Vegas. Due to a number of thefts, vandalism, and problems with
18 various Mall employees, Plaintiffs determined to leave that location and move to
19 the Galleria Mall. This move was occasioned with the approval by SHADDIX
20 that it was appropriate. SHADDIX was also tasked with the responsibility of
21 reporting and handling all the problems experienced at the Mall.
22

23 24. In October of 2019, a Motion for Summary Judgment was filed against Mr.
24 MADSEN in District Court case No. A-19-800160-C. Despite the fact valid
25 defenses were available to Mr. MADSEN in that case, SHADDIX failed to file
26 any Opposition thereto and judgment in excess of \$750,000.00 was consequently
27 entered against Mr. MADSEN.
28

25 25. On December 10, 2019, Mr. MADSEN, aware SHADDIX' trust account was
26 holding over \$9,100.00 of company funds from various sales, requested
27 SHADDIX release sufficient funds to pay for December's Galleria Mall rent
28

COMPLAINT - 5

1 (\$#,000.00) and also to pay the art department in India (Suhail) \$1,000.00 so they
2 could finish processing several orders for figurines.

3
4 26. SHADDIX initially responded he was intending to use that money to get back
5 into his home. When pressed on this, he claimed there was a problem because his
6 bank accounts and his PayPal accounts were "frozen" for fraudulent activity so
7 the money could not be accessed.

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9 been provided.

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12 arrangement with Plaintiffs and that entity. After the meeting, SHADDIX again
13 promised to give back the money, but never did.

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16 against Plaintiffs and imputing they were involved in criminal activity, were liars
17 and frauds, and had misappropriated company funds—among other allegations.

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25 was at the store "24-7." She was informed that was not true; she then claimed she
26 "quit."
27

28 COMPLAINT - 6

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7 also contacted making defamatory comments which caused him to re-think the
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9 changes will severely impact Plaintiffs' profitability and ongoing viability.

10 34. SHADDIX also went to a business associate of Plaintiffs, Brian Beck and told
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13 35. SHADDIX further contacted friends and other investors in Plaintiffs' business
14 operation to tell them untruths and misrepresentations about Plaintiffs in an
15 attempt to injure Plaintiffs personally and financially.

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18 SHADDIX has not repaired the damage nor paid for the cost of its repair.

19 37. SHADDIX and/or BROWN have also gone to persons with whom Plaintiffs have
20 been involved in litigation and offered to assist them in gaining an advantage over
21 Plaintiffs. SHADDIX has also contacted the Fashion Show Mall and encouraged
22 them to bring a lawsuit against Plaintiffs for their leaving that facility in 2019.

23 38. SHADDIX and/or BROWN have engaged in hate speech directed to Mr.
24 MADSEN based on his sexual orientation.

25 39. SHADDIX and/or BROWN have harassed (and continue to harass) Plaintiffs by
26 phone calls, emails and text which are demeaning and threatening. Indeed Mr.
27
28

COMPLAINT - 7

1 MADSEN has become concerned for his physical safety based on these
2 communications.

3
4 40. SHADDIX and/or BROWN have contacted intentionally contacted Mr.
5 MADSEN's present landlord and his future potential landlord to allegedly inform
6 them about the type of person to whom they are either currently renting or
7 potentially renting.

8 41. SHADDIX has used personal information belonging to Mr. MADSEN to reach
9 and contact individuals with whom SHADDIX would have no other contact
10 solely to disparage and attack Plaintiffs.

11 42. SHADDIX has repeatedly expressed his intent in doing all this is to "burn"
12 Plaintiffs "to the ground" and ensure they will never be able to do business again.

13 43. BROWN has falsely held herself out to members of the public as being the only
14 "Owner" of MYCH 3-D. Inc. and has represented the figurines created are hers to
15 sell.

16 44. SHADDIX has indicated he now possesses sufficient knowledge on Plaintiff's
17 intellectual property and processes to start a new and competing business—which
18 information he gained only while operating as legal counsel for Plaintiffs.

19 45. The actions of SHADDIX and BROWN have caused a negative financial impact
20 to Plaintiffs as well as emotional distress and anguish. It has resulted in a tangible
21 sullyng of their reputations and cast them in a false light in this community.

22 Accordingly, Plaintiffs have had to retain the services of legal counsel to
23 prosecute this matter.

24 **FIRST CLAIM FOR RELIEF**

25 *(DEFAMATION)*

26 46. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
27 paragraphs 1 through 45 as though fully set forth herein.

- 1 47. Defendants have engaged in publishing false statements which were intended to
2 lower Plaintiffs in the estimation of the community, excite derogatory opinions
3 about them, or hold them up to contempt and which, in their entirety and in
4 context were susceptible of a defamatory meaning.
5
6 48. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
7 and will continue to suffer damages in an amount in excess of FIFTEEN
8 THOUSAND DOLLARS (\$15,000.00).
9
10 49. As a further and direct proximate result, Plaintiffs were forced to retain an
11 attorney to prosecute the instant action, incurring attorney's fees and costs and is
12 therefore entitled to same from Defendants in prosecuting this action.

13 **SECOND CLAIM FOR RELIEF**

14 *(CONVERSION)*

- 15 50. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
16 paragraphs 1 through 49 as though fully set forth herein.
17
18 51. Defendants' actions as alleged have converted possessions belonging to Plaintiffs
19 for their own personal use and, in the process, have deprived (or sought to
20 deprive) Plaintiffs of their full use, possession, benefit and enjoyment.
21
22 52. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
23 and will continue to suffer damages in an amount in excess of FIFTEEN
24 THOUSAND DOLLARS (\$15,000.00).
25
26 53. As a further and direct proximate result, Plaintiffs were forced to retain an
27 attorney to prosecute the instant action, incurring attorney's fees and costs and is
28 therefore entitled to same from Defendants in prosecuting this action.

THIRD CLAIM FOR RELIEF

(BREACH OF CONTRACT)

- 1 54. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
2 paragraphs 1 through 53 as though fully set forth herein.
- 3 55. Plaintiffs had a valid written contract with SHADDIX regarding the provision of
4 legal services. The actions by SHADDIX violated the terms and conditions of
5 that contract.
- 6 56. Furthermore, SHADDIX failed to provide proper legal advice to Plaintiffs and
7 failed to protect them from summary judgment by failing, without reason, to file
8 an Opposition to a pending Motion for Summary Judgement.
- 9 57. Despite never sending Plaintiffs a bill for his legal services, as he was required to
10 do, SHADDIX nevertheless received payment in cash and other considerations,
11 for the legal services he was supposed to be performing.
- 12 58. Such acts, either intentionally or negligently, constitute malpractice and a breach
13 of his contractual obligations to Plaintiffs.
- 14 59. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
15 and will continue to suffer damages in an amount in excess of FIFTEEN
16 THOUSAND DOLLARS (\$15,000.00).
- 17 60. As a further and direct proximate result, Plaintiffs were forced to retain an
18 attorney to prosecute the instant action, incurring attorney's fees and costs and is
19 therefore entitled to same from Defendants in prosecuting this action.

20
21 **FOURTH CLAIM FOR RELIEF**

22 *(INVASION OF PRIVACY)*

- 23 61. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
24 paragraphs 1 through 60 as though fully set forth herein.
- 25 62. Defendants have intentionally acted to invade Plaintiffs' private information and
26 have attempted to sue it to their personal advantage without the permission or
27 foreknowledge of Plaintiffs.
- 28

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1 63. Such actions have resulted in angst among Plaintiffs and has negatively impacted
2 interpersonal relationships between Plaintiffs and others.

3 64. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
4 and will continue to suffer damages in an amount in excess of FIFTEEN
5 THOUSAND DOLLARS (\$15,000.00).

6 65. As a further and direct proximate result, Plaintiffs were forced to retain an
7 attorney to prosecute the instant action, incurring attorney's fees and costs and is
8 therefore entitled to same from Defendants in prosecuting this action.

9
10 **FIFTH CLAIM FOR RELIEF**

11 *(BREACH OF FIDUCIARY DUTY)*

12 66. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
13 paragraphs 1 through 45 as though fully set forth herein.

14 67. SHADDIX had a fiduciary responsibility to act in accord with established canons
15 and ethics governing the practice of law including, but not limited to, maintaining
16 and attorney-client confidentiality; not using information gained in the course of
17 representation for his personal advantage or to the disadvantage of his client (or
18 former client); to not engage in business activities without following very strict
19 ethical constraints; and to act with fidelity and integrity to the best interests of his
20 client.

21 68. The alleged actions by SHADDIX failed to meet these established and recognized
22 duties, among others, and have constituted a breach of those obligations.

23 69. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
24 and will continue to suffer damages in an amount in excess of FIFTEEN
25 THOUSAND DOLLARS (\$15,000.00).

1 70. As a further and direct proximate result, Plaintiffs were forced to retain an
2 attorney to prosecute the instant action, incurring attorney's fees and costs and is
3 therefore entitled to same from Defendants in prosecuting this action.
4

5 **SIXTH CLAIM FOR RELIEF**

6 *(INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS)*

7 71. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
8 paragraphs 1 through 70 as though fully set forth herein.

9 72. Defendants' actions have been specifically designed and calculated to embarrass,
10 humiliate, and injure Plaintiffs financially and emotionally. Such actions are
11 outrageous in their scope and tenor and have, in fact, caused Plaintiffs to suffer
12 severe emotional distress.

13 73. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
14 and will continue to suffer damages in an amount in excess of FIFTEEN
15 THOUSAND DOLLARS (\$15,000.00).

16 74. As a further and direct proximate result, Plaintiffs were forced to retain an
17 attorney to prosecute the instant action, incurring attorney's fees and costs and is
18 therefore entitled to same from Defendants in prosecuting this action.

19 **SEVENTH CLAIM FOR RELIEF**

20 *(MISAPPROPRIATION OF TRADE SECRETS/INTELLECTUAL PROPERTY)*

21 75. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
22 paragraphs 1 through 74 as though fully set forth herein.

23 76. Defendants have wrongfully and without privilege, accessed proprietary
24 information, trade secrets and/or intellectual property belonging to Plaintiffs
25 without proper compensation, consent or permission.
26
27
28

1 77. Defendants have further indicated an intent to use such privileged and
2 confidential information for their own advantage and to Plaintiffs' direct and
3 substantial harm.

4 78. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
5 and will continue to suffer damages in an amount in excess of FIFTEEN
6 THOUSAND DOLLARS (\$15,000.00).

7 79. As a further and direct proximate result, Plaintiffs were forced to retain an
8 attorney to prosecute the instant action, incurring attorney's fees and costs and is
9 therefore entitled to same from Defendants in prosecuting this action.
10

11 **EIGHTH CLAIM FOR RELIEF**

12 *(ENGAGING IN HATE SPEECH)*

13 80. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
14 paragraphs 1 through 79 as though fully set forth herein.

15 81. Defendants have engaged in speech which is properly designated as "hate
16 speech." Such speech was specifically directed against Mr. Madsen's sexual
17 orientation and used pejorative slurs specifically designed to denigrate and
18 degrade Mr. Madsen.

19 82. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
20 and will continue to suffer damages in an amount in excess of FIFTEEN
21 THOUSAND DOLLARS (\$15,000.00).

22 83. As a further and direct proximate result, Plaintiffs were forced to retain an
23 attorney to prosecute the instant action, incurring attorney's fees and costs and is
24 therefore entitled to same from Defendants in prosecuting this action.

25 **NINTH CLAIM FOR RELIEF**

26 *(INTERFERENCE WITH CONTRACTUAL RELATIONSHIPS)*
27
28

- 1 84. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
2 paragraphs 1 through 83 as though fully set forth herein.
3
4 85. A valid and existing contract was in place between Plaintiffs and other
5 investors/owners of MYCH 3-D, Inc.
6
7 86. Defendants knew of those contractual relationships and intentionally acted to
8 interfere with and/or disrupt the contractual relationship.
9
10 87. Their actions resulted in a disruption of that contractual relationship which, in
11 turn, resulted in damages to Plaintiffs.
12
13 88. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
14 and will continue to suffer damages in an amount in excess of FIFTEEN
15 THOUSAND DOLLARS (\$15,000.00).
16
17 89. As a further and direct proximate result, Plaintiffs were forced to retain an
18 attorney to prosecute the instant action, incurring attorney's fees and costs and is
19 therefore entitled to same from Defendants in prosecuting this action.

20 **TENTH CLAIM FOR RELIEF**

21 *(INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE)*

- 22 90. Plaintiffs repeat, re-allege, and incorporate by reference the allegations of
23 paragraphs 1 through 89 as though fully set forth herein.
24
25 91. Defendants knew of a prospective contractual relationship existing between
26 Plaintiffs and a third party.
27
28 92. Defendants, and each of them, acted to harm and intended to harm this
relationship by their intentional interference designed to destroy or at least
prevent the relationship.
93. There was no privilege of justification for such actions by Defendants. And actual
harm has resulted from such actions.

1 94. As a direct and proximate result of this wrongful conduct, Plaintiffs have suffered
2 and will continue to suffer damages in an amount in excess of FIFTEEN
3 THOUSAND DOLLARS (\$15,000.00).

4 95. As a further and direct proximate result, Plaintiffs were forced to retain an
5 attorney to prosecute the instant action, incurring attorney's fees and costs and is
6 therefore entitled to same from Defendants in prosecuting this action.
7

8 WHEREFORE, Plaintiffs, expressly reserving their right to amend this Complaint at the
9 time of the trial herein, to include all items of damage and claims for relief not yet identified but
10 to be established by the evidence, demands judgment against Defendants, as follows:
11

- 12 1. For Injunctive Relief in the form of a preliminary and permanent injunction;
- 13 2. For compensatory damages in excess of \$15,000.00;
- 14 3. For statutory damages, if appropriate;
- 15 4. For punitive damages;
- 16 5. For pre- and post-judgment interest as provided by the law and contract;
- 17 6. For attorney's fees and costs incurred and to be incurred herein; and
- 18 7. For such other and further relief as the Court deems just and proper in this matter.
19

20 DATED this 10th day of January, 2020.

21 **LAW OFFICES OF CORY J. HILTON**

22 
23 CORY J. HILTON, ESQ.

24 Nevada Bar No. 004290

25 PETER M. ANGULO, ESQ.

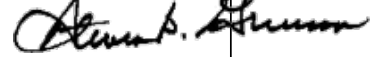
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DISTRICT COURT

CLARK COUNTY, NEVADA

JOHN J. MADSEN, individually, and MYCH 3-D, INC., a Nevada Corporation

Petitioners,

vs.

THOMAS S. SHADDIX, RENEE BROWN,
THE LAW OFFICES OF THOMAS S.
SHADDIX, ESQ.

Respondents.

Case No.: A-20-808396-C

Dept. No.: XXVII

**MOTION FOR PRELIMINARY
INJUNCTION**

HEARING REQUESTED

COMES NOW, Petitioners, by and through their attorneys of record, CORY J. HILTON, ESQ., of the LAW OFFICE OF CORY J. HILTON, and submits this Motion for A Preliminary Injunction based upon the following arguments and evidence.

POINTS AND AUTHORITIES

I. FACTUAL BACKGROUND

MYCH 3-D, INC. operates a business which makes customized 3-dimensional statues originating from photographs, drawings, paintings, or other 2-dimensional media. The statues created can vary from miniature renditions to life-sized projects. Exhibit 1, Declaration of John Madsen. It currently operates from a physical store located at the Galleria Mall in Henderson, NV under the company name "Memories You Can Hold." Id. at ¶2. JOHN J. MADSEN

MOTION FOR PRELIMINARY INJUNCTION - 1

1 (“Madsen”) is the creator of this process and the primary stockholder in the business. He has
2 several patents currently pending which are worth multiple millions of dollars. Until those
3 patents have fully cleared, however, the business currently operates in a deficit position—
4 requiring Mr. Madsen to borrow money from a number of different sources. Id. at ¶3.

