#### IN THE SUPEME COURT OF THE STATE OF NEVADA

BENJAMIN B. CHILDS

Petitioner,

v.

THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA, IN AND FOR THE COUNTY OF CLARK, THE HONORABLE ADRIANA ESCOBAR,

Respondents,

WLAB INVESTMENT, LLC, TKNR, INC., a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K. LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN OIU ZHANG, an individual and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual, and INVESTPRO INVESTMENTS LLC, a Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company and JOYCE A. NICKDRANDT, an individual and does 1 through 15 and roe corporation I-XXX,

Real Parties in Interest

Supreme Court No: 82967

District Court Nelection 76 No Filed

Jun 01 2021 03:50 p.m.

Elizabeth A. Brown

Clerk of Supreme Court

PETITIONER'S MOTION FOR STAY

#### INTRODUCTION AND BACKGROUND

Petitioner Benjamin B. Childs (Petitioner herein) moves this honorable Court to Order a stay of execution of the monetary judgment portion of the Order Granting in Part, and Denying in Part, Plaintiff's Motion to Reconsider and Judgment Against Plaintiff and Previous Counsel filed on May 25, 2021 in the Eighth Judicial District Court, Case # A-18-785917-C. (The Order herein, attached as Exhibit 1) The relevant judgment language affecting Petitioner is on page 4 of the Order [Exhibit 1, 6:5-17], and set forth below.

IT IS FURTHER ORDERED, ADJUDICATED, AND DECREED that Judgment is entered in favor of Defendants against Plaintiff, and its former counsel, Benjamin Childs, individually, and Benjamin B. Childs, Esq, the law firm, jointly and severally, in the amount of One Hundred Twenty-Eight Thousand One Hundred Sixty-Six Dollars and Seventy-Eight cents (\$128,166.78) and that they pay Defendants the following amounts:

- 1. The principal sum of \$118,955.014 in attorneys' fees;
- The principal sum of \$9,211.64 for costs incurred to date;
- Post-judgment interest from the date of the entry of the underlying Order for the attorneys' fees and costs be granted at the statutory rate of 5.25% per annum.

A total Judgment in favor of Defendants, and against Plaintiff, and its former counsel, Benjamin Childs, individually, and Benjamin B. Childs, Esq, the law firm, jointly and severally, in the amount of \$128,166.78, all to bear interest at the statutory rate of 5.25% per annum until paid in full.

Petitioner filed his Petition (the Petition herein) for Writ of Mandamus or Writ of Prohibition on June 1, 2021.

Although neither the Notice of Entry Order nor the Order were served on Petitioner, [Exhibit 1, 10] this motion is filed to address the issue before the expiration of the 30 day automatic stay of execution under NRCP 62(a).

Although arguably 30 day time limit in NRCP 62(a) has not started to

run against Petitioner, this Motion is filed in a abundance of caution to address the issue.

The underlying case itself is being appealed, Nevada Supreme Court case # 82835, filed May 3, 2021. Perhaps another appeal will have to filed as the Order expressly states that the April 7, 2021 Order on appeal in case # 82835 was not a final order. [Exhibit 1, 4:17 - 21]

#### SUMMARY OF BASIS OF THE PETITION

The Petition documents the relevant procedural history resulting in the Order, supported by documents in the Appendix. In a nutshell, Petitioner was retained by WLAB Investment, LLC in 2018 to initiate a lawsuit following purchase of a residential, rental property. Without detailing the extensive litigation, motion and discovery practice, the

conclusion was a summary judgment in favor of Real Parties in Interest,

(Defendants herein) TKNR, INC., CHI ON WONG aka CHI KUEN WONG,

KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN

aka WHONG K. LIN aka CHONG KENNY LIN aka ZHONG LIN, LIWE

HELEN CHEN aka HELEN CHEN, YAN QIU ZHANG, INVESTPRO LLC

dba INVESTPRO REALTY, MAN CHAU CHENG, and JOYCE A.

NICKRANDT, INVESTPRO INVESTMENTS LLC, and INVESTPRO

MANAGER LLC.

The Petition is based on the fact that Defendants only mention imposition of a Rule 11 sanction judgment in their Defendants' Summary Judgment Motion filed on December 15, 2020 at pages 30-31. [App. Vol 1, 36 - 37] There was no compliance with the 21 day safe harbor provision. There is no separate Rule 11 motion. There was no show

cause hearing. There were no express findings of fact and law to establish why there is a violation of Rule 11.

