

IN THE SUPREME COURT OF THE STATE OF NEVADA

Margaret Reddy, Mohan Thalamarla,
Max Global, INC.

Supreme Court No. 83253

Appellants,

vs.

MEDAPPEAL, LLC, an Illinois
limited liability company

Respondent.

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Feb 24 2022 07:36 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

APPELLANTS' APPENDIX VOLUME 9

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DATED this 29 day of July, 2020.

Vijay Reddy

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on the 12 day of August, 2020, the foregoing **DEFENDANT**
3 **VIJAY REDDY'S SUPPLEMENTAL RESPONSES TO PLAINTIFF'S AMENDED**
4 **FIRST SET OF INTERROGATORIES** was served via the Odyssey E-File & Serve
5 system, to the following:

6 Zachary Ball
7 Nevada Bar No. 8364
8 1707 Village Center Circle, Suite 140
9 Las Vegas, NV 89134
10 *Attorney for Medappeal, LLC*

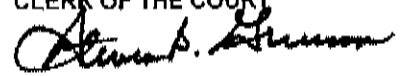
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16 *David Weinstein*

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23 *Business Brokers, LLC*



24
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On behalf of LEAH MARTIN LAW

Exhibit 38



Zachary T. Ball, Esq.
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Attorney for *Medappeal LLC and*
Liberty Consulting & Management
Services, LLC

DISTRICT COURT
CLARK COUNTY, NEVADA

MEDAPPEAL, LLC, An Illinois Limited
Liability Company,

Plaintiffs,

vs.

DAVID WEINSTEIN, VIJAY REDDY,
MARGARET REDDY, MOHAN
THALMARLA, KEVIN BROWN, MAX
GLOBAL, INC., VISIONARY BUSINESS
BROKERS LLC, MEDASSET
CORPORATION, and DOES 1-50,

Defendants.

MEDASSET CORPORATION, a Nevada
Corporation,

Counterclaimant,

v.

MEDAPPEAL, LLC, an Illinois Limited
Liability Company,

Counter-Defendant.

Case No.: A-19-792836-C

Dept. No.: 14

**ERRATA TO MOTION FOR
SUMMARY JUDGMENT**

MEDASSET CORPORATION, a Nevada
Corporation,

Third-Party Plaintiff,

v.

LIBERTY CONSULTING &
MANAGEMENT SERVICES, LLC, an
Illinois Limited Liability Company,

Third-Party Defendant.

TO: ALL PARTIES:

PLEASE TAKE NOTICE that Plaintiff / Counterdefendant MEDAPPEAL, LLC (“MEDAPPEAL”), hereby request that the parties take notice of the following errata. On March 15, 2021, MEDAPPEAL filed a Motion for Summary Judgment that incorrectly attached the wrong Exhibit named as Exhibit 2. Attached here is the correct Exhibit 2 “FBI in the Criminal Complaint, Case No. 20-mj-2134.”

DATED this 23rd day of March, 2021.

THE BALL LAW GROUP

/s/ Zachary T. Ball
Zachary T. Ball, Esq.
Nevada Bar No. 8364
1935 Village Center Circle, Suite 120
Las Vegas, NV 89134
Attorney for *Medappeal LLC and
Liberty Consulting & Management
Services, LLC*

CERTIFICATE OF SERVICE

I hereby certify that the foregoing **ERRATA TO MOTION FOR SUMMARY JUDGMENT** was electronically filed with the Eighth Judicial District Court on the 23rd day of March, 2021. Electronic service of the foregoing document shall be sent by the Court via email to the addresses furnished by the registered user(s) pursuant to N.E.F.C.R. 9(b) and 13(c) and as shown below:

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/s/ Kelley A. McGhie

An Employee of the Ball Law Group

UNITED STATES DISTRICT COURT

for the
District of New Jersey

United States of America

v.

DAVID WEINSTEIN

Case No.

20-mj-2134 (AMD)

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of Dec. 2015 - at least Nov. 2018 in the county of Burlington and elsewhere in the
District of New Jersey, the defendant(s) violated:

Code Section

Description of Offenses

Title 18, U.S.C., Section 1349.

Conspiracy to commit wire fraud. See Attachment A.

This criminal complaint is based on these facts:

See Attachment B

☒ Continued on the attached sheet.