6 MYCH 3-D, INC. has one other shareholder/investor—George Johnsen—who owns a
7 minority interest in the outstanding stock. Id. at ¶4. Ken Muir is a friend of Mr. Madsen’s and
8 has been a major investor in this company. More recently, Brian Beck became associated with
9 Petitioners and acted to not only support the business, but to put Petitioners in contact with other
10 potential investors. Exhibit 2, Declaration of B. Beck. In conjunction with his efforts, he
11 connected Petitioners with another investor, Angelo Giordano, who initially agreed to become a
12 partner/investor in a business opportunity with Madame Tussauds in Las Vegas, Nevada, to
13 showcase their products and offer their services to patrons of that entity. Id. at ¶15. This would
14 have been a major financial boost for Petitioners and those associated with them. Id.

16 Beginning in June of 2019, Petitioners retained Thomas S. SHADDIX (“SHADDIX”) to
17 be their attorney on a number of matters. Shortly after the relationship began, SHADDIX
18 approached Mr. Madsen and asked that his girlfriend, Renee BROWN (“BROWN”) be allowed
19 to help out at the store as a receptionist. Exhibit “1” at ¶6; Exhibit “2” at ¶3; Exhibit “4” at p. 1.
20 It was agreed she would not get paid for this as SHADDIX just wanted something to keep her
21 occupied. Exhibit “1” at ¶6; Exhibit “2” at ¶9; Exhibit “4” at p. 1. SHADDIX would also
22 occasionally help out around the store. Exhibit “1” at ¶9; Exhibit “2” at ¶10. More often,
23 however, he used Mr. Madsen’s personal computer to perform legal work for his own law
24 practice remotely from the store. Exhibit “1” at ¶12; Exhibit “2” at ¶10; Exhibit “3” at ¶6. It
25 now appears SHADDIX used that opportunity to rifle through the personal and private
26

28 *MOTION FOR PRELIMINARY INJUNCTION - 2*

1 directories/files on that computer to not only improperly access Mr. Madsen's personal
2 information, but also his intellectual property and trade secrets—which SHADDIX has since
3 tried to use to his personal advantage. Exhibit "1" at ¶37. It also appears, during this time,
4 BROWN was trying to forge Madsen's signature. Exhibit "1" at ¶13.

5
6 Although neither SHADDIX nor BROWN had ever filled out any employment
7 paperwork or been included in the company's payroll, in September of 2019, BROWN began to
8 identify herself as the company's "General Manager" and even purchased business cards
9 purporting this "fact" (which was untrue). Exhibit "1" at ¶7; Exhibit "2" at ¶9; Exhibit "3" at ¶8;
10 Exhibit "4" at p. 1. During her "tenure" with the store, BROWN's attendance was erratic and
11 unreliable. Exhibit "1" at ¶8; Exhibit "2" at ¶9; Exhibit "3" at ¶6. When she was there, it was
12 only for an hour or so. During that time, Madsen became increasingly concerned about the
13 drinking habits and its impact on his business by both SHADDIX and BROWN. Exhibit "1" at
14 ¶14.

15
16 In mid-September 2019, after the business had moved to the Galleria Mall, the
17 company's Square credit card account (which was used for processing customer credit card
18 purchases) had a negative balance of \$1,600.00 (due to chargebacks and other matters arising in
19 connection with the prior store location). Exhibit "1" at ¶11. SHADDIX offered to have the
20 credit cards run through his law firm's trust account until there were sufficient funds to satisfy
21 the negative balance—at which time MYCH 3-D would go back to using Square. Id. This
22 practice was started and all customer receipts were printed on invoices from "Ticket Defenders"
23 (SHADDIX' law firm). Id. Oddly, there never seemed to be sufficient funds to satisfy this
24 negative balance, according to SHADDIX; although Madsen repeatedly asked for an accounting,
25 none was ever provided. Id.

26
27
28 *MOTION FOR PRELIMINARY INJUNCTION - 3*

1 As indicated, the company was (and is) still struggling to be successful and requires
2 constant infusions of monies from investors to keep the doors open—in addition to the profits
3 from customer sales. Any proceeds from sales at the store or online were vitally necessary to be
4 turned back into the business so other vendors could be paid to keep the production of these
5 ordered figurines timely.
6

7 Finally, on December 10, 2019, Madsen calculated there should have been slightly over
8 \$9,100.00 in SHADDIX' trust account to be sued for company expenses. Id. at ¶15. He told
9 SHADDIX monies were needed to pay rent to the Galleria Mall (\$3,000.00) and to pay the art
10 department in India (Suhail) \$1,000.00. The India payment was crucial because it was there the
11 3-D renderings were made which were then used to create the figurines. No production could
12 occur without them. Id.
13

14 SHADDIX' initial response was that he had intended to use those funds to get back into
15 his home. Id. When informed these were company funds and not for his personal use,
16 SHADDIX said “we have a problem” because his bank accounts and his PayPal accounts were
17 “frozen” for “fraudulent activity,” so the money could not be accessed. Id. at ¶16; Exhibit “3” at
18 ¶13.
19

20 On December 12, 2019, Madsen attended a meeting with Madame Tussauds Wax
21 Museums in Las Vegas with Brian Beck, Anthony Ferreira, Sahddix, Angelo Giodano and the
22 General Manager for Madame Tussauds. Exhibit “2” at ¶15; Exhibit “4” at p. 1. The meeting
23 went extremely well and all the parties were excited about the financial boon this endeavor
24 would provide. Exhibit “1” at ¶18; Exhibit “2” at ¶16. After the meeting, Madsen sent
25 SHADDIX a text message reiterating the need to pay the Galleria rent and Suhail. In response,
26
27
28

MOTION FOR PRELIMINARY INJUNCTION - 4

1 SHADDIX claimed it would be available that Monday. Frustrated, Madsen informed him this
2 was unacceptable. Exhibit “1” at ¶19.

3 That night, SHADDIX contacted Angelo (who was instrumental in the Madame Tussauds
4 meeting and was a potential investor) and claimed Madsen was misappropriating company funds
5 and was mismanaging the company. He told Angelo there was a warrant being issued for his
6 arrest. Id. at ¶20; Exhibit “4” at p. 1.

7
8 On Saturday, December 14, 2019 about 10:10 a.m., SHADDIX and BROWN showed up
9 at the Galleria Mall store. SHADDIX claimed Madsen’s accounting was wrong and there should
10 only be \$5,100.00 in the trust account. They went through the numbers together and agreed
11 there should have been at least \$8,730 (and some change) in the account (which was the original
12 amount suggested by Madsen less a 4% credit card charge). Again, Madsen suggested he would
13 forgive the balance of the lost funds if only SHADDIX would give him enough for the rent and
14 to pay Suhail in India. SHADDIX then claimed everything was tied up in PayPal. He promised
15 to have an accounting by the end of the day. This has never happened. Exhibit “1” at ¶22.
16
17

18 As BROWN and SHADDIX were leaving, BROWN claimed she was the general
19 manager and had been at the store “24-7” (suggesting SHADDIX should not have to repay these
20 stolen funds). When Madsen disagreed, she became incensed, stated she “quit” and stormed off.
21 Madsen returned to his store and informed his employees SHADDIX and BROWN were no
22 longer associated with the company. Id. at ¶24.
23

24 On Sunday, December 15th, it became apparent SHADDIX and BROWN were
25 attempting to destroy Madsen and MYCH 3-D, Inc. by spreading lies and false innuendo
26 regarding them. For example, on that day, Madsen received a phone call from Angelo, who
27 wanted to make radical changes to the financial arrangements they had tentatively reached on the
28

MOTION FOR PRELIMINARY INJUNCTION - 5

1 Madame Tussauds deal. Id. at ¶26. When Madsen inquired as to why this change was deemed
2 necessary, he was informed SHADDIX had gone to his friend (Brian Beck) and later to Angelo
3 directly and claimed Madsen was mismanaging and misappropriating company funds and that
4 Madsen was soon to be arrested for this. Id.; Exhibit “4” at p. 1. Angelo claimed these
5 allegations radically altered his inclination of doing any further business with Petitioners.
6 Exhibit “2” at ¶22.

8 Around this same time, George Johnsen sent an email to SHADDIX demanding that
9 \$1,000 be sent to Suhail in India so the company could move forward in processing its orders.
10 Exhibit “1” at ¶27. SHADDIX claimed there was no money because Madsen had spent it all.
11 George demanded an accounting of this, but SHADDIX has never provided it. Id.

13 SHADDIX also contacted Ken Murer (another friend/investor of Madsen’s) and claimed
14 Madsen was misappropriating money and living well beyond his means. Exhibit “3” at ¶14. Mr.
15 Murer informed SHADDIX he kept a spreadsheet showing how the money he had invested had
16 been used. SHADDIX claimed to have the same thing and promised to send it, but never did.
17 Exhibit “1” at ¶28.

19 SHADDIX has sent a constant stream of texts and emails to Madsen, harassing him with
20 claims of fraud and incompetence. Madsen has answered the allegations by showing SHADDIX
21 evidence those statements were untrue, but SHADDIX continues to make those assertions to
22 Madsen’s friends and investors. Id. at ¶30.

24 On December 21, 2019, at about 2:03 am, SHADDIX and/or BROWN send a text
25 message with a song by the band They Might Be Giants attached. Id. at ¶31. The song (“I Want
26 a Rock”), has been construed as a direct threat to Madsen and those around him. Of import are
27 the lyrics:

28 *MOTION FOR PRELIMINARY INJUNCTION - 6*

1 Throw the crib door wide
2 Let the people crawl inside
3 Someone in this town
4 Is trying to burn the playhouse down

5 On or about December 22, 2019, Madsen was contacted by James Conetta. Mr. Conetta is
6 the plaintiff in Case No. A-19-800160-C in this judicial district. Mr. Conetta told Madsen
7 SHADDIX was trying to throw me under the bus. He was allowing a judgment to be entered
8 against Madsen in that case. A review of the court records indicates an order granting summary
9 judgment against Madsen has issued because SHADDIX never filed an Opposition to same. Id.
10 at ¶32.

11 Not only has SHADDIX engaged in a continual stream for offensive, threatening and
12 demeaning emails and texts against Madsen, he has continued to attempt to gain the attention of
13 others to undermine their opinions of John and his business. BROWN, herself, has issued
14 messages which clearly constitute hate speech. Id. at ¶33. Specifically, on December 30, 2019
15 at 12:05 a.m., Madsen received a random text where she, in reference to Madsen's sexual
16 orientation, called him "Fat fag fuck, you are a piece of shit." Id. at ¶34.

17 Madsen has also received messages from personal friends of his, with no connection to his
18 business, who have indicated SHADDIX and/or BROWN have been calling them claiming
19 Madsen is a crook, had misappropriated company funds and other disparaging comments.
20 SHADDIX' only knowledge of these people would have been if he had accessed Madsen's
21 personal contact information that was stored on his computer. Id. at ¶35.

22 SHADDIX has approached Ken Murer, another investor, and, after disparaging Madsen and
23 MYCH 3-D to him, has asked Mr. Murer to give him \$25,000.00 to keep Madsen out of jail. Id.
24 In that email communicate, he also suggested he was completely capable of running John's
25 company and manufacturing the figurines himself. Exhibit "2" at ¶20. His boast that he has
26
27
28
MOTION FOR PRELIMINARY INJUNCTION - 7

possession of John's intellectual property has borne itself out by comments he has made to Brian Beck and to management of the Galleria Mall. Exhibit "1" at ¶37; Exhibit "4".

SHADDIX has further created problems between Fashion Show Mall and Madsen's business by his direct involvement and encouragement. He has also sought to have MYCH 3-D removed from the Galleria Mall. Exhibit "1" at ¶36; Exhibit "3" at ¶¶6, 7, 9.

Going further, SHADDIX and/or BROWN has confronted Madsen's current landlord and his potential future landlord to speak ill of Madsen in an effort to further disrupt and negatively impact his life. SHADDIX has told others he does not care what happens to him or his law practice; it is his mission to "burn to the ground" Madsen and his business if it the last thing he does. Exhibit "2" at ¶¶22, 25.

The cumulative impact of these actions by BROWN and SHADDIX has been to negatively impact Madsen's reputation and besmirch his character. Exhibit "3" at ¶17. It has affected his business relations and his domestic arrangements. It has, and does, cause him great personal concern for his physical safety and that of those around him. Exhibit "2" at ¶28; Exhibit "3" at ¶18. It has not only disrupted him and his business but is causing untold strife to all those individuals SHADDIX is constantly contacting. For this reason, it is respectfully submitted a Temporary Restraining Order should issue to protect Madsen, Michael J. Coker, Madsen's home and business from any further unwarranted intrusions.

II. LEGAL ANALYSIS

a. Legal Standards for Preliminary Injunction

In Nevada, a preliminary injunction is normally available upon a showing the party seeking it enjoys a reasonable probability of success on the merits and that the defendant's conduct, if allowed to continue, will result in irreparable harm for which compensatory damage is an

MOTION FOR PRELIMINARY INJUNCTION - 8

1 inadequate remedy. Number One Rent-A-Car v. Ramada Inns, 94 Nev. 779, 780, 587 P.2d 1329,
2 1330 (1978). In other words, it is “appropriate when a plaintiff demonstrates... that serious
3 questions going to the merits were raised and the balance of hardships tips sharply in the
4 plaintiff's favor.” Alliance for the Wild Rockies v. Cottrell, 632 F.3d 1127, 1131 (9th Cir. 2011).
5

6 NRS 33.010 holds an injunction may be granted:

- 7 1. When it shall appear by the complaint that the plaintiff is entitled to the relief
8 demanded, and such relief or any part thereof consists in restraining the
9 commission or continuance of the act complained of, either for a limited period or
10 perpetually.
- 11 2. When it shall appear by the complaint or affidavit that the commission or
12 continuance of some act, during the litigation, would produce great or irreparable
13 injury to the plaintiff.
- 14 3. When it shall appear, during the litigation, that the defendant is doing or
15 threatens, or is about to do, or is procuring or suffering to be done, some act in
16 violation of the plaintiff's rights respecting the subject of the action, and tending to
17 render the judgment ineffectual.

18 Respectfully, in this case, Petitioner has set forth more than sufficient information
19 suggesting BROWN and SHADDIX are engaging in behavior that should be subject of the
20 injunctive powers of this Court.
21

22 **b. Injunctive Relief is Warranted**

23 Evidence of loss of control over business reputation and damage to goodwill can constitute
24 irreparable harm. Herb Reed Enters., LLC v. Fla. Entm't Mgmt., Inc., 736 F.3d 1239, 1250 (9th
25 Cir. 2013). In Guion v. Terra Marketing of Nevada, Inc., 90 Nev. 237, 523 P.2d 847 (1974), the
26 Nevada Supreme Court upheld a preliminary injunction in a defamation action. In that case, the
27 Court reasoned there is a property right “to carry on a lawful business without obstruction,” and
28 that actions that interfere with the business “or destroy its custom, its credit or its profits, do an
irreparable injury and thus authorize the issuance of an injunction.” Id. at 240, 523 P.2d at 848.
The Court therefore held that equity will “restrain tortious acts where it is essential to preserve a

MOTION FOR PRELIMINARY INJUNCTION - 9

1 business or property interest and also restrain the publication of false and defamatory words
2 where it is the means or an incident of such tortious conduct.” Id.

3 In this case, the acts of BROWN and SHADDIX are clearly designed to wage a campaign of
4 disparagement and destruction to Madsen and all for which he has worked. They are reaching
5 out to his friends and financial investors to destroy those relationships. Their actions, in which
6 they are unrelenting, have caused Madsen not only financial and personal harm, but also
7 apparently constitute an invasion into his personal life. The hate speech and the threats to his
8 personal and financial safety have been clearly set forth.

9 Furthermore, the statement SHADDIX is making to others about his ability to run Madsen’s
10 company or to start a new company using Madsen’s proprietary technology suggest he has
11 improperly accessed this intellectual property for conversion to his own personal use. The
12 devastating impact on the company and Madsen by having this information stolen is obvious
13 and, frankly, irreparable.