As set forth in the Petition, the overwhelming majority of federal appellate courts have held that the conditions of Rule 11 must be strictly followed and that Rule 11 should be rarely used. Nevada courts concur.

Directly related to the Petition and this Motion, Marshall v. District

Court, 108 Nev. 459, 466, 836 P.2d 47, 52 (1992) held that "Rule 11

sanctions are not intended to chill an attorney's enthusiasm or creativity in reasonably pursuing factual or legal theories, and a court should avoid employing the wisdom of hindsight in analyzing an attorney's actions...".

Petitioner will not repeat in this Motion the extensive legal citations set forth in the Petition, but suffice it to say that the law is well settled on this issue. Rule 11 is to be used sparingly and strict compliance with the

rule is required.

Below is a short summary of the requirements of Rule 11 that an attorney must follow to assert a Rule 11 violation by opposing counsel.

- A Rule 11 motion must be made separately from any other motion.
- The motion must describe the specific conduct that allegedly violates section 11(b).
- 3. The motion must be served on opposing counsel but not filed with the court. This is the 21 day "safe harbor" provision which allows the targeted attorney the opportunity to correct or withdraw the alleged wrongful claim or assertion.
- 4. If the opposing counsel fails or declines to make the correction within the safe harbor provision, the moving party may then file

- the Rule 11 motion and present it to the court.
- The court has to make express findings of fact and law to establish why there is a violation of Rule 11.
- 6. If the court determines there is a Rule 11 violation, the sanction is limited by subpart (c)(4) to that which deters the attorney and/or party from the conduct. It can include only those attorney fees and expenses directly related to the violation.

In this case, none of these requirements were met.

#### BASIS OF THE MOTION

Petitioner is not a party to the litigation and cannot seek a stay at the trial court level under NRCP 62. Thus, Petitioner moves directly to this Court pursuant to NRAP 8. The relevant portion of NRAP 8 to consider regarding this Motion is is subsection c, set forth below.

- (c) Stays in Civil Cases Not Involving Child Custody. In deciding whether to issue a stay or injunction, the Supreme Court or Court of Appeals will generally consider the following factors:
  - (1) whether the object of the appeal or writ petition will be defeated if the stay or injunction is denied; (2) whether appellant/petitioner will suffer irreparable or serious injury if the stay or injunction is denied; (3) whether respondent/real party in interest will suffer irreparable or serious injury if the stay or injunction is granted; and (4) whether appellant/petitioner is likely to prevail on the merits in the appeal or writ petition.

#### DISCUSSION

The NRAP 8 (c) factors all mitigate toward granting the stay. First, the object of the Petition will likely be defeated if Defendants are allowed to proceed with collection of the judgment. One or all of the Defendants could execute against Petitioner's assets, and Petitioner would have no recourse.

Second, if the stay is denied Petitioner will suffer irreparable harm

because the judgment will either have to be paid or his assets will be risk for execution.

Third, judgment creditors will suffer no irreparable injury because the status quo remains.

Fourth, Petitioner is likely to prevail in the Petitioner. This is the biggest factor. As set forth in the Petition, a \$128,166.78 judgment was entered pursuant to NRCP 11 without compliance with any of the requirements of that rule.

#### **CONCLUSION**

Petitioner seeks a stay of execution prohibiting Defendants collectively or individually or by assignment, or the successors or assignees, from enforcing or attempting to execute against Petitioner on the Order, specifically the \$128,166.78 judgment contained on Page 4.

/s/ Benjamin B. Childs

BENJAMIN B. CHILDS, ESQ.

Petitioner

#### CERTIFICATE OF MAILING

I hereby certify that on this June 1, 2021, I served this

PETITIONER'S MOTION FOR STAY, with Exhibit, upon the following

parties by placing a true and correct copy thereof in the United States Mail,

priority mail, in Las Vegas, Nevada with first class postage fully prepaid:

Honorable Adriana Escobar Nevada Eighth Judicial District Court Department 14 200 Lewis Ave. Las Vegas, NV 89155

Aaron Ford, Esq. Attorney General Nevada Department of Justice 100 North Carson Street Carson City, NV 89701

Steven L. Day, Esq Day & Nance 1060 Wigwam Parkway Henderson, NV 89074

///

Michael B. Lee, Esq. Michael Mathis, Esq. Michael B. Lee, P.C. 1820 E. Sahara Ave., Suite 110 Las Vegas, NV 89104

/s/ Benjamin B. Childs

Benjamin B. Childs Nevada Bar No. 3946 Petitioner

# EXHIBIT 1 EXHIBIT 1

EXHIBIT 1 EXHIBIT 1

MICHAEL B. LEE, ESQ. (NSB 10122) MICHAEL B. LEE P.C.