Complainant's signature

Special Agent James Webb, FBI

Printed name and title

Attested to by the applicant in accordance with the requirements of Fed. R. Crim. P. 4.1 by

telephone *(specify reliable electronic means).*

Date: 12/04/2020

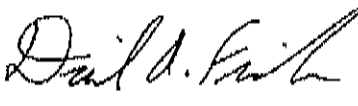
Judge's signature

City and state: District of New Jersey

Hon. Ann Marie Donio, U.S. Magistrate Judge

Printed name and title

CONTENTS APPROVED
UNITED STATES ATTORNEY

By: 
Daniel A. Friedman
Diana V. Carrig
Assistant U.S. Attorneys

Date: December 4, 2020

ATTACHMENT A

COUNT ONE

(Conspiracy to Commit Wire Fraud)

From at least as early as December 2015 through at least as late as August 2018, in Burlington County in the District of New Jersey and elsewhere, the defendant

DAVID WEINSTEIN

did knowingly and intentionally conspire and agree with KEVIN BROWN, CO-CONSPIRATOR 1, and others to devise a scheme and artifice to defraud Victims 1 through 43, and others, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing such scheme and artifice, transmitted and caused to be transmitted by means of wire, radio, and television communications in interstate and foreign commerce, certain writings, signs, signals, pictures and sounds, contrary to Title 18, United States Code, Section 1343, including but not limited to, the wire transactions set forth below and as further described in Attachment B:

Wire Date	Description
11/17/2016	Wire transfer in the amount of approximately \$155,000 from Victim 20 to a bank account controlled by WEINSTEIN for the purchase of a business opportunity sold by CO-CONSPIRATOR 1 and brokered by BROWN, which was processed through Federal Reserve facilities in New Jersey and Texas.
12/19/2016	Wire transfer in the amount of approximately \$100,000 from Victim 20 to a bank account controlled by WEINSTEIN for the purchase of a business opportunity sold by WEINSTEIN and brokered by BROWN, which was processed through Federal Reserve facilities in New Jersey and Texas.
4/26/2017	Wire transfer in the amount of approximately \$75,000 from Victim 31 to a bank account controlled by WEINSTEIN for the purchase of a business opportunity sold by WEINSTEIN and brokered by BROWN, which was processed through Federal Reserve facilities in New Jersey and Texas.
5/3/2018	Wire transfer in the amount of approximately \$75,000 from Victim 42 to a bank account controlled by BROWN for the purchase of a business opportunity sold by WEINSTEIN and brokered by BROWN, which was processed through Federal Reserve facilities in New Jersey and Texas.

Contrary to Title 18, United States Code, Section 1343, in violation of Title 18, United States Code, Section 1349.

ATTACHMENT B

I, James Webb, a Special Agent with the Federal Bureau of Investigation ("FBI"), Philadelphia Division, being duly sworn, depose and state as follows:

1. I have been employed as an FBI Special Agent for more than five years. Since November 2015, I have been assigned to the South Jersey Resident Agency of the FBI. I have investigated criminal violations related to economic crimes, child exploitation, and violent crimes. In my capacity as a Special Agent, I have received training and gained experience in search, seizure, and arrest procedures; and in investigating money laundering, internet crimes against children, fraud, and various other crimes. I have participated in, and conducted, many criminal investigations involving violations of the laws of the United States, including but not limited to laws relating to false, fictitious, and fraudulent claims, wire fraud, mail fraud, money laundering, and computer-related offenses. I worked as a police officer for approximately one year prior to joining the FBI. I have not included every detail or every aspect of my training, education, and experience but have highlighted those areas most relevant to this application.

2. The information contained in this Affidavit is based upon my personal knowledge and observation, my training and experience, conversations with other law enforcement officers (including officers who have engaged in numerous investigations involving fraud, money laundering, and computer-based crimes), victim interviews, and the review of documents and records. Because this Affidavit is being submitted for the limited purpose of establishing probable cause to issue a complaint, I have not included every detail of every aspect of the investigation. Rather, I have set forth only those facts that I believe are necessary to establish probable cause to support the charges in the complaint. Unless specifically indicated, all conversations and statements described in this Affidavit are related in substance and in part.