14 All this creates a milieu of harm which is clearly subject to the injunctive powers of this
15 Court. The damage being done cannot be assuaged by the payment of monies—even if
16 SHADDIX or BROWN had the wherewithal to pay same. Under Nevada law, this direct
17 interference with business reputation and profits is a violation of Petitioner’s property rights and
18 must be stopped.

19 CONCLUSION

20 For this reason, Petitioners request the following injunction be in place until such time as
21 the merits of this litigation may be fully heard:

1. That BROWN and SHADDIX immediately cease from contacting, in person or otherwise, any persons or entities known by them to be Petitioners' investors or business associates about Madsen or his business operations;
2. That BROWN and SHADDIX immediately cease from contacting, in person or otherwise, any persons known by them to be John Madsen's friends, acquaintances or employees about Madsen or his business operations;
3. That BROWN and SHADDIX immediately cease from publishing any other statements about John Madsen and/or his business outside the confines of this lawsuit;
4. That BROWN and SHADDIX be ordered to stay at least 1,000 feet away from MYCH 3-D's store(s) or other business locations;
5. That BROWN and SHADDIX be ordered to stay at least 1,000 feet away from John Madsen's personal residence;
6. That BROWN and SHADDIX have no contact at all with Michael J. Coker;
7. That BROWN and SHADDIX have no direct contact, verbal or otherwise, with any person who prepared a declaration to this Motion;
8. That BROWN and SHADDIX immediately cease from accessing John Madsen's personal information—including personal contacts and/or address book; and

///

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MOTION FOR PRELIMINARY INJUNCTION - 11

1 9. That BROWN and SHADDIX immediately remove from their possession and control
2 any proprietary, trade secret, intellectual property or other information of a personal or
3 corporate nature belonging to either John J. Madsen and/or MYCH 3-D, Inc.
4

5 Respectfully submitted this 10 day of January, 2020.

6 LAW OFFICES OF CORY J. HILTON

7
8 By  _____

9 CORY J. HILTON, ESQ.

10 Nevada Bar No. 4290

11 PETER M. ANGULO, ESQ.

12 Nevada Bar No. 3672

13 5545 S. Mountain Vista Street, Suite F

14 Las Vegas, Nevada 89120

15 Attorneys for Plaintiffs
16
17
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MOTION FOR PRELIMINARY INJUNCTION - 12

1 **CERTIFICATE OF SERVICE**

2 I HEREBY CERTIFY, that pursuant to Nev. R. Civ. P. 5(b), I am an employee of Mountain
3 Vista Law Group LLC, and that on the 13 day of January, 2020, I caused a true and correct copy
4 of the above and foregoing EMERGENCY MOTION FOR TEMPORARY RESTRAINING
5 ORDER to be duly served upon the party(s) listed below by one or more of the following, accepted
6 methods of service, as follows:
7

8
9 ☒ [X] By placing the same in a sealed envelope upon which first-class postage was fully
10 prepaid and depositing same for First-Class Mail with the United States Postal
Service; and/or

11 ☒ [X] By electronic service with the Eighth Judicial District Court *Odyssey* e-filing
12 system; and/or

13 ☐ [] By electronic mail (email); and/or

14 ☐ [] By facsimile; and/or

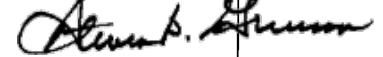
15 ☐ [] By hand-delivery.
16

17 **PARTIES SERVED:**

18 Thomas Shaddix
19 Renee Brown
20 6166 S. Sandhill Road, Suite 146
Las Vegas, Nevada 89120
21 Respondents

22 _____
23 /s/ Margaret Anthis
24 An Employee of MOUNTAIN VISTA LAW
25 GROUP
26
27
28

MOTION FOR PRELIMINARY INJUNCTION - 13



1 **MTRO**

2 CORY J. HILTON, ESQ.

3 Nevada Bar No. 4290

4 PETER M. ANGULO, ESQ.

5 Nevada Bar No. 3672

6 **LAW OFFICE OF CORY J. HILTON**

7 5545 S. Mountain Vista St. Ste. F

8 Las Vegas, NV 89120

9 Tel: (702) 384-8000

10 Fax: (702) 384-8200

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 JOHN J. MADSEN, individually, and MYCH 3-
15 D, INC., a Nevada Corporation

16 Petitioners,

17 vs.

18 THOMAS S. SHADDIX, RENEE BROWN,
19 THE LAW OFFICES OF THOMAS S.
20 SHADDIX, ESQ.

21 Respondents.

Case No.: A-20-808396-C

Dept. No.: XXVII

22 **EMERGENCY MOTION FOR**
23 **TEMPORARY RESTRAINING**
24 **ORDER**

25 **HEARING REQUESTED**

26 COMES NOW, Petitioners, by and through their attorneys of record, CORY J. HILTON,
27 ESQ., of the LAW OFFICE OF CORY J. HILTON, and submits this Emergency Motion for A
28 Temporary Restraining Order based upon the following arguments and evidence.

29 **POINTS AND AUTHORITIES**

30 **I. FACTUAL BACKGROUND**

31 MYCH 3-D, INC. operates a business which makes customized 3-dimensional statues
32 originating from photographs, drawings, paintings, or other 2-dimensional media. The statues
33 created can vary from miniature renditions to life-sized projects. Exhibit 1, Declaration of John
34 Madsen. It currently operates from a physical store located at the Galleria Mall in Henderson,
35 NV under the company name "Memories You Can Hold." Id. at ¶2. JOHN J. MADSEN
36 *EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 1*

1 (“Madsen”) is the creator of this process and the primary stockholder in the business. He has
2 several patents currently pending which are worth multiple millions of dollars. Until those
3 patents have fully cleared, however, the business currently operates in a deficit position—
4 requiring Mr. Madsen to borrow money from a number of different sources. Id. at ¶3.

5
6 MYCH 3-D, INC. has one other shareholder/investor—George Johnsen—who owns a
7 minority interest in the outstanding stock. Id. at ¶4. Ken Muir is a friend of Mr. Madsen’s and
8 has been a major investor in this company. More recently, Brian Beck became associated with
9 Petitioners and acted to not only support the business, but to put Petitioners in contact with other
10 potential investors. Exhibit 2, Declaration of B. Beck. In conjunction with his efforts, he
11 connected Petitioners with another investor, Angelo Giordano, who initially agreed to become a
12 partner/investor in a business opportunity with Madame Tussauds in Las Vegas, Nevada, to
13 showcase their products and offer their services to patrons of that entity. Id. at ¶15. This would
14 have been a major financial boost for Petitioners and those associated with them. Id.

15
16 Beginning in June of 2019, Petitioners retained Thomas S. SHADDIX (“SHADDIX”) to
17 be their attorney on a number of matters. Shortly after the relationship began, SHADDIX
18 approached Mr. Madsen and asked that his girlfriend, Renee BROWN (“BROWN”) be allowed
19 to help out at the store as a receptionist. Exhibit “1” at ¶6; Exhibit “2” at ¶3; Exhibit “4” at p. 1.
20 It was agreed she would not get paid for this as SHADDIX just wanted something to keep her
21 occupied. Exhibit “1” at ¶6; Exhibit “2” at ¶9; Exhibit “4” at p. 1. SHADDIX would also
22 occasionally help out around the store. Exhibit “1” at ¶9; Exhibit “2” at ¶10. More often,
23 however, he used Mr. Madsen’s personal computer to perform legal work for his own law
24 practice remotely from the store. Exhibit “1” at ¶12; Exhibit “2” at ¶10; Exhibit “3” at ¶6. It
25 now appears SHADDIX used that opportunity to rifle through the personal and private
26
27
28

EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 2

1 directories/files on that computer to not only improperly access Mr. Madsen's personal
2 information, but also his intellectual property and trade secrets—which SHADDIX has since
3 tried to use to his personal advantage. Exhibit "1" at ¶37. It also appears, during this time,
4 BROWN was trying to forge Madsen's signature. Exhibit "1" at ¶13.

5
6 Although neither SHADDIX nor BROWN had ever filled out any employment
7 paperwork or been included in the company's payroll, in September of 2019, BROWN began to
8 identify herself as the company's "General Manager" and even purchased business cards
9 purporting this "fact" (which was untrue). Exhibit "1" at ¶7; Exhibit "2" at ¶9; Exhibit "3" at ¶8;
10 Exhibit "4" at p. 1. During her "tenure" with the store, BROWN's attendance was erratic and
11 unreliable. Exhibit "1" at ¶8; Exhibit "2" at ¶9; Exhibit "3" at ¶6. When she was there, it was
12 only for an hour or so. During that time, Madsen became increasingly concerned about the
13 drinking habits and its impact on his business by both SHADDIX and BROWN. Exhibit "1" at
14 ¶14.

15
16 In mid-September 2019, after the business had moved to the Galleria Mall, the
17 company's Square credit card account (which was used for processing customer credit card
18 purchases) had a negative balance of \$1,600.00 (due to chargebacks and other matters arising in
19 connection with the prior store location). Exhibit "1" at ¶11. SHADDIX offered to have the
20 credit cards run through his law firm's trust account until there were sufficient funds to satisfy
21 the negative balance—at which time MYCH 3-D would go back to using Square. Id. This
22 practice was started and all customer receipts were printed on invoices from "Ticket Defenders"
23 (SHADDIX' law firm). Id. Oddly, there never seemed to be sufficient funds to satisfy this
24 negative balance, according to SHADDIX; although Madsen repeatedly asked for an accounting,
25 none was ever provided. Id.

26
27
28 *EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 3*

1 As indicated, the company was (and is) still struggling to be successful and requires
2 constant infusions of monies from investors to keep the doors open—in addition to the profits
3 from customer sales. Any proceeds from sales at the store or online were vitally necessary to be
4 turned back into the business so other vendors could be paid to keep the production of these
5 ordered figurines timely.
6

7 Finally, on December 10, 2019, Madsen calculated there should have been slightly over
8 \$9,100.00 in SHADDIX' trust account to be used for company expenses. Id. at ¶15. He told
9 SHADDIX monies were needed to pay rent to the Galleria Mall (\$3,000.00) and to pay the art
10 department in India (Suhail) \$1,000.00. The India payment was crucial because it was there the
11 3-D renderings were made which were then used to create the figurines. No production could
12 occur without them. Id.
13

14 SHADDIX' initial response was that he had intended to use those funds to get back into
15 his home. Id. When informed these were company funds and not for his personal use,
16 SHADDIX said “we have a problem” because his bank accounts and his PayPal accounts were
17 “frozen” for “fraudulent activity,” so the money could not be accessed. Id. at ¶16; Exhibit “3” at
18 ¶13.
19

20 On December 12, 2019, Madsen attended a meeting with Madame Tussauds Wax
21 Museums in Las Vegas with Brian Beck, Anthony Ferreira, Shaddix, Angelo Giodano and the
22 General Manager for Madame Tussauds. Exhibit “2” at ¶15; Exhibit “4” at p. 1. The meeting
23 went extremely well and all the parties were excited about the financial boon this endeavor
24 would provide. Exhibit “1” at ¶18; Exhibit “2” at ¶16. After the meeting, Madsen sent
25 SHADDIX a text message reiterating the need to pay the Galleria rent and Suhail. In response,
26
27
28

EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 4

1 SHADDIX claimed it would be available that Monday. Frustrated, Madsen informed him this
2 was unacceptable. Exhibit "1" at ¶19.

3 That night, SHADDIX contacted Angelo (who was instrumental in the Madame Tussauds
4 meeting and was a potential investor) and claimed Madsen was misappropriating company funds
5 and was mismanaging the company. He told Angelo there was a warrant being issued for his
6 arrest. Id. at ¶20; Exhibit "4" at p. 1.

7
8 On Saturday, December 14, 2019 about 10:10 a.m., SHADDIX and BROWN showed up
9 at the Galleria Mall store. SHADDIX claimed Madsen's accounting was wrong and there should
10 only be \$5,100.00 in the trust account. They went through the numbers together and agreed
11 there should have been at least \$8,730 (and some change) in the account (which was the original
12 amount suggested by Madsen less a 4% credit card charge). Again, Madsen suggested he would
13 forgive the balance of the lost funds if only SHADDIX would give him enough for the rent and
14 to pay Suhail in India. SHADDIX then claimed everything was tied up in PayPal. He promised
15 to have an accounting by the end of the day. This has never happened. Exhibit "1" at ¶22.

16
17 As BROWN and SHADDIX were leaving, BROWN claimed she was the general
18 manager and had been at the store "24-7" (suggesting SHADDIX should not have to repay these
19 stolen funds). When Madsen disagreed, she became incensed, stated she "quit" and stormed off.
20 Madsen returned to his store and informed his employees SHADDIX and BROWN were no
21 longer associated with the company. Id. at ¶24.

22
23 On Sunday, December 15th, it became apparent SHADDIX and BROWN were
24 attempting to destroy Madsen and MYCH 3-D, Inc. by spreading lies and false innuendo
25 regarding them. For example, on that day, Madsen received a phone call from Angelo, who
26 wanted to make radical changes to the financial arrangements they had tentatively reached on the
27

28
EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 5

1 Madame Tussauds deal. Id. at ¶26. When Madsen inquired as to why this change was deemed
2 necessary, he was informed SHADDIX had gone to his friend (Brian Beck) and later to Angelo
3 directly and claimed Madsen was mismanaging and misappropriating company funds and that
4 Madsen was soon to be arrested for this. Id.; Exhibit “4” at p. 1. Angelo claimed these
5 allegations radically altered his inclination of doing any further business with Petitioners.
6 Exhibit “2” at ¶22.

8 Around this same time, George Johnsen sent an email to SHADDIX demanding that
9 \$1,000 be sent to Suhail in India so the company could move forward in processing its orders.
10 Exhibit “1” at ¶27. SHADDIX claimed there was no money because Madsen had spent it all.
11 George demanded an accounting of this, but SHADDIX has never provided it. Id.

13 SHADDIX also contacted Ken Murer (another friend/investor of Madsen’s) and claimed
14 Madsen was misappropriating money and living well beyond his means. Exhibit “3” at ¶14. Mr.
15 Murer informed SHADDIX he kept a spreadsheet showing how the money he had invested had
16 been used. SHADDIX claimed to have the same thing and promised to send it, but never did.
17 Exhibit “1” at ¶28.

19 SHADDIX has sent a constant stream of texts and emails to Madsen, harassing him with
20 claims of fraud and incompetence. Madsen has answered the allegations by showing SHADDIX
21 evidence those statements were untrue, but SHADDIX continues to make those assertions to
22 Madsen’s friends and investors. Id. at ¶30.

24 On December 21, 2019, at about 2:03 am, SHADDIX and/or BROWN send a text
25 message with a song by the band They Might Be Giants attached. Id. at ¶31. The song (“I Want
26 a Rock”), has been construed as a direct threat to Madsen and those around him. Of import are
27 the lyrics:

28 *EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 6*

1 Throw the crib door wide
2 Let the people crawl inside
3 Someone in this town
4 Is trying to burn the playhouse down

5 On or about December 22, 2019, Madsen was contacted by James Conetta. Mr. Conetta is
6 the plaintiff in Case No. A-19-800160-C in this judicial district. Mr. Conetta told Madsen
7 SHADDIX was trying to throw me under the bus. He was allowing a judgment to be entered
8 against Madsen in that case. A review of the court records indicates an order granting summary
9 judgment against Madsen has issued because SHADDIX never filed an Opposition to same. Id.
10 at ¶32.

11 Not only has SHADDIX engaged in a continual stream for offensive, threatening and
12 demeaning emails and texts against Madsen, he has continued to attempt to gain the attention of
13 others to undermine their opinions of John and his business. BROWN, herself, has issued
14 messages which clearly constitute hate speech. Id. at ¶33. Specifically, on December 30, 2019
15 at 12:05 a.m., Madsen received a random text where she, in reference to Madsen's sexual
16 orientation, called him "Fat fag fuck, you are a piece of shit." Id. at ¶34.