1820 E. Sahara Ave., Ste. 110

Las Vegas, NV 89104 Office: (702) 731-0244 (702) 477-0096 Email: mike@mblnv.com Attorney for Defendants

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**CLERK OF THE COURT** 

A-18-785917-C

NOTICE OF ENTRY OF ORDER

GRANTING, IN PART, AND DENYING,

IN PART, PLAINTIFF'S MOTION TO

RECONSIDER AND JUDGMENT

AGAINST PLAINTIFF AND PREVIOUS

COUNSEL

#### IN THE EIGHTH JUDICIAL DISTRICT COURT

#### **CLARK COUNTY, NEVADA**

CASE NO.:

DEPT. NO.:

W L A B INVESTMENT, LLC,

Plaintiff,

VS.

TKNR INC., a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K. LIN aka CHONG KENNY LIN aka ZHONG LIN, an individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE A. NICKRANDT, an individual, and INVESTPRO INVESTMENTS LLC, a Nevada Limited **INVESTPRO** Liability Company, and MANAGER LLC, a Nevada Limited Liability Company and JOYCE A. NICKRANDT, an individual and Does 1 through 15 and Roe Corporation I - XXX,

Defendants. And Related Actions.

> TO: **ALL PARTIES**

YOU, AND EACH OF YOU, will please take notice that an order and judgment in this matter was entered in this matter on May, 2021. A copy of said ORDER and JUDGMENT is attached hereto and incorporated herewith by reference.

Dated this 25th day of May, 2021.

/s/ Michael Lee MICHAEL B. LEE, ESQ. (NSB 10122) Attorneys for Defendants

NSC # 82967 Motion for Stay

Page 1 of 2

Page 1 of 10 Case Number: A-18-785917-C

# MICHAEL B. LEE, P.C.

0 E. SAHARA AVENUE, SUITE 110	LAS VEGAS, NEVADA 89104	702) 477.7030; $FAX - (702)$ 477.0096
0 E. SAHA	LAS VEG	702) 477.7

#### **CERTIFICATE OF MAILING**

I HEREBY CERTIFY that on this 25th day of May, 2021, I placed a copy of **NOTICE** OF ENTRY OF ORDER GRANTING, IN PART, AND DENYING, IN PART, PLAINTIFF'S MOTION TO RECONSIDER AND JUDGMENT AGAINST PLAINTIFF AND PREVIOUS COUNSEL as required by Eighth Judicial District Court Rule 7.26 by delivering a copy or by mailing by United States mail it to the last known address of the parties listed below, facsimile transmission to the number listed, and/or electronic transmission through the Court's electronic filing system to the e-mail address listed below.

BENJAMIN B. CHILDS, ESQ.	STEVEN L. DAY, ESQ.
318 S. Maryland Parkway	DAY & NANCE
Las Vegas, Nevada 89101	1060 Wigwam Parkway
Telephone: (702) 251-0000	Henderson, NV 89074
Email: ben@benchilds.com	Tel - 702.309.3333
	Fax - 702.309.1085
	sday@daynance.com

/s/ Mindy Pallares An employee of MICHAEL B. LEE, P.C.

Attorneys for Plaintiff

#### **ELECTRONICALLY SERVED** 5/25/2021 1:41 PM

Electronically Filed 05/25/2021 1:40 PM CLERK OF THE COURT

1 MICHAEL B. LEE, ESQ. (NSB 10122) MICHAEL MATTHIS, ESQ. (NSB 14582) 2 MICHAEL B. LEE, P.C. 1820 East Sahara Avenue, Suite 110 3 Las Vegas, Nevada 89104 Telephone: (702) 477.7030 Facsimile: (702) 477.0096 4 mike@mblnv.com 5 Attorney for Defendants

IN THE EIGHTH JUDICIAL DISTRICT COURT

CASE NO.:

**CLARK COUNTY, NEVADA** 

W L A B INVESTMENT, LLC,

Plaintiff,

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VS.