SUMMARY OF FRAUDULENT SCHEME

3. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe that DAVID WEINSTEIN (hereinafter "WEINSTEIN"), KEVIN BROWN (hereinafter "BROWN") and an individual referred to herein as "CO-CONSPIRATOR 1" (collectively, the "Targets"), knowingly conspired with each other and with individuals and entities known and unknown, to defraud unsuspecting victims in the United States by selling them business opportunities under false and fraudulent

pretenses.

4. The business opportunities at the heart of the scheme are related to the medical field. The Targets advertised and sold “blocks” of contracts with medical providers who allegedly wanted to outsource their medical billing, collections, appeals, answering, credentialing, or transcription functions,¹ with the understanding that the buyers would then provide the contracted services to the medical providers for a profit. While the Targets recruited a small number of legitimate medical providers who agreed to outsource these functions to buyers, the Targets fraudulently sold large blocks of providers that bore no relation to the small numbers of enrolled providers. Throughout the sale process, the Targets materially misrepresented the nature and profitability of the business opportunities as well as their track record in selling the business opportunities.

5. To induce buyers to purchase the business opportunities, the Targets failed to disclose conflicts of interest and created fake references of “buyers” who vouched for their business “purchases” from the Targets. The Targets also designed contracts with buyers so that a portion of the purchase price was due only upon delivery of the contracted providers to create the illusion that the Targets had an incentive to provide the promised clients.

6. The Targets received sizable down payments upon executing contracts to deliver blocks of providers to buyers and then delivered only a small fraction of the promised providers. When the buyers asked the Targets to satisfy their contractual obligations or, alternatively, to refund the down

¹ Based on my training and experience and information learned in this investigation, I know that:

- a. medical billing refers to the process of submitting claims to insurance companies in order to facilitate payment for services provided by a medical provider;
- b. medical collections refers to the process of assisting medical providers in collecting money from patients who owe co-pays, deductibles, or non-covered services;
- c. medical appeals refers to the process of challenging claims for reimbursement that were previously denied by insurance companies;
- d. medical answering services refers to the business of providing an after-hours answering service for medical providers;
- e. medical credentialing refers to the process of evaluating a medical provider’s skills, training, experience, qualifications, and ability to provide a particular service or perform a specific procedure; and
- f. medical transcription refers to the process of transcribing verbally dictated notes into written records.

payments, the Targets made excuses or threats and often stopped responding at all.

7. The Targets repeatedly sold new blocks of providers even though they had not delivered the providers they already were contractually required to deliver to previous buyers.

8. In addition to selling blocks of medical providers, it was a part of the Targets' scheme to periodically sell previously-signed contracts with block buyers/victims, including the right to any future payments from the buyers/victims.² By transferring these unfulfilled contracts, the Targets attempted to insulate themselves from complaints or legal action from disgruntled buyers/victims. When the buyers/victims complained about the Targets' failure to deliver the contractually-promised providers, the Targets would tell the buyers/victims that a new owner was now responsible for fulfilling the contracts and that non-compete clauses prevented the Targets from discussing their contracts. The new owners—some of whom were themselves unwitting purchasers of marketing businesses under fraudulent pretenses—were then subject to complaints from victims of the Targets' scheme. The Targets continued to sell business opportunities to new buyers/victims.

9. From at least as early as September 2015 through at least as late as August 2018, this investigation has identified approximately 43 fraudulent sales through the Targets' scheme.³ Collectively, these 43 buyers/victims were directed to send—and actually sent—more than \$3.1 million to bank accounts controlled by the Targets.⁴ None of the victims interviewed during the investigation received the contractually-promised level of business.

² The contracts were marketed and sold as "contingent assets" because the buyers/victims were contractually required to make additional payments upon delivery of the promised clients.

³ Because some buyers joined with other buyers to purchase a business opportunity from the Targets, the number of individual victims exceeds 43.

⁴ Based on a review of bank records, federal law enforcement agents have tentatively identified an additional 21 buyers/victims who collectively paid an additional \$1.1 million. These buyers/victims, however, have not yet been interviewed and, therefore, cannot be included among the confirmed victims. The most recent suspected victims of this scheme purchased business opportunities from the Targets in April 2020.

THE TARGETS

10. At times relevant to this investigation, DAVID WEINSTEIN was a resident of Cherry Hill, New Jersey, Las Vegas, Nevada and Dallas, Texas. WEINSTEIN made false representations to many of the buyers/victims before they agreed to purchase the business opportunities and signed many of the contracts of sale with the buyers/victims.