17 Madsen has also received messages from personal friends of his, with no connection to his
18 business, who have indicated SHADDIX and/or BROWN have been calling them claiming
19 Madsen is a crook, had misappropriated company funds and other disparaging comments.
20 SHADDIX' only knowledge of these people would have been if he had accessed Madsen's
21 personal contact information that was stored on his computer. Id. at ¶35.

22 SHADDIX has approached Ken Murer, another investor, and, after disparaging Madsen and
23 MYCH 3-D to him, has asked Mr. Murer to give him \$25,000.00 to keep Madsen out of jail. Id.
24 In that email communicate, he also suggested he was completely capable of running John's
25 company and manufacturing the figurines himself. Exhibit "2" at ¶20. His boast that he has
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EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 7

1 possession of John's intellectual property has borne itself out by comments he has made to Brian
2 Beck and to management of the Galleria Mall. Exhibit "1" at ¶37; Exhibit "4".

3 SHADDIX has further created problems between Fashion Show Mall and Madsen's business
4 by his direct involvement and encouragement. He has also sought to have MYCH 3-D removed
5 from the Galleria Mall. Exhibit "1" at ¶36; Exhibit "3" at ¶¶6, 7, 9.

7 Going further, SHADDIX and/or BROWN has confronted Madsen's current landlord and his
8 potential future landlord to speak ill of Madsen in an effort to further disrupt and negatively
9 impact his life. SHADDIX has told others he does not care what happens to him or his law
10 practice; it is his mission to "burn to the ground" Madsen and his business if it the last thing he
11 does. Exhibit "2" at ¶¶22, 25.

13 The cumulative impact of these actions by BROWN and SHADDIX has been to negatively
14 impact Madsen's reputation and besmirch his character. Exhibit "3" at ¶17. It has affected his
15 business relations and his domestic arrangements. It has, and does, cause him great personal
16 concern for his physical safety and that of those around him. Exhibit "2" at ¶28; Exhibit "3" at
17 ¶18. It has not only disrupted him and his business but is causing untold strife to all those
18 individuals SHADDIX is constantly contacting. For this reason, it is respectfully submitted a
19 Temporary Restraining Order should issue to protect Madsen, Michael J. Coker, Madsen's home
20 and business from any further unwarranted intrusions.

22 **II. LEGAL ANALYSIS**

23 **a. Legal Standards for Temporary Restraining Order**

25 The purpose of a TRO is "preserving the status quo and preventing irreparable harm just so
26 long as is necessary to hold a hearing [on the preliminary injunction application], and no longer."
27 Granny Goose Foods, Inc. v. Brotherhood of Teamsters & Auto Truck Drivers, 415 U.S. 423

28 *EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 8*

1 (1974); see also Reno Air Racing Ass'n v. McCord, 452 F.3d 1126, 1130-31 (9th Cir. 2006).
2 The standards governing the issuance of temporary restraining orders are "substantially identical"
3 to those governing the issuance of preliminary injunctions. Stuhlbarg Intern. Sales Co., Inc. v.
4 John D. Brushy and Co., Inc., 240 F.3d 832, 839 n. 7 (9th Cir.2001). Generally, "[a] plaintiff
5 seeking a [TRO] must establish that he is likely to succeed on the merits, that he is likely to
6 suffer irreparable harm in the absence of preliminary relief, that the balance of equities tips in his
7 favor, and that an injunction is in the public interest." Am. Trucking Ass'n, Inc. v. City of Los
8 Angeles, 559 F.3d 1046, 1052 (9th Cir. 2009)(quoting Winter v. Natural Res. Def. Council, Inc.,
9 129 S. Ct. 365, 374 (2008)).
10

11
12 In Nevada, a preliminary injunction is normally available upon a showing the party seeking
13 it enjoys a reasonable probability of success on the merits and that the defendant's conduct, if
14 allowed to continue, will result in irreparable harm for which compensatory damage is an
15 inadequate remedy. Number One Rent-A-Car v. Ramada Inns, 94 Nev. 779, 780, 587 P.2d 1329,
16 1330 (1978). In other words, it is "appropriate when a plaintiff demonstrates... that serious
17 questions going to the merits were raised and the balance of hardships tips sharply in the
18 plaintiff's favor." Alliance for the Wild Rockies v. Cottrell, 632 F.3d 1127, 1131 (9th Cir. 2011).
19

20 NRS 33.010 holds an injunction may be granted:

- 21
- 22 1. When it shall appear by the complaint that the plaintiff is entitled to the relief
23 demanded, and such relief or any part thereof consists in restraining the
24 commission or continuance of the act complained of, either for a limited period or
25 perpetually.
 - 26 2. When it shall appear by the complaint or affidavit that the commission or
27 continuance of some act, during the litigation, would produce great or irreparable
28 injury to the plaintiff.
 3. When it shall appear, during the litigation, that the defendant is doing or
threatens, or is about to do, or is procuring or suffering to be done, some act in
violation of the plaintiff's rights respecting the subject of the action, and tending to
render the judgment ineffectual.

EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 9

1 Respectfully, in this case, Petitioner has set forth more than sufficient information
2 suggesting BROWN and SHADDIX are engaging in behavior that should be subject of the
3 injunctive powers of this Court.

4
5 **b. Injunctive Relief is Warranted**

6 Evidence of loss of control over business reputation and damage to goodwill can constitute
7 irreparable harm. Herb Reed Enters., LLC v. Fla. Entm't Mgmt., Inc., 736 F.3d 1239, 1250 (9th
8 Cir. 2013). In Guion v. Terra Marketing of Nevada, Inc., 90 Nev. 237, 523 P.2d 847 (1974), the
9 Nevada Supreme Court upheld a preliminary injunction in a defamation action. In that case, the
10 Court reasoned there is a property right "to carry on a lawful business without obstruction," and
11 that actions that interfere with the business "or destroy its custom, its credit or its profits, do an
12 irreparable injury and thus authorize the issuance of an injunction." Id. at 240, 523 P.2d at 848.
13 The Court therefore held that equity will "restrain tortious acts where it is essential to preserve a
14 business or property interest and also restrain the publication of false and defamatory words
15 where it is the means or an incident of such tortious conduct." Id.

16
17
18 In this case, the acts of BROWN and SHADDIX are clearly designed to wage a campaign of
19 disparagement and destruction to Madsen and all for which he has worked. They are reaching
20 out to his friends and financial investors to destroy those relationships. Their actions, in which
21 they are unrelenting, have caused Madsen not only financial and personal harm, but also
22 apparently constitute an invasion into his personal life. The hate speech and the threats to his
23 personal and financial safety have been clearly set forth.

24
25 Furthermore, the statement SHADDIX is making to others about his ability to run Madsen's
26 company or to start a new company using Madsen's proprietary technology suggest he has
27 improperly accessed this intellectual property for conversion to his own personal use. The
28

EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 10

1 devastating impact on the company and Madsen by having this information stolen is obvious
2 and, frankly, irreparable.

3 All this creates a milieu of harm which is clearly subject to the injunctive powers of this
4 Court. The damage being done cannot be assuaged by the payment of monies—even if
5 SHADDIX or BROWN had the wherewithal to pay same. Under Nevada law, this direct
6 interference with business reputation and profits is a violation of Petitioner's property rights and
7 must be stopped.
8

9 CONCLUSION

10 For this reason, Petitioners request the following injunction be in place until such time as
11 the pending Motion for Preliminary Injunction may be heard:
12

- 13 1. That BROWN and SHADDIX immediately cease from contacting, in person or
14 otherwise, any persons or entities known by them to be Petitioners' investors or business
15 associates about Madsen or his business operations;
16
- 17 2. That BROWN and SHADDIX immediately cease from contacting, in person or
18 otherwise, any persons known by them to be John Madsen's friends, acquaintances or
19 employees about Madsen or his business operations;
20
- 21 3. That BROWN and SHADDIX immediately cease from publishing any other statements
22 about John Madsen and/or his business outside the confines of this lawsuit;
23
- 24 4. That BROWN and SHADDIX be ordered to stay at least 1,000 feet away from MYCH 3-
25 D's store(s) or other business locations;
26
- 27 5. That BROWN and SHADDIX be ordered to stay at least 1,000 feet away from John
28 Madsen's personal residence;
6. That BROWN and SHADDIX have no contact at all with Michael J. Coker;

EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 11

- 1 7. That BROWN and SHADDIX have no direct contact, verbal or otherwise, with any
2 person who prepared a declaration to this Motion;
3
4 8. That BROWN and SHADDIX immediately cease from accessing John Madsen's
5 personal information—including personal contacts and/or address book; and
6
7 9. That BROWN and SHADDIX immediately remove from their possession and control
8 any proprietary, trade secret, intellectual property or other information of a personal or
9 corporate nature belonging to either John J. Madsen and/or MYCH 3-D, Inc.

10 Respectfully submitted this 13 day of January, 2020.

11 LAW OFFICES OF CORY J. HILTON

12
13 By 

CORY J. HILTON, ESQ.

Nevada Bar No. 4290

PETER M. ANGULO, ESQ.

Nevada Bar No. 3672

5545 S. Mountain Vista Street, Suite F

Las Vegas, Nevada 89120

Attorneys for Plaintiffs

1 **CERTIFICATE OF SERVICE**

2 I HEREBY CERTIFY, that pursuant to Nev. R. Civ. P. 5(b), I am an employee of Mountain
3 Vista Law Group LLC, and that on the 13 day of January, 2020, I caused a true and correct copy
4 of the above and foregoing EMERGENCY MOTION FOR TEMPORARY RESTRAINING
5 ORDER to be duly served upon the party(s) listed below by one or more of the following, accepted
6 methods of service, as follows:
7

8
9 ☒ [X] By placing the same in a sealed envelope upon which first-class postage was fully
10 prepaid and depositing same for First-Class Mail with the United States Postal
11 Service; and/or

12 ☒ [X] By electronic service with the Eighth Judicial District Court *Odyssey* e-filing
13 system; and/or

14 ☐ [] By electronic mail (email); and/or

15 ☐ [] By facsimile; and/or

16 ☐ [] By hand-delivery.

17 **PARTIES SERVED:**

18 Thomas Shaddix
19 Renee Brown
20 6166 S. Sandhill Road, Suite 146
21 Las Vegas, Nevada 89120
22 Respondents

23 /s/ Margaret Anthis
24 An Employee of MOUNTAIN VISTA LAW
25 GROUP
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EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER - 13

1

Declaration of JOHN J. MADSEN

The undersigned, under penalty of perjury of the laws of the State of Nevada, hereby swears or affirms the following statements based upon his personal knowledge and recollection. To the extent is based on an understanding or belief, it is specifically so noted. With that understanding, the undersigned testifies as follows:

1. I am a resident of Clark County, Nevada and am over the age of 18 years.
2. MYCH 3-D, INC. operates a business which makes customized 3-dimensional figurines originating from 3-dimensionsional scans, photographs, drawings, paintings, or other 2-dimensional media. The figurines created can vary from miniature renditions to life-sized projects. It currently sells its products on-line and in a physical store located at the Galleria Mall in Henderson, NV under the company name "Memories You Can Hold."
3. I am the creator of this process and the primary stockholder in the business. I have several patents currently pending which are worth multiple millions of dollars. Until those patents have fully cleared, however, the business currently operates in a deficit position—requiring me to borrow money from a number of different sources.
4. MYCH 3-D, INC. has one other shareholder/investor and co-creator—George Johnsen—who owns a minority interest in the outstanding stock.
5. In May of 2019, I was dealing with several issues which required legal assistance. Accordingly, on or about June 24, 2019, Plaintiffs retained Thomas SHADDIX to provide those general legal services.
6. By the end of June, 2019, SHADDIX approached me about having his girlfriend, Renee BROWN, fill-in as a receptionist at the store which was located, at the time, on Durango and Desert Inn. I informed him we could not afford to pay any more employees and he indicated she was fine with doing it for free. He just wanted something for her to do to keep her busy during the day. At no time, did he inform me she had a fugitive felony warrant from California.
7. I consented to let her help around the store. After several months, and a move of the business to the Galleria Mall, I became aware BROWN was self-identifying her position to others as being the company's "General Manager." At no time was Ms. BROWN ever on the business' payroll nor was she ever promoted or designated as a supervisor for the business. Further, at no time did she ever actually operate as a general manager of the business.
8. Rather than being a benefit to the business, Ms. BROWN caused us to incur financial loss. She was often absent from the store and failed to open the business on time on at least 15 occasions—even though she had promised to do so. The failure to open on time resulted in a \$500.00 fine levied against the business for each event. Usually she spent only an hour or so in the store before she left---unless I was treating for lunch.

9. SHADDIX himself would also show up at the business to help Renee. He also did a lot of his legal work out of our store. He assured me he was doing this as a “friend” and there was no legal charge or employment compensation due for this assistance.
10. I paid over \$6,300.00 to SHADDIX, in cash, for legal services allegedly being rendered. In addition, I gave him \$1,600.00 on October 29, 2019, to help him avoid being evicted from his personal residence for one month of unpaid rents. However, when he was eventually evicted, I learned he was actually 3 months behind on his rents. At other times, if I had extra money, I would do personal things for SHADDIX and BROWN, such as taking them out to lunch or dinner—where they would often consume prodigious amounts of alcohol. (SHADDIX would monitor BROWN’s drinking to ensure there was no vodka in it since, according to him, it would turn her into a “homicidal maniac.”)
11. In the second week of September, 2019, after we had moved to the Galleria Building, our Square credit card account (which was used for processing credit card purchases) was \$1,600.00 in the negative due to chargebacks and other matters from our prior store. SHADDIX offered to have the credit cards run through his trust account until there were sufficient funds to pay the negative balance back so we could go back to using Square. During this time, all customer receipts were printed on invoices from “Ticket Defenders”. (SHADDIX’ law firm). Although I repeatedly asked for an accounting, SHADDIX never provided it.
12. Without my knowledge or permission, during this same time period, SHADDIX went through my personal laptop and accessed my personal files. I had allowed SHADDIX permission to use my laptop to do his legal work for his other clients because he told me he needed to remote into his office computer system.
13. During this same general time, we have recently discovered BROWN was also trying to forge my signature—for unknown reasons.
14. Beginning in September 2019, I became increasingly concerned about the level of drinking by both SHADDIX and BROWN while at the store. I was informed they were drinking in front of the employees. Until I hid the liquor from them, they would consume about a gallon of Canadian Club whiskey at week at the store.
15. December 10, 2019, I was aware we should have had slightly over \$9,100.00 in SHADDIX’ trust account to be sued for company expenses. I told SHADDIX we needed to pay rent for Galleria (\$3,000.00) and to send \$1,000.00 to the art department in India (Suhail). SHADDIX’ initial response was that he was intending to use that money to get himself back into his home. I told him it was company money to be used for company expenses.
16. SHADDIX said “we have a problem” because his bank accounts and his PayPal accounts were “frozen” for fraudulent activity, so the money could not be accessed.