TKNR INC., a California Corporation, and CHI ON WONG aka CHI KUEN WONG, an individual, and KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K. LIN aka CHONG **ZHONG KENNY** LIN aka LIN, individual, and LIWE HELEN CHEN aka HELEN CHEN, an individual and YAN QIU ZHANG, an individual, and INVESTPRO LLC dba INVESTPRO REALTY, a Nevada Limited Liability Company, and MAN CHAU CHENG, an individual, and JOYCE NICKRANDT, an individual, INVESTPRO **INVESTMENTS** LLC, Nevada Limited Liability Company, and INVESTPRO MANAGER LLC, a Nevada Limited Liability Company and JOYCE A. NICKRANDT, an individual and Does 1 through 15 and Roe Corporation I - XXX,

DEPT. NO.: XIV

ORDER GRANTING, IN PART, AND **DENYING, IN PART, PLAINTIFF'S** MOTION TO RECONSIDER AND JUDGMENT AGAINST PLAINTIFF AND PREVIOUS COUNSEL

A-18-785917-C

Date of Hearing: May 17, 2021 Time of Hearing: chambers

Defendants.

This matter being set for hearing before the Honorable Court on May 18, 2021 at 10:00 a.m., on W L A B INVESTMENT, LLC ("WLAB" or "Plaintiff"), Motion to Reconsider ("Motion"), by and through its attorney of record, DAY & NANCE. Defendants' TKNR INC., CHI ON WONG aka CHI KUEN WONG, KENNY ZHONG LIN, aka KEN ZHONG LIN aka KENNETH ZHONG LIN aka WHONG K. LIN aka CHONG KENNY LIN aka ZHONG LIN, LIWE HELEN CHEN aka HELEN CHEN, YAN QIU ZHANG, INVESTPRO LLC dba INVESTPRO REALTY, MAN CHAU CHENG, JOYCE A. NICKRANDT, INVESTPRO

Page 1 of 5

NSC # 82967 Motion for Stay Page 3 of 10

MICHAEL B. LEE, P.C.

 $\text{Tel} - (702) \, 477.7030; \text{Fax} - (702) \, 477.0096$ 1820 E. SAHARA AVENUE, SUITE 110 LAS VEGAS, NEVADA 89104

Case Number: A-18-785917-C

Pursuant to Administrative Order 21-03 and preceding administrative orders, this matter may be decided after a hearing, decided on the pleadings, or continued. In an effort to comply with Covid-19 restrictions, and to avoid the need for hearings when possible, this Court has determined that it was appropriate to decide this matter based on the pleadings submitted. Upon thorough review of the pleadings, the Court issues the following order:

- 1. Leave for reconsideration of motions is within this Court's discretion under EDCR 2.24.
- 2. A district court may reconsider a previously decided issue if substantially different evidence is subsequently introduced or the decision is clearly erroneous. <u>See Masonry</u> & Tile Contractors v. Jolley, Urga & Wirth, 113 Nev. 737, 741 (1997).
- 3. Plaintiff seeks reconsideration of this Court's April 7, 2021, Amended Order Granting Defendants Motion for Summary Judgment, or in the Alternative, Partial Summary Judgment ("Amended Order").
- 4. Although Defendants argue that Plaintiff's Notice of Appeal divests this Court of jurisdiction to rule on the Motion, this Court disagrees because the Amended Order was not final and appealable by virtue of Plaintiff filing the Motion. Therefore, the appeal was premature, and the court is not divested of jurisdiction on the filing of a premature notice of appeal, allowing the court to rule on the Motion. See NRAP 4(a)(6).
- 5. The Motion was timely filed within fourteen (14) days of the Notice of Entry of the Amended Order.
- 6. Plaintiff spends a majority of its Motion rehashing the facts of the underlying dispute. Plaintiff argues that exhibits the Court relied on in granting Defendants underlying motion for summary judgment namely, the Residential Purchase Agreement and the Second Residential Purchase Agreement were not properly authenticated. Plaintiff additionally argues that Defendants discussed an email from Chen to Ms. Zhu without providing a foundation for the

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email. Plaintiff's argument is that this Court committed clear error by relying on unauthenticated documents, or hearsay, in ruling on Defendants' motion for summary judgment.