11. At times relevant to this investigation, CO-CONSPIRATOR 1 was a resident of Michigan. CO-CONSPIRATOR 1 made false representations to many of the buyers/victims, signed many of the contracts of sale with the buyers/victims, acted as business broker for some sales, and often provided training to the buyers/victims.

12. At times relevant to this investigation, KEVIN BROWN was a resident of Palmyra, New Jersey; Philadelphia, Pennsylvania; and Burlington, New Jersey. BROWN served as the business broker for most of the sales of business opportunities and facilitated pre-sale conversations between buyers/victims and WEINSTEIN and CO-CONSPIRATOR 1. BROWN received commissions for the sales he brokered.

13. In order to explain the scheme, this affidavit includes summaries of the Targets' sales of business opportunities to three of the 43 identified sets of buyers/victims. These summaries are followed by a chart of the 43 identified victims and their payments to the Targets. As explained below, federal law enforcement agents have linked each of the victims with the Targets by various means, including but not limited to an examination of email communications, bank and other financial records, and victim interviews.

VICTIMS 20a and 20b

14. On or about November 1, 2016, Pennsylvania residents Victim-20a and Victim-20b responded to an advertisement posted on www.businessesforsale.com⁵ offering to sell a Medical Billing business opportunity.

⁵ I have visited the website of www.businessesforsale.com, which contains the following description of itself: "the world's most popular website for buying or selling a business. Established in 1996, the website is an international marketplace of businesses for sale. We provide a cost-effective route to market for business owners and their representatives and a one stop shop for aspiring entrepreneurs and business buyers."

15. In response to their inquiry, BROWN emailed a non-disclosure agreement (“NDA”) and wrote that once BROWN received the completed NDA, he would send “a selling memo.” On or about November 1, 2016, Victim-20b completed and signed the NDA, which was between Victim-20b and TANNENBAUM & MILASK INC., Business Brokers, 525 Route 73 North, Five Greentree Centre, Suite 104, Marlton, New Jersey.⁶ On or about November 2, 2016, BROWN spoke with Victim-20b via telephone and made the following statements:

- a. CO-CONSPIRATOR 1—a “marketing genius”—was the former owner of a medical billing and answering service company. CO-CONSPIRATOR 1 sold his business because he found it too stressful to operate on a day-to-day basis.
- b. CO-CONSPIRATOR 1 had a special talent for finding physician offices in need of medical billing and answering services.
- c. No medical billing customers were currently available, but CO-CONSPIRATOR 1 had providers in need of medical answering services.

16. Later on November 2, 2016, BROWN emailed Victim-20b prospectuses for two business opportunities—Medical Answering Services and Medical Dental Billing—offered for sale by Revenue Asset Services.⁷ The prospectus bore the name of Tannenbaum & Milask Business Brokers.

17. The Medical Answering Service prospectus defined the business as follows:

⁶ Tannenbaum & Milask was once a legitimate brokerage firm. WEINSTEIN acquired the name in 2012 and began using it in connection with the fraudulent scheme. Based on my training and experience, I know that perpetrators of fraudulent schemes occasionally use the names of well-known and reputable businesses to lend legitimacy to their business. The address 525 Route 73 North, Five Greentree Centre, Suite 104, Marlton, New Jersey is operated by Intelligent Office, an office space rental facility, and is located in Burlington County. Based on my training and experience, I know that perpetrators of fraudulent schemes sometimes use office rental spaces to lend an air of legitimacy to their operations.

⁷ Revenue Asset Services, LLC was registered in Michigan on March 24, 2014 by CO-CONSPIRATOR 1, using the address that was CO-CONSPIRATOR 1’s residence at the time.

This unique model for sale is a book of business contracts with Medical Doctors to support their Medical Practices. This company supports physician's offices by performing their medical answering service needs. Included with your purchase of this business is the necessary tools, contractors, and training. In addition, Revenue Asset Services will introduce you to vendors providing support for the answering service, if you choose to use them.

18. The prospectus stated that Revenue Asset Services would provide a "guaranteed" client base to the buyer.

19. The prospectus stated that if 300 clients were purchased, the business opportunity would produce a projected annual gross revenue of \$248,400.00 and would have estimated expenses of \$112,800.00, resulting in an annual profit of \$135,600.00. The prospectus identified the asking price for 300 clients as \$125,000.00, with a \$75,000.00 down payment.