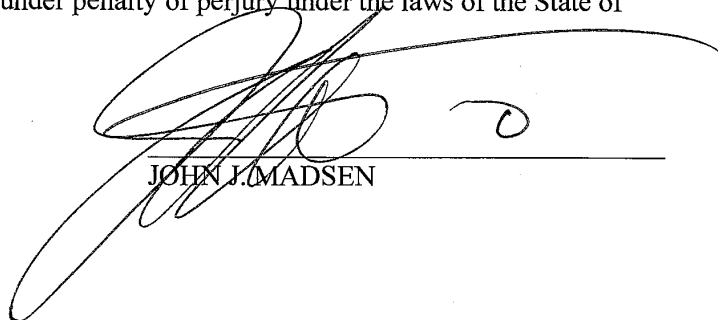
17. On December 11, I addressed the issue again. BROWN agreed as soon as the money was "released", \$1,000.00 needed to be sent to Suhail so the figurines could be printed.
18. On December 12, 2019, I attended a meeting with Madame Tussauds Wax Museums. Present were Brian Beck, Anthony Ferreira, Shaddix, Angelo Giodano, me and the US General Manager for Madame Tussauds. The meeting went extremely well. We had reached the point where we were discussing where we would be placing scanners to make figurines there and in what stores we would be operating. It would have been extremely lucrative for the company, myself and my investors.
19. After the meeting, I dropped SHADDIX off so he could go to court. I sent SHADDIX a text message indicating we needed to get our rent monies and the money for Suhail. SHADDIX texted me back and said it would be available that Monday. I told him this was unacceptable.
20. That night, SHADDIX contacted Angelo (who was instrumental in the Madame Tussauds meeting and was a potential investor) and said I was misappropriating company funds and was mismanaging the company. He told Angelo there was a warrant being issued for my arrest.
21. The next day, BROWN came into the store. She seemed very pleasant and gathered up all of SHADDIX' stuff and left.
22. Saturday, December 14, 2019 about 10:10 a.m., SHADDIX and BROWN showed up at the store. It was very tense. SHADDIX asked if we could speak outside. I agreed. After sitting down, SHADDIX said the accounting was wrong and there should only be \$5,100.00 in the trust account. We went through the numbers and (having ignored a few disagreements) came to the conclusion there should have been at least \$8,730-something in the account (net of his 4% credit card charge for his trust account). SHADDIX said he would get an accounting of the \$5,100.00. I told SHADDIX I would ignore the \$5,100.00 if he would get me \$4,000.00 so I could pay my rent and Suhail.
23. SHADDIX then claimed everything was tied up in PayPal. He promised to have an accounting by the end of the day.
24. As they were getting ready to leave, BROWN addressed me and claimed she was my general manager and was at the store "24-7." I disagreed and told her that even SHADDIX agreed she was often not at the store (and even then only for a few hours at most). At this point, she became incensed and stated she "quit." She then stormed off. I walked back into the store and told my staff SHADDIX and BROWN were no longer associated with the company. My staff expressed relief they were gone due to their inappropriate behavior.
25. Having not received the promised accounting that day, on Sunday I texted him and he said he was working on it.

26. Later that day, I spoke with Angelo, who wanted to make a radical change in the agreement we had tentatively reached on the Madame Tussauds deal. As I asked him what occasioned this change, he told me SHADDIX had gone to Brian Beck and Brian had gone to him. SHADDIX then called him directly and told him I was mismanaging and misappropriating company funds. SHADDIX also tried to bring in another investor/friend of mine—Ken Murer—with similar claims. I offered to show Angelo the records, but he declined indicating what SHADDIX had been saying radically altered his inclination of doing any further business with me. In essence, he was scared of me.
27. Around this same time, George Johnsen sent an email to SHADDIX demanding that \$1,000 be sent to Suhail in India so we could get moving on several orders. SHADDIX claimed there was no money and that I had spent it all. He then promised an accounting—which was never received. I have included a copy of those emails with this motion.
28. SHADDIX also contacted Ken Murer and claimed I was misappropriating money and living well beyond my means. Ken informed him he kept a spreadsheet showing where all the money he had given me had gone. SHADDIX claimed to have the same thing. Ken told him to send it and he promised he would. However, it was never sent.
29. On December 16, 2019, SHADDIX and I discussed the status of my personal truck—which I had lent to him in the beginning of October for four days. Apparently, SHADDIX and/or BROWN were involved in an accident with the truck where it was sideswiped. Anthony Ferriera had repeatedly told him he needed to talk to me about this, but SHADDIX would say I had too much on my plate. On the 16th I became aware he had been involved in this accident and had not fixed it. When I directly addressed this to SHADDIX, he said he wanted to make the cost of repairs as an offset to monies which I allegedly owed him (which I did not). SHADDIX claimed I was using the truck damage as a scapegoat for our problems.
30. SHADDIX continued to send me emails and texts (mostly texts) and claimed I was committing fraud because we were behind on our orders. I showed him how that was a false statement. Nevertheless, he continued to tell Brian, Angelo, Ken and others that I was committing fraud. I told him Suhail needed the money so we could move on our other projects.
31. On December 21, 2019, at about 2:03 am I received a text message with a song attachment from SHADDIX. The song was from They Might Be Giants. The lyrics specifically talked about “burning down” a playhouse. I took, and continue to view, this as a direct physical threat to my personal safety and those people who are close to me.
32. On December 22, 2019, I received a phone call from Jim Conetta who told me my former attorney (SHADDIX) was trying to throw me under the bus. He was allowing Jim to get a judgment against me. (I later learned there was a motion for summary judgment against me which SHADDIX had never opposed).

33. Between the 22nd to the 30th I received a number of texts and emails from SHADDIX—all of which were threatening and demeaning. I was also, during this time, being told SHADDIX and BROWN were still speaking ill of me to anyone who would listen.
34. On December 30, 2019 at 12:05 a.m. I received a random text from BROWN wherein she wrote “Fat fag fuck, you are a piece of shit.” Fifteen minutes later, BROWN claimed she would give me back my employee financial records once I returned her mirror. I never heard from her again.
35. Apparently SHADDIX accessed my personal contacts list when he was rooting around in my computer, I was getting calls from friends indicating SHADDIX was calling them I was a crook and had misappropriated funds. He also said I owed him untold amounts of money. At one point, he sent to Ken Murer an email indicating if Ken would give him \$25,000.00, he would not put me in jail.
36. I have heard from an employee of the Fashion Show Mall that he has gone to them to stir up litigation against me and the company for our termination of that lease this past summer. He has also gone to the Galleria Mall and told them to move my store out by December 31, 2019 because “there was a new 3-D business coming to town.”
37. These statements, and those related to me by others, are strongly suggestive that SHADDIX and/or BROWN may have accessed proprietary information about my business and have appropriated my trade secrets in the hopes of stealing away from me my business and my intellectual property. As recently as Monday, January 6, 2020, a woman entered into our store asking to speak with the owner. Shelby, a salesperson, told her I was sitting at my desk and pointed me out. The woman stated Shelby was wrong because she had met the owner at the El Cortez. The woman she met had claimed to be the sole owner of my business. She then described BROWN precisely at the “owner” with whom she had met. This woman claimed BROWN was plastered when they met, but she loved the figurines she was shown.
38. I have also been told by several investors/associates that SHADDIX and/or BROWN have been making statements about how they want to start a new, competing business with mine or, alternatively, how they will oust me from my own company and take over its operation.
39. I recently heard from my current landlord, SHADDIX contacted him and told him he needed to evict me because I am a bad person.
40. There is another home to which I have contemplated moving for several months. At one point, SHADDIX went with me to look at the property. When SHADDIX learned I was thinking of moving there, he apparently called my new landlord and told him he wanted to come and speak with him directly about the kind of person I allegedly am before he should rent to me. This has delayed my ability to sign the lease and enter into my new home.

41. I am personally very concerned about my physical safety and that of my partner, Michael J. Coker. I feel their behavior is becoming even more erratic and threatening. I feel they have made at least thinly-veiled threats of harming me and burning my home to the ground.

Signed this 10 day of January, 2020, under penalty of perjury under the laws of the State of Nevada.



JOHN J. MADSEN

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Declaration of Brian Beck

The undersigned, under penalty of perjury of the laws of the State of Nevada, hereby swears or affirms the following statements based upon his personal knowledge and recollection. To the extent is based on an understanding or belief, it is specifically so noted. With that understanding, the undersigned testifies as follows:

1. I am a resident of Clark County, Nevada and am over the age of 18 years.
2. I am the owner/operator of a business in Clark County that deals in gift and novelty (glow product wholesale, retail and promotional product custom imprinting) . It was in connection with that business I first heard about, and later met, John Madsen and his statue-making business.
3. My initial contact with his business came when I was exhibiting a booth at the “Bite of Las Vegas” Food Festival held in approximately September of 2018. As I recall, I was intrigued by his booth and the potential for the products they were displaying. I spoke with some of the employees at that booth and asked to be connected with John directly as I felt our businesses could be mutually improved by collaborating together.
4. I exchanged several phone calls with John over the next few weeks. We finally met for lunch at a PT’s Bar near his home in August of 2019. In that meeting, we discussed his goals for the business. Ultimately, I agreed to be a vendor for him—displaying his statues at various events I set up—contacting some investors I knew to see if they were interested in becoming involved, preparing promotional products for the business and helping to increase his visibility. In return I received a percentage of the sales based on my referrals.
5. It was my intent and understanding that, when the business became more solvent, I would become part of the team, would transition into getting apposition as Marketing Director and/or Head of Sales.
6. When John’s business moved to the Galleria Mall, I made custom shirts for his staff and also set up a display booth of my products within his shop for Galleria special event (such as Halloween).
7. In all my dealing with John, I found him to be very transparent and honest. He has never not followed through on any of his promises or commitments to me.
8. During the time his business was in the Galleria Mall in Henderson, I would spend time in the shop if I had meetings or business leads. Nevertheless, I became aware of, and to know personally, both Renee Brown and Thomas Shaddix.
9. I recall Renee initially was just a helper around the store. A few weeks after I first met her, I recall she had some business cards made indicating she was the “General Manager.” I presumed this was true. I was told by Mr. Shaddix she was there because

she did not have a job for some reason and he wanted to keep her busy. I think she helped hire some of the new staff for the business. Frankly, as time went on, I thought she was unreliable. I knew she did not show up for work when she was supposed to.

10. I also saw Thomas Shaddix at the store in the Galleria Mall. He was usually on the computer. I was told he was just helping out around the store although I knew he was also working on law stuff. I thought he just being a friend to John. John seemed like he took good care of them. They told me John took care of them if they needed money. He let them borrow his cars.
11. At no time did either Renee or Thomas ever represent themselves as being owners of the store to me.
12. I recall Thomas sometimes would ask John about the status of getting the "dolls" printed. I knew there were sometimes delays in getting the order finalized because John has to send the artwork to India to have it prepared to use in his machines. Obviously, John had to pay the company in India for their labor. Occasionally, due to the financial condition of the business, there might be a small delay in getting the payment to India, which would result in a small delay in making the "dolls." However, all orders were processed properly to my knowledge.
13. In my own business operation, I had come to know a man named Angelo Giordano (I think this is how his last name is spelled) who was a potential investor and strategic partner for John's business. I thought their respective business might be a good fit and so I set up a meeting with them. I believed the involvement of Angelo would take John's business to new levels.
14. I recall John speaking with me on several occasions in September through December 2019 that he was becoming more concerned about the drinking habits of Thomas and Renee and also with Renee's reliability (or lack thereof). Sometime in December of 2019, I was told Thomas had been running the business' credit card sales through his trust account or some account belonging to him. Later I heard Thomas stole about \$10,000 belonging to the business which was needed to pay the people in India as well as keep the business afloat.
15. Approximately December 11 or 12, 2019, I attended a meeting with Angelo, John, Thomas, and Anthony (an employee of John's at the business) at Madame Tussauds in Las Vegas. The meeting was made possible because Angelo was already doing business with the company. I know everyone was excited for the meeting as it would be ideal for John's business.
16. The meeting went very well and would be a real financial benefit to John's business. I had to leave the meeting early, but I believe Thomas had agreed to draft the agreement with Madame Tussauds. After this meeting, however, everything seemed to unravel and became very toxic.

17. It was after this meeting, I think it was the next day, I received a call from John telling me Thomas and Renee were no longer with the business because they stole the \$10,000 I spoke about before. I think this was the first I had heard of it.
18. To the best of my recollection, after that weekend, I received a call from Thomas and Renee. They said they wanted to tell me what was "really going on" with John's business. First, they assured me they had quit rather than been fired. I asked about what had happened with the \$10,000 and Thomas said they did not take it, but John stole the money. He said John wanted it in cash. In this, and over the next several phone calls I received from Thomas and/or Renee, they told me that John was a liar and a fraud. They claimed there were federal crimes against John. He said there was no production going on in India and John was just taking people's money. Thomas told me to make sure the deal did not go through with Madame Tussauds and do not let Angelo give John \$50,000.00 under any circumstances. He claimed John would take the money and flee the country. Thomas told me to not talk to John and to not trust him.
19. Thomas went on to tell me he wanted to do the right thing and he was going to "burn down" John's business. Later, he told me he knew he was potentially going to lose his law license but he did not care, he was going to make sure no one would ever do business with John or his company again. He was going to burn the business to the ground.
20. In our conversations, Thomas told me if he could remove John from the business, he would get Ken (another investor and friend of John's) and Angelo to start a new company and make these dolls themselves. He claimed he had all of John's information and he and I could run the company. He told me he wanted to get Anthony to leave and come to our new business. He was going to speak with both Ken and Angelo about his plan. He also said John was getting kicked out of the Galleria Mall on December 31st of last year.
21. Frankly, all of this discussion from Thomas and Renee made me very uncomfortable with my continued involvement with John and his business. I thought about freezing my relationship with John until I knew what was going to happen. I was very concerned if these allegations about John were true. However, I did not call John immediately to address these concerns.
22. While I was thinking about what to do, I received a call from Angelo, who asked me what was going on with John and Thomas. He had been contacted by Thomas who told him much of what he had said to me and Angelo was thinking of backing out of the deal because he did not want the drama. Angelo told me Thomas had said he was looking for dirt on John so he could take him down.
23. I had determined I needed to get more facts when John reached out to me and to Angelo.
24. Apparently, John showed all his evidence to Angelo and was very transparent about his situation. Angelo told me, after seeing the evidence, he came to believe Thomas was lying about the things he had said about John.

25. I personally confronted John about these allegations from Thomas. In my opinion, he was very honest and transparent about everything. He showed me whatever I wanted and more. As I reviewed the evidence, I realized Thomas had been lying to me about John and his business solely to try to "burn down" John as he said he wanted to do.
26. In some of the communications I saw it appeared to me Thomas was trying to extort about \$25,000 from John and his investor. In a subsequent conversation I had with Thomas, I told him about what I had seen and asked if that wasn't extortion. He said he didn't care, he was going to lose his law license anyway, but he was going to make sure no one ever did business with John or his company again He was "going to burn it to the ground."
27. In my mind, from all that I have seen, Thomas is simply being retaliatory or vindictive against John. He is telling lies and spreading rumors simply to directly hurt John and his company.
28. I can also state I am personally very concerned about what Thomas Shaddix or Renee Brown will do to me and/or my family once they read this truthful declaration. I think they are dangerous and desperate people right now.

Signed this 10th day of January, 2020, under penalty of perjury under the laws of the State of Nevada.

Brian Beck January 10, 2020
BRIAN BECK

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Declaration of Anthony J. Ferreira

The undersigned, under penalty of perjury of the laws of the State of Nevada, hereby swears or affirms the following statements based upon his personal knowledge and recollection. To the extent is based on an understanding or belief, it is specifically so noted. With that understanding, the undersigned testifies as follows:


1. I am a resident of Clark County, Nevada and am over the age of 18 years.
2. I am the maintenance/production/technical development supervisor of MYCH 3-D, INC. and have worked with John and the company for over 8 years.
3. I first met SHADDIX at the Durango store in approximately May of 2019. SHADDIX had been doing some legal work for John (Madsen). I heard SHADDIX ask John if he would let Renee BROWN work at the store to keep her occupied. John stated he had no room on the payroll and SHADDIX said he didn't care if she worked for free, he just wanted to keep her busy. If the business ever became self-sustaining, they could discuss payment then.
4. I was introduced to BROWN within the next week. John told me she would be helping with clerical duties (getting shipments to UPS, handling employee records, etc.) to lighten my load. Shortly after she began, I failed to see that she was doing much of anything to help me in that regard. One of the things she was supposed to handle was obtaining our business license (a project I had almost completed). By mid-July, she had not started on that project at all and was asking me to assist.
5. At the end of May, our store moved to Fashion Show Mall. BROWN was supposed to help with the move—which she did not.
6. At the Fashion Show Mall, we had increased our staffing levels and had a general manager of the company. While there, I saw BROWN and SHADDIX at the store. BROWN would be there infrequently and never for very long. SHADDIX was there more often but was always on the computer running his law practice remotely, according to him. He asked to use John's computer to do this. Sometimes, they would show up for a late lunch (maybe an early dinner) to go out to eat with John and me. Since John and I had been there for a long time, we would call it a day and go home after the meal. BROWN and SHADDIX would promise they would go back to the store and stay until closing (approximately 9 p.m.). However, our employees told me they never did. I was also told BROWN would threaten the employees they would get fired if any of them told us they were not there.
7. We had problems at the Fashion Show Mall. SHADDIX was supposed to handle the thefts our store was experiencing and problems with mall employees. The problems got worse and we decided we needed to move to another location. Accordingly, on Labor Day we moved into the Galleria Mall.