- 7. In opposing summary judgment, Plaintiff was required to point to specific facts creating a genuine issue of material fact. See LaMantia v. Redisi, 118 Nev. 27, 29 (2002). Plaintiff did not do so.
- 8. Defendants were not required to authenticate the first and second Residential Purchase Agreement before this Court could rely on those documents in granting summary judgment.
- 9. Plaintiff did not contest the authenticity of the disputed documents in opposing summary judgment.
- 10. Plaintiff could have objected that these documents, which were Defendants repeatedly cite to in their motion for summary judgment, cannot be presented in a form that would be admissible in evidence. See NRCP 56(b)(2). However, Plaintiff did not so object.
- 11. The summary judgment hearing was not a trial. Authentication is for purposes of introducing evidence at trial; therefore, Plaintiff's authentication argument lacks merit.
  - 12. Plaintiff has not demonstrated that this Court's ruling was clearly erroneous.
- 13. Plaintiff has not demonstrated that this Court's decision to grant Rule 11 sanctions was clearly erroneous. However, this Court does clarify that the sanctions are awarded against Plaintiff's former counsel, Ben Childs, and not Plaintiff's current counsel, Mr. Day.
- 14. Defendants also ask that this Court issue an award of attorney fees and costs in the amount of \$128,166.78 related to the Courts' April 7, 2021 Order this Court granting Defendants' attorney fees and costs pursuant to Rule 11. Plaintiff, through its former or new counsel, does not oppose the specific amounts requested.
- 15. As such, this Court grants the amount Defendants seek and enters judgment against Plaintiff and their former counsel, Ben Childs, Esq. in the amount of One Hundred Twenty-Eight Thousand One Hundred Sixty-Six Dollars and Seventy-Eight cents (\$128,166.78).
- 16. Defendants' countermotion for additional Rule 11 sanctions against Plaintiff for filing the Motion is denied.

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IT IS HEREBY ORDERED, ADJUDICATED, AND DECREED that the Motion is GRANTED, in part, and DENIED, in part, as the Court's ruling was not clearly erroneous but clarifies the attorney fees and costs is awarded against Plaintiff and its former counsel Ben Childs, Esq.

IT IS FURTHER ORDERED, ADJUDICATED, AND DECREED that Judgment is entered in favor of Defendants against Plaintiff, and its former counsel, Benjamin Childs, individually, and Benjamin B. Childs, Esq, the law firm, jointly and severally, in the amount of One Hundred Twenty-Eight Thousand One Hundred Sixty-Six Dollars and Seventy-Eight cents (\$128,166.78) and that they pay Defendants the following amounts:

- 1. The principal sum of \$118,955.014 in attorneys' fees;
- 2. The principal sum of \$9,211.64 for costs incurred to date; and
- 3. Post-judgment interest from the date of the entry of the underlying Order for the attorneys' fees and costs be granted at the statutory rate of 5.25% per annum.

A total Judgment in favor of Defendants, and against Plaintiff, and its former counsel, Benjamin Childs, individually, and Benjamin B. Childs, Esq, the law firm, jointly and severally, in the amount of \$128,166.78, all to bear interest at the statutory rate of 5.25% per annum until paid in full.

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NSC # 82967 Motion for Stay Page 7 of 10

IT IS FURTHER ORDERED, ADJUDICATED, AND DECREED that this Order and

#### RE: WLAB v. TKNR, et al.; A-18-785917-C; Proposed Order

From: Steve Day (sday@dayattorneys.com)

To: matthis@mblnv.com

Date: Wednesday, May 19, 2021, 02:20 PM PDT

Looks okay. Okay to use my e-sig. Correct name: Steven L. Day

Steve

### Steven L. Day, Esq.

## **DAY&ASSOCIATES**

1060 Wigwam Parkway

Henderson, NV 89074

Tel. (702) 309-3333

Fax (702) 309-1085

Mobile (702) 596-5350

sday@dayattorneys.com

From: Michael Matthis <matthis@mblnv.com>
Sent: Wednesday, May 19, 2021 2:06 PM
To: Steve Day <sday@dayattorneys.com>

Cc: Mike Lee <mike@mblnv.com>

Subject: WLAB v. TKNR, et al.; A-18-785917-C; Proposed Order

Dear Mr. Day,

Please see the attached proposed order denying Plaintiff's Motion to Reconsider and advise if I can affix your e-signature. If not, I have left the proposed order in word and would ask that you track any proposed edits in redline. If we do not receive a response by 3:00 p.m. on Monday, May 24, we will submit absent your signature.

Sincerely,

Mike Matthis, Esq.

matthis@mblnv.com



1820 E. Sahara Avenue, Suite 110, Las Vegas, NV 89104

Main Line: 702.477.7030 Fax: 702.477.0096

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