20. BROWN explained in his November 2, 2016 email that Victim-20a and Victim-20b could multiply their profits by purchasing contracts with 700 clinic contracts for \$210,000.00 (with a \$135,000.00 down payment) or 1,000 clinics for \$230,000.00 (with a \$155,000.00 down payment).

21. On or about November 7, 2016, Victim-20a and Victim-20b participated in a conference call with BROWN and CO-CONSPIRATOR 1. On the conference call, CO-CONSPIRATOR 1 stated that he could provide Victim-20a and Victim-20b with 1,000 clinics as quickly as they wanted. CO-CONSPIRATOR 1 also told Victim-20a and Victim-20b that he could not divulge any specifics about his marketing skills because they were a trade secret.⁸

22. Victim-20a and Victim-20b asked BROWN to provide references of individuals who had previously purchased business opportunities from CO-CONSPIRATOR 1. On or about November 14, 2016, BROWN emailed Victim-20b names and phone numbers for two references: "Anna McClintock" (XXX-XXX-5723) and "Andy Berger" (XXX-XXX-0519). On or about November 15,

⁸ Based on materials reviewed in the investigation, the marketing employed by the Targets appears to consist primarily of purchasing a list of facsimile numbers associated with medical, dental, and other similar providers and faxing a flyer offering services to a large number of facsimile numbers in a specific state or area code. Numerous responses to faxes sent by the Targets, which I have reviewed, requested a cessation of the unsolicited advertisements from the Targets.

2016, BROWN emailed Victim-20b with a corrected phone number for reference "Anna McClintock" (XXX-XXX-9052) since the previously provided number was out of service.

23. The investigation has revealed that "Anna McClintock" is an alias for a relative of CO-CONSPIRATOR 1 (hereinafter "CO-CONSPIRATOR 1's relative") and that "Andy Berger" is an alias for WEINSTEIN.

24. The first phone number provided to Victim-20a and Victim-20b for "Anna McClintock" was obtained through YMax Communications, also known as MagicJack, a company that provides users with telephone numbers that they can use to make and receive telephone calls over the Internet using an Internet connected device. The phone number was active between on or about March 27, 2015 and on or about March 27, 2016. The credit card used to register "Anna McClintock's" YMax Communications phone number was issued to CO-CONSPIRATOR 1 and the email address associated with the phone number was CO-CONSPIRATOR 1's email address. The second phone number provided to Victim-20a and Victim-20b for "Anna McClintock" was obtained through Ad Hoc Labs, a company that provides users with free telephone numbers that they can use to make and receive telephone calls over the Internet using an Internet connected device. The phone number was active between April 29, 2016 and January 24, 2017. The phone number used to register "Anna McClintock's" Ad Hoc Labs phone number was the same number provided by CO-CONSPIRATOR 1's relative, along with CO-CONSPIRATOR 1's relative's Driver's License, when CO-CONSPIRATOR 1's relative opened a United Parcel Service mailbox to receive mail for several of CO-CONSPIRATOR 1's businesses, including Revenue Asset Services.

25. The phone number provided to Victim-20a and Victim-20b for "Andy Berger" also was obtained through Ad Hoc Labs. The phone number was active between August 11, 2016 and February 23, 2017. The phone number used to register "Andy Berger's" Ad Hoc Labs phone number was subscribed to by WEINSTEIN through AT&T.⁹

26. "Anna McClintock" and "Andy Berger" both told Victim-20a and

⁹ The investigation has revealed that the Targets provided the names of "Anna McClintock" and "Andy Berger" as references to other prospective buyers, using various phone numbers for each individual. The investigation has revealed that the telephone numbers were obtained through companies that provide users with free telephone numbers for Internet calling and that the telephone numbers for "Anna McClintock" were obtained by CO-CONSPIRATOR 1's relative and that telephone numbers for "Andy Berger" were obtained by WEINSTEIN.

Victim-20b that they recommended doing business with CO-CONSPIRATOR 1.

27. On or about November 15, 2016, BROWN emailed Victim-20a and Victim-20b a copy of CO-CONSPIRATOR 1's United States passport and a link to a State of Michigan website indicating that CO-CONSPIRATOR 1 was the registered agent for American Medical Answering Service LLC.