8. When we moved to Galleria, we had decided to not hire any more employees. John, myself and BROWN were going to run the store. Almost immediately, BROWN began hiring employees and claiming she was the General Manager (which she was not). SHADDIX also claimed he wanted to focus his efforts on the business because he wanted to quit the practice of law and do the business full-time. John never agreed to this in my presence.
9. Frankly, I thought both SHADDIX and BROWN were committed to making us successful, based on their conversations, but I never saw it in their actions. BROWN was only infrequently at the store and when she was there, she acted like a dictator. SHADDIX never did anything to assist in the store other than to spend time on John's computer and to supposedly try to handle our legal issues.
10. For example, while we were at the Galleria Mall, we had a duty to open by a certain time or else the store would be assessed a fine by the property. On numerous occasions, SHADDIX and BROWN would assure us (because we had worked late into the night) that John and I could take our time coming to the store in the morning because BROWN would be there to open up. Every time, they failed to keep that commitment. Fortunately, John and I were already on the way to the store when we would receive a call from BROWN telling us she had just awakened and would not be in until around 1 or so (usually she showed up around 4).
11. In October of 2019, while I was out of town, I was told BROWN was also out of town and SHADDIX needed to borrow a vehicle. John allowed him to use his truck. After I arrived back in town, I reached out to SHADDIX about returning the truck. He said he would deliver it the next morning. When they did so, they showed me the damage SHADDIX had caused to the passenger side of the truck. SHADDIX claimed he had received several estimates. I told him I would see if I could get it cheaper. About 2 weeks later, I told him I could not beat the price he claimed he had so he should get it fixed at his place. To this day, the truck has not been fixed. I kept telling him to tell John about the damage, but he kept coming up with excuses as to why he didn't do so.
12. On or about December 11, 2019, I had to drive BROWN to the UPS store to make a delivery. Because she said there were cops everywhere and she had a warrant out for her arrest.
13. In December of 2019, we had a couple of bills that needed to be paid. Galleria needed \$3,000 for rent and \$1,000 for Suhail (our India art department who is responsible for making sure any missing pieces are expanded so the figurines are complete before production), along with some other bills. I knew we had more than enough in SHADDIX' trust account to handle it. I heard John call SHADDIX about the money and it sounded like there was a real problem. I saw some texts between John and SHADDIX where SHADDIX claimed there was an accounting discrepancy.
14. I became aware that SHADDIX and/or BROWN had done something wrong with the money on December 13th. John was very upset. I reached out to SHADDIX and he

began blaming John. I had seen texts from SHADDIX indicating the money was gone. It was the following Tuesday, after several more text conversations, that SHADDIX admitted to me the money was gone.

15. At that point, I was very concerned. I have invested a lot of time, blood, sweat and energy into the business and John's ideas. The loss of this money was potentially devastating to the business. Again, SHADDIX was suggesting to me the money had not been spent on business matters and implied it was wrongfully taken by John.
16. I have seen the email where SHADDIX reached out to Ken Murer, one of John's investors, about starting a new company "from the ashes" of John's business—without John's involvement. In that email, SHADDIX indicated he was going to pay me \$3,000 to go with him. That has never happened nor has he ever actually offered me any money.
17. Beyond that, I have never had much personal interaction with SHADDIX and/or BROWN. But I have overheard discussions about the slanderous comments they were making about John. I know these comments have impacted at least one of the investors in the company and have messed up, for now, a great deal with Madame Tussauds.
18. I am not concerned for my physical safety, but I do not want SHADDIX or BROWN at or around our store at any time since it causes me undue stress and takes away from my concentration on the business.

Signed this ____ day of January, 2020, under penalty of perjury under the laws of the State of Nevada.


ANTHONY J. FERREIRA

From: <thomas@shaddixlaw.com>
Date: On Wed, Dec 18, 2019 at 8:54 AM
Subject: Fwd: Mini Me Request
To: <kmurer@protonmail.com>
Cc:
Good morning Mr. Murer,

I just want to thank you for your understanding and patience through this trying time. This situation should have never come about and yet here we are. I am confident that something very positive will still come out of this situation and MYCH 3-D or some other entity will rise from the ashes and soar like a phoenix.

Here is where I am at. Over the last 7 months I have provided legal and other services for Mr. John Madsen for payment of less than a total amount of \$3,300.00. I have performed over 300 hours of legal services during those months on various legal projects for Mr. Madsen and MYCH 3-D as well as many hundreds of hours of other tasks related to MYCH ranging from manning the store at both Fashion Show and Galleria Mall to physically moving locations several times. Both myself and the former general manager Renee Brown have been there every step of the way performing each and every task that was required of us to keep a semblance of MYCH 3-D alive and viable.

Despite all of these efforts we remain unpaid, unrewarded, unappreciated and most importantly despite our great efforts MYCH 3-D remains unimproved and on life support. To say this has been the most frustrating endeavor of my life would be an understatement. As of today, that is in the past, and both I and Renee look forward to the future. This business will be incredibly successful and I have no doubt with our continued hard work along with the collaboration of both you and Mr. Angelo Giordano (702) 756-7841 (Madame Tussaud's conduit), it will surpass our wildest dreams. This of course is dependent upon the removal of Mr. Madsen from the levers of power as he has not served this enterprise well and his misdeeds and mismanagement can no longer be ignored.

What I am requesting is the following. Immediately upon completing and providing proof of a task I feel will be beneficial for all later today, a sum of \$10,000.00 will be wired to my personal account. In return for this sum, I will execute a waiver of my claims for all pay for non-legal tasks performed which have well exceeded that amount.

Ms. Renee Brown, who has served as a general manager for over 6 months, essentially 7 days a week, despite receiving no pay to do so during that time has agreed to do the same for the amount of \$15,000.00. We both

agree to these lower amounts to allow all parties to go forward more easily and make this project a success and we're confident that you and Mr. Giordano will find us ideal for that purpose. This has been our passion project and we have poured all of our efforts into it. We need to repair some of the financial damage imposed upon us, but we have not lost our love for this concept and look forward to making it the great success we always knew it would be.

The total amount to be deposited upon today's completion into my personal account is \$25,000.00 and I will provide waivers from myself and Ms. Brown upon confirmation of receipt.

I also request that a payment of \$3,000.00 be supplied to me or directly to Ms. Marie Martorano at the Galleria Mall (I would prefer Ms. Brown be allowed to present it to allow some continuity and offer some reassurance that "business as usual" has ceased) and to allow continued production of the product already promised to current customers. I also request that technician Anthony Ferreira receive compensation in the amount of \$3,000.00 once he completes all outstanding orders currently due from MYCH 3-D. Both of these requests are at your discretion and not a required part of our agreement, however I think they will go a long way in mending fences and should MYCH 3-D choose to remain at the location it will serve us well in the long term.

I also have a gentlemen's agreement in place with Mr. Angelo Giordano who I have passed your information along to, that should today's events lead to a mutually agreeable situation between the two of you, he will also provide \$15,000.00 in order to wipe out all claims for back pay between myself and Ms. Brown. I am confident you will find Mr. Giordano to be of similar mind to yourself and he offers a unique opportunity to snatch victory from the jaws of defeat at minimal cost and with almost instant results.

Obviously, Ms. Brown and myself hope to play heavily in the planning, reboot, and rebirth of what will undoubtedly be an incredibly profitable venture for us all. When that comes to pass I will be very flexible with a waiver of all past legal fees and be thinking only of the future. I know that all parties will benefit greatly from this arrangement and I look forward to your response.

Best Regards,

Thomas,

Steven D. Grierson

1 MWCN
2 CORY J. HILTON, ESQ.
3 Nevada Bar No. 4290
4 PETER M. ANGULO, ESQ.
5 Nevada Bar No. 3672
6 **LAW OFFICES OF CORY J. HILTON**
7 5545 S. Mountain Vista St. Ste. F
8 Las Vegas, NV 89120
9 Tel: (702) 384-8000
10 Fax: (702) 384-8200
11 *Attorneys for Plaintiffs*

12

13
14 **DISTRICT COURT**
15 **CLARK COUNTY, NEVADA**

16 *****

17 JOHN J. MADSEN, individually, and MYCH 3-D,
18 INC., a Nevada Corporation,

19 Petitioners,

20 vs.

21 THOMAS S. SHADDIX, RENEE BROWN, THE
22 LAW OFFICES OF THOMAS S. SHADDIX, ESQ.

23 Respondents.

Case No. A-20-808396-C
Dept. No. XXVII

EMERGENCY MOTION TO
WITHDRAW AS COUNSEL OF
RECORD ON ORDER
SHORTENING TIME

[HEARING REQUESTED]

24 COMES NOW, PETER M. ANGULO, ESQ. of the Law Offices of Cory J. Hilson, and pursuant
25 to Nevada Rule of Professional Conduct Rule 1.16, Nevada Supreme Court Rule 46, and EDCR 7.40,
26 hereby moves this Court for an order allowing the undersigned to withdraw as counsel of record for
27 Plaintiffs. This Motion is made and based upon the Memorandum of Points and Authorities herein, any
28 attached Exhibits, and the argument of counsel at the time of hearing of said Motion.

DATED this 5 day of February, 2020.

LAW OFFICES OF CORY J. HILTON

By *Cory J. Hilton*

CORY J. HILTON, ESQ.
Nevada Bar No. 4290
PETER M. ANGULO, ESQ.
Nevada Bar No. 3672
5545 S. Mountain Vista Street, Suite F
Las Vegas, Nevada 89120
Attorneys for Plaintiffs

1 **ORDER SHORTENING TIME**

2 GOOD CAUSE APPEARING THEREFOR, it is hereby:

3 ORDERED, that the time for the hearing of the Emergency Motion to Withdraw as Counsel of
4 Record on Order Shortening Time be shortened to the 13th day of February, 2020. *at 9:30 a.m.*

5 DATED this 7 day of February, 2020.

6
7
8 By *[Signature]*
9 DISTRICT JUDGE

10 Submitted by:

11 LAW OFFICES OF CORY J. HILTON

12
13 By *[Signature]*
14 CORY J. HILTON, ESQ.
15 Nevada Bar No. 4290
16 PETER M. ANGULO, ESQ.
17 Nevada Bar No. 3672
18 5545 S. Mountain Vista Street, Suite F
19 Las Vegas, Nevada 89120
20 Attorneys for Plaintiffs

21 **AFFIDAVIT OF PETER M. ANGULO IN SUPPORT**
22 **OF ORDER SHORTENING TIME**

23 STATE OF NEVADA)
24) ss:
25 COUNTY OF CLARK)

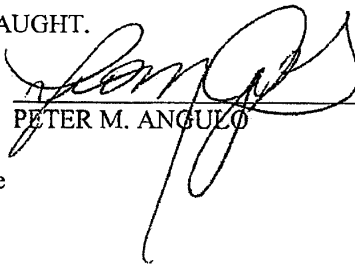
26 PETER M. ANGULO, being first duly sworn, deposes and says:

27 1. Affiant is an attorney licensed to practice law in the State of Nevada, and is the retained
28 counsel for JOHN J. MADSEN and MYCH 3-D, INC. through the LAW OFFICES OF CORY J. HILTON.
In the course of that representation, the firm filed an Emergency Motion for Temporary Restraining Order
and a Motion for Preliminary Injunction with this Honorable Court regarding its prior granting of summary

1 judgment. An Opposition has not yet been filed, based upon stipulation of counsel.

2 2. The matter is presently scheduled to be heard on February 13, 2020 at 9:30 a.m. and could
3 not be set and heard in the ordinary course prior to the hearing date.

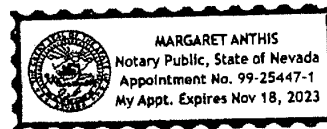
4 FURTHER AFFIANT SAYETH NAUGHT.

5
6 
PETER M. ANGULO

7 SUBSCRIBED AND SWORN to before me

8 this 5th day of February, 2020.

9
10 
11 NOTARY PUBLIC In and For Said
12 County and State



13
14 PETER M. ANGULO, ESQ., affiant, hereby affirms under penalty of perjury that the following
15 assertions are true and correct:

16 1. Affiant is an attorney licensed to practice law in the State of Nevada, and is the retained
17 counsel for JOHN J. MADSEN and MYCH 3-D, INC. through the LAW OFFICES OF CORY J. HILTON.
18 In the course of that representation, the firm filed a Complaint, an Emergency Motion for Temporary
19 Restraining Order and a Motion for Preliminary Injunction in the instant matter. The hearing on the
20 Emergency Motion is presently scheduled for February 13, 2020 at 9:30 a.m. There is no trial setting in
21 place.

22 2. The factual information contained in the instant motion is true and correct based on my
23 personal knowledge. It is believed the pending Motions—including the Motion for Temporary Restraining
24 Order—contain sufficient factual and legal argument to allow Mr. Madsen's request to be fairly considered.
25 At the time of this filing, no Opposition to the pending Motion has been received.

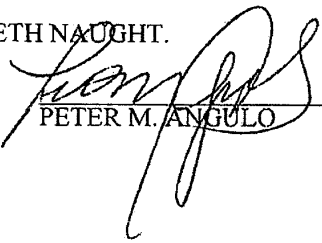
26 3. Good Cause exists for counsel to withdraw from the representation of the Plaintiffs,
27 pursuant to the provisions contained within NRPC 1.16(b) and that such withdrawal must be effectuated
28 as a result thereof. Due to the pendency of the hearing date in this matter, Counsel asks this Court to rule

1 on this withdrawal on an emergency basis as requiring counsel to continue with its representation would
2 only further the financial hardship already inflicted by this representation.

3 4. That the last known contact information for Plaintiff possessed by my office consists of the
4 following:

5 John J. Madsen and MYCH 3-D, Inc.
6 1300 W. Sunset Road, Unit 1117
7 Henderson, Nevada 89014
8 john@mych3d.com
9 (512) 915-4441

10 FURTHER YOUR DECLARANT SAYETH NAUGHT.

11 
12 PETER M. ANGULO

13 (No Notary Required Under NRS 53.045)

14 **MEMORANDUM OF POINTS & AUTHORITIES**

15 In January of 2020, Mr. Madsen contacted the Law Offices of Cory J. Hilton and asked them to
16 represent him in a pending legal dispute involving himself and his company, MYCH-3D, Inc., and a former
17 retained counsel, Thomas Shaddix. An agreement was reached in which Mr. Madsen would tender an
18 immediate retainer of \$2,000.00 with an attendant commitment to make monthly deposits of \$2,000.00 to
19 enable the firm to handle his legal issues. Along with delivering the signed retainer agreement, Mr. Madsen
20 brought a check for \$2,000.00 as promised. Unfortunately, after waiting several days before attempting to
21 negotiate the check at Mr. Madsen's request, the check was rejected by the bank on which it was drawn as
22 insufficient funds existed to allow it to honor that draft.