28. On or about November 16, 2016, Victim-20b signed the sales contract that had been provided by BROWN and emailed it to BROWN. Later that day BROWN emailed a fully-executed copy of the contract that had been countersigned by CO-CONSPIRATOR 1 on behalf of American Medical Answering Services LLC, to Victim-20b. The contract stated that:

Medical Answering Service: Seller will deliver 1,000 medical answering service contracts at a minimum charge of \$69 per office per month.

29. The contract further stated that the buyer would pay American Medical Answering Services LLC a down payment of \$155,000.00 and simultaneously execute a promissory note in the amount of \$75,000.00, which would be due when all clients were assigned.

30. On or about November 17, 2016, Victim-20a and Victim-20b visited a financial institution located in Pennsylvania and authorized the issuance of a wire transfer in the amount of \$155,000.00 from a bank account controlled by Victim-20a and Victim-20b to Republic Bank account number xxx4028 held by Tannenbaum & Milask Inc.¹⁰ This wire was processed by computer servers located in Texas and New Jersey.

31. Based upon bank records, the \$155,000.00 from Victim-20a and Victim-20b's wire were distributed from Republic Bank account number xxx4028 held by Tannenbaum & Milask Inc. as follows:

- a. On or about November 17, 2016, a cashier's check was issued in the amount of \$75,500.00 made payable to CO-CONSPIRATOR 1's relative;

¹⁰ The signatory on Republic Bank account xxx4028 was WEINSTEIN. The Targets did not disclose WEINSTEIN's control of the Tannenbaum & Milask Inc. bank account to Victim-20a and Victim-24b.

- b. On or about November 17, 2016, a check was issued in the amount of \$17,500.00 made payable to BROWN; and
- c. A small portion of the remaining \$155,000.00 wire from Victim-20a and Victim-20b was spent on www.bizbuysell.com advertisements.
- d. The remainder was spent on WEINSTEIN's personal expenses, or transferred to other bank accounts controlled by WEINSTEIN.

32. By late November 2016, CO-CONSPIRATOR 1 had provided Victim-20a and Victim-20b with only approximately three of the 1,000 contracted clients. CO-CONSPIRATOR 1 emailed Victim-20b that the Thanksgiving holiday had "messed up all my momentum." CO-CONSPIRATOR 1 further stated that the holidays in December would likely result in a similar lull in contract acquisition.

33. While waiting to receive Medical Answering Service clients, Victim-20b inquired about a www.bizbuysell.com¹¹ advertisement for a Medical Billing business opportunity and BROWN responded.

34. BROWN sent Victim-20b a prospectus for a Medical Billing business opportunity offered by American MD Companies, JV. The prospectus bore the name of Tannenbaum & Milask, 525 Route 73 North, Five Greentree Centre, Suite 104, Marlton, New Jersey.

35. The medical billing prospectus defined the business as follows:

This business opportunity for sale is a book of business contracts with Medical Doctors to support their Medical Practices. This company supports physician's offices by performing their medical insurance billing. Included with your purchase of this business is the necessary software and training. In addition, American MD Companies, JV will introduce you to vendors providing support in the billing area if you choose to use them.

¹¹ I have visited the website of www.bizbuysell.com/about, which contains the following description of itself: "the Internet's largest and most heavily trafficked business for sale marketplace, with more business for sale listings, more unique users, and more search activity than any other service. BizBuySell currently has an inventory of over 45,000 businesses for sale and more than 1.4 million monthly visits."

36. The prospectus stated that American MD Companies, JV would provide a “guaranteed” client base to the buyer.

37. The prospectus stated that the business opportunity had projected annual gross revenue of \$648,000.00 and estimated total expenses of \$433,000.00, resulting in an annual profit of \$215,000.00. The prospectus identified the asking price for the business as \$175,000.00, with a \$125,000.00 down payment.

38. BROWN offered Victim-20b a special deal for 150 physician offices, each with an expected 200 billing claims per month.

39. On or about December 17, 2016, Victim-20b signed a sales contract for the purchase of 150 medical billing clients and emailed it to BROWN. BROWN then emailed the contract to CO-CONSPIRATOR 1 and WEINSTEIN requesting a signature. Later that same day, CO-CONSPIRATOR 1 emailed a fully-executed copy of the contract that had been countersigned by WEINSTEIN¹² on behalf of American MD Companies, JV, to Victim-20b. The contract stated that:

Medical Billing: Seller will deliver in the future 150 medical practices whose total monthly claims will average a goal of 30,000 claims in any 30-day period. If Buyer has not reached 30,000 claims in any 30-day period, then the Sole Remedy will be as follows: Seller will add a maximum of 30 additional offices.