23 After the initial matter for which legal assistance was sought was started, a host of other legal
24 issues—including the instant matter—was brought to the firm for handling. These matters were diverse
25 and, in many cases, emergent or needed immediate attention including an eviction matter such as the
26 granting of summary judgment in another matter in which Shaddix failed to file an Opposition, wage loss
27 claims improperly filed by Shaddix and his girlfriend against the company, insurance issues allegedly
28 caused by Shaddix, business utilities concerns for which Shaddix was allegedly responsible, and the instant

1 litigation against Shaddix (in the which a Temporary Protective Order is being sought in addition to various
2 claims for relief).

3 As the legal bills began to mount, the promised funds from Mr. Madsen were not being provided.
4 Several warnings were given to him that the relationship would be severed if compliance was not
5 achieved—which, despite several promises, did not happen. This, coupled with the NSF check, among
6 other issues, has caused a presently irreparable rift in the existing attorney-client relationship. As a
7 consequence, Mr. Madsen and his company have been informed they are no longer able to continue as
8 retained counsel for him and have had him pick up his files—which he has done.

9 Based on these facts, counsel feels compelled to withdraw pursuant to NRPC 1.16(b). Counsel
10 does not anticipate a delay of the trial or of the hearing of any other matter in this case as a result of this
11 motion.

12 Regarding the withdrawal of counsel from representation, the Nevada Rules of Professional
13 Conduct, Rule 1.16, states, in pertinent part:

14 (b) **Except as stated in paragraph (c), a lawyer may withdraw from representing**
15 **a client if:**

16 (1) **Withdrawal can be accomplished without material adverse effect on**
17 **the interests of the client;**

18

19 (5) **The client fails substantially to fulfill an obligation to the lawyer**
20 **regarding the lawyer's services and has been given reasonable warning**
21 **that the lawyer will withdraw unless the obligation is fulfilled;**

22 (6) **The representation will result in an unreasonable financial burden on**
23 **the lawyer or has been rendered unreasonably difficult by the client; or**

24 (7) **Other good cause for withdrawal exists.**

25

26 (d) **Upon termination of representation, a lawyer shall take steps to the extent**
27 **reasonably practicable to protect a client's interests, such as giving reasonable**
28 **notice to the client, allowing time for employment of other counsel,**
surrendering papers and property to which the client is entitled and refunding
any advance payment of fee or expense that has not been earned or incurred.

Similarly, Nevada Supreme Court Rule 46 provides in pertinent part:

"The attorney in an action or special proceeding may be changed at any time before
judgment or final determination as follows:

1. **Upon consent of the attorney, approved by the client.**

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2. Upon the order of the court or judge thereof on the application of the attorney or the client.”

Finally, Eighth Judicial District Court Rule 7.40 states:

- (b) Counsel in any case may be changed only:**
 - (2) When no attorney has been retained to replace the attorney withdrawing, by order of the court, granted upon written motion, and**
 - (i) If the application is made by the attorney, the attorney must include in an affidavit the address, or last known address, at which the client may be served with notice of further proceedings taken in the case in the event the application for withdrawal is granted, and the telephone number, or last known telephone number, at which the client may be reached and the attorney must serve a copy of the application upon the client and all other parties to the action or their attorneys[.]**
- (c) No application for withdrawal or substitution may be granted if a delay of the trial or of the hearing of any other matter in the case would result.”**

Under the facts set forth in this motion, it is clear the current attorney-client relationship cannot continue. Mr. Madsen has already incurred substantial legal fees which he is either unwilling or unable to pay. To require current counsel to continue with this representation would only further inflict financial hardship in terms of additional fees and the fact that other clients’ matters have been pushed to the side to respond to the numerous legal emergencies happening in his life presently. He will not be harmed by this representation as the filing on his behalf is sufficiently clear to establish the legitimate grounds for reconsideration—which would not be advanced further by oral argument from counsel.

Pursuant to EDCR 7.40, counsel may withdraw upon application including an affidavit offering the last known contact information for the clients at issue. No delay of any proceeding in this matter will result upon the granting of this motion. Counsel has provided the affidavit as required by the Rule, and has served all parties with this motion, including Plaintiff himself at his last known addresses.

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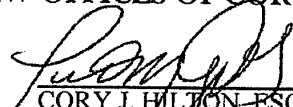
CONCLUSION

In light of the facts, law, and analysis set forth above, Counsel respectfully requests this Honorable Court to grant the instant Emergency Motion to Withdraw as Attorney of Record.

DATED this 5 day of February, 2020.

LAW OFFICES OF CORY J. HILTON

By:


CORY J. HILTON, ESQ.
Nevada Bar No. 4290
PETER M. ANGULO, ESQ.
Nevada Bar No. 3672
5545 S. Mountain Vista St., Ste. F
Las Vegas, Nevada 89120
Attorneys for Plaintiffs

1 **CERTIFICATE OF SERVICE**

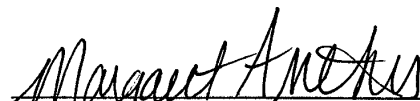
2 I HEREBY CERTIFY, that pursuant to Nev. R. Civ. P. 5(b), I am an employee of the Law offices
3 of Cory J. Hilton, and that on the 7th day of February, 2020, I caused a true and correct copy of the above
4 and foregoing EMERGENCY MOTION TO WITHDRAW AS COUNSEL OF RECORD ON ORDER
SHORTENING TIME to be duly served upon the party(s) listed below by one or more of the following,
accepted methods of service, as follows:

- 5 ☐ By placing the same in a sealed envelope upon which first-class postage was fully prepaid
6 and depositing same for First-Class Mail with the United States Postal Service; and/or
7 ☒ By electronic service with the Eighth Judicial District Court *Odyssey* e-filing system; and/or
8 ☐ By electronic mail (email); and/or
9 ☐ By facsimile; and/or
10 ☒ By hand-delivery.

11 **PARTIES SERVED:**

12 THOMAS SHADDIX
13 RENEE BROWN
6166 S. Sandhill Road, Suite 146
14 Las Vegas, Nevada 89120
Respondents

15 John M. Madsen
1300 W. Sunset Road, Unit 1117
16 Henderson, Nevada 89014
Petitioner

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19
20 
An Employee of,
21 Law Offices of Cory J. Hilton
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**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Tort

COURT MINUTES

February 13, 2020

A-20-808396-C John Madsen, Plaintiff(s)
vs.
Thomas Shaddix, Defendant(s)

February 13, 2020 9:30 AM All Pending Motions

HEARD BY: Allf, Nancy **COURTROOM:** RJC Courtroom 03A

COURT CLERK: Nicole McDevitt

RECORDER: Brynn White

REPORTER:

PARTIES

PRESENT: Angulo, Peter Maitland Attorney
 Shaddix, Thomas S. Defendant
 Smith, Kirk G., ESQ Attorney

JOURNAL ENTRIES

- PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION...PLAINTIFF'S EMERGENCY MOTION FOR TEMPORARY RESTRAINING ORDER...EMERGENCY MOTION TO WITHDRAW S COUNSEL OF RECORDER ON ORDER SHORTENING TIME

Mr. Angulo requested to hear the motion to withdraw first as there is substitute counsel for Mr. Madsen. Mr. Smith stated he could argue the motions if needed however, he has just come into the case. Court stated it did not see a substitution on file. Arguments by Mr. Angulo and Mr. Shaddix regarding the merits of and opposition to the motions. Colloquy regarding relief requested. COURT ORDERED, Plaintiff's Emergency Motion for Temporary Restraining Order and Plaintiff's Motion for Preliminary Injunction GRANTED IN PART, the request to stay away from the business will be DENIED due to the business being closed, and also Mr. Shaddix may have the ability to effect service on any necessary parties, the balance of the injunction GRANTED, with bond SET at \$1,000.00.

Arguments by Mr. Angulo and Mr. Shaddix regarding the merits of and opposition to the motion. COURT ORDERED, Emergency Motion to Withdraw's Counsel of Recorder on Order Shortening

PRINT DATE: 02/14/2020

Page 1 of 2

Minutes Date: February 13, 2020

Time GRANTED. Mr. Angulo to prepare the order, the order will not be effective until the order is filed. COURT ORDERED, status check SET in sixty days to see if Plaintiffs have obtained new counsel, appearance of both parties required, if there is no counsel for corporate entity, Court will entertain a motion to dismiss the entity.

4/16/2020 9:30 AM STATUS CHECK: NEW COUNSEL

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Location : District Court Civil/Criminal [Help](#)

REGISTER OF ACTIONS

CASE No. A-20-808396-C

John Madsen, Plaintiff(s) vs. Thomas Shaddix, Defendant(s)

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Case Type: **Other Tort**
Date Filed: **01/10/2020**
Location: **Department 27**
Cross-Reference Case Number: **A808396**

PARTY INFORMATION

		Lead Attorneys
Defendant	Brown, Renee	
Defendant	Shaddix, Thomas S.	
Defendant	The Law Offices of Thomas S. Shaddix, Esq.	
Plaintiff	Madsen, John J.	Andrew Scott Flahive, ESQ <i>Retained</i> 702-834-8664(W)
Plaintiff	MYCH 3-D, Inc.	Peter Maitland Angulo <i>Retained</i> 702-384-8000(W)

EVENTS & ORDERS OF THE COURT

04/14/2020 **Minute Order** (3:00 AM) (Judicial Officer Alf, Nancy)

Minutes

04/14/2020 3:00 AM

- COURT FINDS after review that a Status Check is currently set for April 16, 2020 at 9:30 a.m. on Motions Calendar. COURT FURTHER FINDS after review pursuant to Administrative Order 20-01 in response to COVID-19 concerns, all currently scheduled non-essential District Court hearings are ordered to be conducted by video or telephone means, decided on the papers, or rescheduled unless otherwise directed by a District Court Judge. THEREFORE, COURT ORDERS for good cause appearing and after review pursuant to Administrative Order 20-01, the Status Check set for April 16, 2020 at 9:30 a.m. is hereby CONTINUED to May 21, 2020 at 9:30 a.m. CLERK'S NOTE: This Minute Order was electronically served by Courtroom Clerk, Nicole McDevitt, to all registered parties for Odyssey File & Serve. /nm 4/14/2020

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REGISTER OF ACTIONS

CASE No. A-20-808396-C

John Madsen, Plaintiff(s) vs. Thomas Shaddix, Defendant(s)

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Case Type: **Other Tort**
Date Filed: **01/10/2020**
Location: **Department 27**
Cross-Reference Case Number: **A808396**

PARTY INFORMATION

		Lead Attorneys
Defendant	Brown, Renee	
Defendant	Shaddix, Thomas S.	
Defendant	The Law Offices of Thomas S. Shaddix, Esq.	
Plaintiff	Madsen, John J.	Andrew Scott Flahive, ESQ Retained 702-834-8664(W)
Plaintiff	MYCH 3-D, Inc.	Peter Maitland Angulo Retained 702-384-8000(W)

EVENTS & ORDERS OF THE COURT

05/18/2020 **Minute Order** (3:00 AM) (Judicial Officer Allf, Nancy)
Minute Order: Status check set 5/21/2020 CONTINUED to 5/22/2020 at 1:30pm

Minutes

05/18/2020 3:00 AM

- COURT FINDS after review the Defendants' Motion for Summary Judgment filed March 11, 2020 was set for Motions Calendar on May 21, 2020. COURT FURTHER FINDS after review pursuant to Administrative Order 20-01 in response to COVID-19 concerns, all currently scheduled non-essential District Court hearings are ordered to be conducted by video or telephone means, decided on the papers, or rescheduled unless otherwise directed by a District Court Judge. Moreover, Administrative Order 20-13 provides that AO 20-01 will remain in effect and all deadlines provided therein will be extended unless modified or rescinded by a subsequent order. THEREFORE, COURT ORDERS for good cause appearing and after review pursuant to Administrative Orders 20-01 and 20-13, the matter set for hearing on May 21, 2020 is hereby CONTINUED to June 25, 2020 9:30 a.m. CLERK'S NOTE: This Minute Order was electronically served by Courtroom Clerk, Nicole McDevitt, to all registered parties for Odyssey File & Serve. /nm 5/18/2020

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REGISTER OF ACTIONS

CASE No. A-20-808396-C

John Madsen, Plaintiff(s) vs. Thomas Shaddix, Defendant(s)

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Case Type: **Other Tort**
 Date Filed: **01/10/2020**
 Location: **Department 27**
 Cross-Reference Case Number: **A808396**

PARTY INFORMATION

		Lead Attorneys
Defendant	Brown, Renee	
Defendant	Shaddix, Thomas S.	
Defendant	The Law Offices of Thomas S. Shaddix, Esq.	
Plaintiff	Madsen, John J.	Andrew Scott Flahive, ESQ Retained 702-834-8664(W)
Plaintiff	MYCH 3-D, Inc.	Peter Maitland Angulo Retained 702-384-8000(W)

EVENTS & ORDERS OF THE COURT

06/23/2020	Minute Order (3:00 AM) (Judicial Officer Alf, Nancy) <i>Minute Order: BlueJeans Appearance</i> Minutes 06/23/2020 3:00 AM - Department 27 Formal Request to Appear Telephonically Re: Status Check: New Counsel Set: June 25, 2020 at 9:30 a.m. Please be advised that due to the COVID-19 pandemic, Department 27 will continue to conduct Court hearings REMOTELY using the Blue Jeans Video Conferencing system. You have the choice to appear either by phone or computer/video. Dial the following number: 1-408-419-1715 Meeting ID: 284 804 642 Meeting URL: https://bluejeans.com/284804642 To connect by phone dial the number provided and enter the meeting ID followed by # To connect by computer if you do NOT have the app, copy the URL link into a web browser. Google Chrome is preferred but not required. Once you are on the BlueJeans website click on Join with Browser which is located on the bottom of the page. Follow the instructions and prompts given by BlueJeans. You may also download the Blue Jeans app and join the meeting by entering the meeting ID PLEASE NOTE the following protocol each participant will be required to follow: Place your phone on MUTE while waiting for your matter to be called. Do NOT place the call on hold since some phones may play wait/hold music. Please do NOT use speaker phone as it causes a loud echo/ringing noise. Please state your name each time you speak so that the court recorder can capture a clear record. Please be mindful of rustling papers, background noise, and coughing or loud breathing. Please be mindful of where your camera is pointing. We encourage you to visit the Bluejeans.com website to get familiar with the Blue Jeans phone/videoconferencing system before your hearing. If your hearing gets continued to a different date after you have already received this minute order please note a new minute order will issue with a different meeting ID since the ID number changes with each meeting/hearing. Please be patient if you call in and we are in the middle of oral argument from a previous case. Your case should be called shortly. Again, please keep your phone or computer mic on MUTE until your case is called. CLERK'S NOTE: This Minute Order was electronically served by Courtroom Clerk, Nicole McDevitt, to all registered parties for Odyssey File & Serve. /nm 6/23/202
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REGISTER OF ACTIONS

CASE No. A-20-808396-C

John Madsen, Plaintiff(s) vs. Thomas Shaddix, Defendant(s)

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Case Type: **Other Tort**
Date Filed: **01/10/2020**
Location: **Department 27**
Cross-Reference Case Number: **A808396**

PARTY INFORMATION

		Lead Attorneys
Defendant	Brown, Renee	
Defendant	Shaddix, Thomas S.	
Defendant	The Law Offices of Thomas S. Shaddix, Esq.	
Plaintiff	Madsen, John J.	Andrew Scott Flahive, ESQ <i>Retained</i> 702-834-8664(W)
Plaintiff	MYCH 3-D, Inc.	Peter Maitland Angulo <i>Retained</i> 702-384-8000(W)

EVENTS & ORDERS OF THE COURT

		OTHER EVENTS AND HEARINGS
01/10/2020	Complaint	<i>Complaint</i>
01/10/2020	Initial Appearance Fee Disclosure	<i>Initial Appearance Fee Disclosure</i>
01/13/2020	Motion for Temporary Restraining Order	<i>Emergency Motion for Temporary Restraining Order</i>
01/13/2020	Motion for Preliminary Injunction	<i>Motion for Preliminary Injunction</i>
01/13/2020	Clerk's Notice of Hearing	<i>Notice of Hearing</i>
01/14/2020	Certificate of Service	<i>Certificate of Service on Notice of Hearing on TRO and Preliminary Injunction</i>
02/07/2020	Motion to Withdraw As Counsel	<i>Emergency Motion to Withdraw as Counsel of Record on OST</i>
02/13/2020	Motion for Preliminary Injunction (9:30 AM) (Judicial Officer Alf, Nancy)	<i>Plaintiff's Motion for Preliminary Injunction</i> Result: Granted
02/13/2020	Motion for Temporary Restraining Order (9:30 AM) (Judicial Officer Alf, Nancy)	<i>Plaintiff's Emergency Motion for Temporary Restraining Order</i> Result: Granted
02/13/2020	Motion to Withdraw as Counsel (9:30 AM) (Judicial Officer Alf, Nancy)	<i>Emergency Motion to Withdraw s Counsel of Recorder on Order Shortening Time</i> Result: Granted
02/13/2020	All Pending Motions (9:30 AM) (Judicial Officer Alf, Nancy)	Parties Present Minutes Result: Matter Heard
02/26/2020	Order Granting	<i>Order Granting Withdrawal of counsel as Attorney of Record</i>
02/26/2020	Order Granting	<i>Order granting emergency Motion for TRO and Motion for Preliminary Injunction</i>
02/26/2020	Notice of Entry of Order	<i>Notice of Entry of Order on Motion to Withdraw as Counsel of Record</i>
02/26/2020	Notice of Entry of Order	<i>Notice of Entry of Order on TRO and MPI</i>
04/14/2020	Minute Order (3:00 AM) (Judicial Officer Alf, Nancy)	Minutes Result: Minute Order - No Hearing Held
05/18/2020	Minute Order (3:00 AM) (Judicial Officer Alf, Nancy)	<i>Minute Order: Status check set 5/21/2020 CONTINUED to 5/22/2020 at 1:30pm</i> Minutes Result: Minute Order - No Hearing Held

05/22/2020 **Status Check** (1:30 PM) (Judicial Officer Allif, Nancy)
05/22/2020, 06/25/2020
Status Check: New Counsel
[Parties Present](#)
[Minutes](#)
04/16/2020 Reset by Court to 05/21/2020
05/21/2020 Reset by Court to 05/22/2020
 Result: Matter Continued
 06/23/2020 **Minute Order** (3:00 AM) (Judicial Officer Allif, Nancy)
Minute Order: BlueJeans Appearance
[Minutes](#)
 Result: Minute Order - No Hearing Held

FINANCIAL INFORMATION

	Plaintiff Madsen, John J.		
	Total Financial Assessment		300.00
	Total Payments and Credits		300.00
	Balance Due as of 07/10/2020		0.00
01/13/2020	Transaction Assessment		300.00
01/13/2020	Efile Payment	Receipt # 2020-02169-CCCLK	Madsen, John J. (300.00)

CASE No. A-20-808396-C

www.ck12.org

Case Type: **Other Tort**
Date Filed: **01/10/2020**
Location: **Department 27**
Cross-Reference Case Number: **A808396**

PARTY INFORMATION

Defendant	Brown, Renee	Lead Attorneys
Defendant	Shaddix, Thomas S.	
Defendant	The Law Offices of Thomas S. Shaddix, Esq.	
Plaintiff	Madsen, John J.	Peter Maitland Angulo <i>Retained</i> 702-384-8000(W)
Plaintiff	MYCH 3-D, Inc.	Peter Maitland Angulo <i>Retained</i> 702-384-8000(W)

EVENTS & ORDERS OF THE COURT

	OTHER EVENTS AND HEARINGS
01/10/2020	Complaint <i>Complaint</i>
01/10/2020	Initial Appearance Fee Disclosure <i>Initial Appearance Fee Disclosure</i>
01/13/2020	Motion for Temporary Restraining Order <i>Emergency Motion for Temporary Restraining Order</i>
01/13/2020	Motion for Preliminary Injunction <i>Motion for Preliminary Injunction</i>
01/13/2020	Clerk's Notice of Hearing <i>Notice of Hearing</i>
01/14/2020	Certificate of Service <i>Certificate of Service on Notice of Hearing on TRO and Preliminary Injunction</i>
02/07/2020	Motion to Withdraw As Counsel <i>Emergency Motion to Withdraw as Counsel of Record on OST</i>
02/13/2020	Motion for Preliminary Injunction (9:30 AM) (Judicial Officer Alf, Nancy) <i>Plaintiff's Motion for Preliminary Injunction</i> Result: Granted
02/13/2020	Motion for Temporary Restraining Order (9:30 AM) (Judicial Officer Alf, Nancy) <i>Plaintiff's Emergency Motion for Temporary Restraining Order</i> Result: Granted
02/13/2020	Motion to Withdraw as Counsel (9:30 AM) (Judicial Officer Alf, Nancy) <i>Emergency Motion to Withdraw s Counsel of Recorder on Order Shortening Time</i> Result: Granted
02/13/2020	All Pending Motions (9:30 AM) (Judicial Officer Alf, Nancy) Parties Present Minutes Result: Matter Heard
04/16/2020	Status Check (9:30 AM) (Judicial Officer Alf, Nancy) <i>Status Check; New Counsel</i>

FINANCIAL INFORMATION

	Plaintiff Madsen, John J.		
	Total Financial Assessment		300.00
	Total Payments and Credits		300.00
	Balance Due as of 02/26/2020		0.00
01/13/2020	Transaction Assessment		300.00
01/13/2020	Efile Payment	Receipt # 2020-02169-CCCLK	(300.00)
		Madsen, John J.	

REGISTER OF ACTIONS

CASE No. 20F07901A

State of Nevada vs. MADSEN, JOHN

§
§
§
§
§

Case Type: **Felony**
 Date Filed: **04/21/2020**
 Location: **JC Department 14**

RELATED CASE INFORMA....

Related Cases

20F07901B (Multi-Defendant Case)

PARTY INFORMATION

Defendant	MADSEN, JOHN	Lead Attorneys
State of Nevada	State of Nevada	

CHARGE INFORMATION

Charges: MADSEN, JOHN	Statute	Level	Date
1. Racketeering [53190]	207.400	Felony	05/01/2015

EVENTS & ORDERS OF THE COURT

	OTHER EVENTS AND HEARINGS
04/20/2020	Multi-Defendant Case
04/20/2020	CTRACK Track Assignment JC14
04/21/2020	Criminal Complaint
04/21/2020	Declaration of Warrant Summons (Affidavit)
04/21/2020	Request for Summons
04/21/2020	Summons Issued
05/18/2020	Summons Returned
	<i>Attempted- Not Known Unable to Forward</i>
06/22/2020	Initial Appearance (8:30 AM) (Judicial Officer Chelini, Amy)

STOP MADSEN & COKER

HOME

ABOUT US

HISTORY

ASSOCIATES & MORE INFORMATION

THE PATENT

STORIES & PHOTOS

THEIR WORDS

FAQ

This Site has been active since January 2011.

It was not updated for one year- August 2013-2014, due to a lawsuit. See the ABOUT US page.

CONVICTED
FELONSMAIN CRIMINAL
BEHIND THISTAKING \$480,000.00
FROM ROBERTLOVED

MICHAEL J COKER

JOHN J MADSEN

According to John Madsen during his 341 Bankruptcy hearing, in 2010, he and Michael Coker had been together for 19 years ([listen](#)). During their years together they have left a trail of unpaid debts, State cease and desist order for violations of securities law and a string of unpaid investors who have alleged fraud and/or securities fraud. This site reviews John Madsen and Michael Coker's business activities from 1991-2013. It is based on facts and linked to court documents.

Some of their business associates have been found to have interesting backgrounds; some of the information is on this site.

SNAP SHOT

If you are in a hurry but need insight into the activities of Madsen and Coker, review these three documents:

1. [Grisby, Etal v Coker, Madsen, etal Third Amended Petition](#), an outline of the way they have done business.
2. [Coker, Madsen v Buffum, etal Sanctions for Madsen and Coker](#) outlines their manipulation of the legal system.
3. [Micheal Coker Bankruptcy Creditor Response to Dismissal](#), outlines some perjury and his abuse of the legal system.

There is valuable information in this site if you plan on doing business with these men .

PLACES LIVED and ALIASES

JOHN J MADSEN was born in July 1958 in Norway, moved to Canada at the age of 13, according to him during his 341 Bankruptcy hearing in September 2010. He has lived in Arizona, Florida, Kentucky, Nevada and Texas. Mr. Madsen has several aliases according to various legal documents.

ALIASES: John Jorgen Madsen, Kleinstrup J Madsen, Kleinstrup Jorden Madsen, Jorgen Kleinstrup Madsen, Jorgen Klienstrup Madsen, John J Madson.

MICHAEL J COKER (Michael James Coker) was born in November 1970 in Tarrant County, Tx. He has lived in Arizona, Nevada and Texas.

5-26-15

According to documents filed in 2011 (and again in 2013) Michael Coker and John Madsen live in Las Vegas, NV.

BUSINESS STRATEGIES

A general description of some of their actions are below. Review of cases for each action are on the History page:

- (1) Set up a company, get investors, then the company fails
- (2) A promissory note agreement or distributorship agreement
- (3) Buy property under an Owner Finance Agreement
- (4) Hire for a service to be performed (i.e. web design), then not pay for the service.

JOHN MADSEN'S M.O.
CONVICTED FELON

The type of business/product they have been most involved with is GPS (global positioning systems). The first GPS company was International Global Positioning (IGP) started in Nevada but also registered in Arizona. This company has a "permanently revoked" status according to Nevada and Arizona records. GlobeTrack Wireless, Inc. (GTW) was registered in Delaware but a Texas based company. The phone numbers and address, previously found on the GTWGPS website are no longer current. The phone numbers have been disconnected and the office is now vacant. It appears at least two of the GlobeTrack Wireless sites are no longer active; www.gtwgps.com and www.globetrackwireless.com. **GlobeTrack Wireless** is "not in good standing" in Texas. 8/6/12 — New-Visions GEO is the newest GPS company, please go to the company page for the update.

LocatI Global Holdings, LLC, was started by Dwight Jory, friend/business associate, in February 2011. It was another GPS company. LocatI, completed an "acquisition of GTW". LocatI Global Holdings was also buying BDCM, it fell through, then it was going to buy TDEY, it also fell through. More information can be found under the LocatI Global Holdings tab and The Patent tab.

\$\$\$\$ JUDGMENTS FOUND TO DATE \$\$\$\$

The civil judgments alone, found to date, total over **\$2.2 Million**, this total comes from a combination of lawsuits involving either Madsen, Coker, or companies they have operated or a combination. They acknowledge several of the judgments in their 2010 Bankruptcy filings. Payment has not been found for most of the judgments. There is **\$3.4 million in Restitution** which is a combination of Madsen's mail fraud case and their securities fraud case in AZ. Madsen and Coker have a total of **\$500,000 in IRS liens**. Their are people who have money owed to them but have not filed law suits. Some of those stories are in the History section, some are in the Stories Submitted section.

ABOUT THE FACTS/DOCUMENTATION

A few short stories, with court documents, are under the History Tab. The stories depict the unpaid debts, securities fraud and unpaid investors. John J Madsen and Michael J. Coker often state "funding is coming". However, if funding did come, the people who are owed money have not been paid. Listen to Michael Coker during his 341 Bankruptcy meeting in September 2010 talking of the \$1.2 Million in "funding coming". Funding. For more clips go to More Information tab. Here are 3 emails from John Madsen stating that "funding is coming". It seems it never did since GlobeTrack Wireless filed for bankruptcy.

The information was found in court records of Maricopa County, AZ and Travis County, TX; as well as, documents found online which were filed by the United States, Arizona and Washington. It is believed there are other cases, in other cities, which have not been found. **Legal filings have been found starting in 1991.** As early as 1992 an attorney who had not been paid filed against John Madsen. It is interesting to note how many attorneys have withdrawn from representing either Madsen or Coker for non-payment. Two cases have been found where the attorney filed a lawsuit, Mr. Putman Judgement and Mr. Weiner. Here are more Attorney filings. One of the most recent cases (2010), an attorney did \$73,000 of work on a case Coker and Madsen filed. The attorney was not paid according to the Coker and Madsen 2010 Bankruptcy filings, which can be found on the Madsen and Coker Bankruptcy page.

TWO FRAUD CASES WITH UNPAID RESTITUTION

2001 JOHN MADSEN — MAIL FRAUD

John Madsen pled guilty to mail fraud on Nov. 5 2001 for "offenses committed on or after Sept 13 1994". (offenses occurred from 1994-1998) As stated in the plea agreement, Madsen worked with Glenn R Premru making promises of loans while knowing the loan would not be completed. A fee was charged for the loan. This "scheme to defraud" happened throughout the US and Europe. They took \$7.7 Million in fees. Madsen pled guilty and received a 5 year probation starting in Feb. 2005. His restitution was \$2,554,000. It appears that restitution has not been paid, resulting in liens filed against Madsen in 2005 by the United States in Arizona and in 2008 in the Western District of Texas.

In 2011, the Western District of Texas made inquiries to John Madsen about his restitution. Read more on the Madsen Mail Fraud Section.

United States of America v. John J. Madsen, Plea Agreement, CR-01-1010-PHX-SRB, U.S. District Court, District of Arizona, lodged on

<http://www.stopcokermadsen.com/>

5-26-15

November 5, 2001. Probation (3rd page has the conditions) Plea Agreement

2004 JOHN MADSEN and MICHAEL COKER – ARIZONA SECURITIES FRAUD

John Madsen and Michael Coker were involved in securities fraud in the state of Arizona in 2001. In June 2004 they were issued an Order to Cease & Desist from selling securities by the Arizona Corporation Commission. The amount of money received by Madsen and Coker was **\$2.4 Million** according to a deposition (go to the Their Words section). The restitution in this case was \$590,951.00. The judgment against Coker and Madsen was renewed in 2009 to \$914,000.00.

Added May 2012: The IGP Business Plan dated July 16 2001 was recently found. The document came out just 4 months before John Madsen signed the Plea Agreement with the United States for Mail Fraud. (see above). It is fascinating to read. While it is 40 pages and seems impressive, when it is *really* read it seems to be less than substantial. Dwight Jory is mentioned as part of the Executive Management Team (page 36) and Billie J Allred (page 37) who both went on to be involved in other companies with John Madsen and Michael Coker. There were several companies started with ResQ, in the name, it is the product mentioned on page 6. Here is a brochure for the product. One of the companies, ResQ-IGP, had a suit filed against it in 2007 by Frost Bank for an over-drawn account (\$7,535), Coker had been named in the suit but was later dropped. The account was opened in March 2003. This letter from Michael Coker, about the RESQ product, was sent out in March 2003. At the beginning of the letter, it is stated that IGP is buying part of the manufacturing company, history has shown this was not a true statement. Coker also stated IGP had an endorsement from an Indy drive, nothing was ever found of this endorsement. Certainly GlobeTrack Wireless announced when they were working with Nascar teams and there was the NSF check that Madsen gave to the McReynolds Team. Also notice **funding** is mentioned in the letter. Strange that the Frost Bank account was over-drawn with all the success that was heading their way. There are *many* similarities in statements from Coker during the IGP days and the GlobeTrack Wireless days.

In the Matter of International Global Positioning, Inc, John J Madsen, Michael Coker: Cause No. 67086: Order to Cease and Desist, Order of Restitution, Order for Administrative Penalties and Consent to Same by : Respondent International Global Positioning, Inc. Respondent John J Madsen and Respondent Michael J. Coker. John Madsen and Michael Coker Order From Arizona Corporation Commission.

Newsletter from Arizona Corporation Commission, see page 2 in this newsletter. The very last sentence of this article states "Both Coker and Madsen consented to not apply for an Arizona securities registration at any time in the future. International Global Positioning is now located in Austin, Tx." This is government work at it's finest.

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