40. The contract further stated that the buyer would pay American MD Companies, JV \$100,000.00 immediately; another \$75,000.00 upon receipt of 75 medical billing clients; and would execute a promissory note in the amount of \$50,000.00, which would be due when all clients were received.

41. On or about December 17, 2016, BROWN sent an email to Victim-20a and Victim-20b with the Subject Line “Congratulations”. The email stated:

You now have 2 babies!
Once you get past the diapers... It will be all joy!

¹² The signature on the contract matches resembles the signature provided for Republic Bank account number xxx4028 held by Tannenbaum & Milask Inc., which was opened by WEINSTEIN, as well as on other contracts signed by WEINSTEIN that I have viewed during the course of the investigation.

The best to you and your family in this endeavor also, and look forward to working with you with your future plans!

42. On or about December 19, 2016, Victim-20b visited a financial institution located in Pennsylvania and authorized the issuance of a wire transfer in the amount of \$100,000.00 from a bank account controlled by Victim-20b to Republic Bank account number xxx4028 held by Tannenbaum & Milask Inc. This wire was processed by computer servers located in Texas and New Jersey.

43. Based upon bank records, the \$100,000.00 from Victim-20a and Victim-20b was distributed from Republic Bank account number xxx4028 held by Tannenbaum & Milask Inc. as follows:

- a. On or about December 20, 2016, a check was issued payable to BROWN in the amount of \$15,000.00.
- b. A small portion of the \$100,000.00 wire from Victim-20a and Victim-20b was spent on www.bizbuysell.com advertisements.
- c. The remainder was spent on WEINSTEIN's personal expenses or transferred to other bank accounts controlled by WEINSTEIN.

44. CO-CONSPIRATOR 1 provided training to Victim-20a and Victim-20b on the medical billing business. During the training, Victim-20a asked CO-CONSPIRATOR 1 about WEINSTEIN's involvement and CO-CONSPIRATOR 1 explained that CO-CONSPIRATOR 1 operated the medical answering service side of the business and that WEINSTEIN operated the medical billing side of the business.

45. On or about January 23, 2017, Victim-20b emailed CO-CONSPIRATOR 1 and WEINSTEIN stating that CO-CONSPIRATOR 1 and WEINSTEIN had provided only five of the 1,000 contracted answering service clients in the two months since the Medical Answering Service contract was signed and only three of the 150 billing clients in the month since the Medical Billing contract was signed. Victim-20b further asserted that the volume of claims per medical billing client was "extremely small." Victim-20b requested information about the pace of client acquisition.

46. Neither CO-CONSPIRATOR 1 nor WEINSTEIN responded to Victim-20b's January 23, 2017 email. On or about February 6, 2017, Victim-20a

emailed CO-CONSPIRATOR 1 requesting information about the slow pace of client acquisition. CO-CONSPIRATOR 1 responded that "I'm going to retool the answering. The market seems to have changed since the last time I did a campaign. I may go after veterinarians instead to pick up the slack."

47. On or about February 21, 2017, Victim-20b emailed CO-CONSPIRATOR 1, WEINSTEIN, and BROWN. Victim-20b wrote that the volume of medical billing claims was too low to be profitable. Victim-20b requested a refund of the \$205,000.00 of the \$255,000.00 paid for the businesses.

48. On or about February 21, 2017, CO-CONSPIRATOR 1 responded that "with regard to the answering service, I am retooling as the market has significantly changed since the last time I did a campaign. This was not foreseen or knowable at the time the agreement was signed." CO-CONSPIRATOR 1 disclaimed responsibility for the medical billing business because WEINSTEIN signed that contract.

49. On or about February 21, 2017, WEINSTEIN emailed approximately six responses within the span of approximately 20 minutes accusing Victim-20b of falsifying the facts and being unreasonable.

50. On or about March 22, 2017, Victim-20b emailed CO-CONSPIRATOR 1 that because of the small number of clients, Victim-20b would be forced to shut down the answering service business. Victim-20b requested a refund of \$135,000 of the \$155,000 paid for the answering service business.

51. As of the date of this affidavit, Victim-20a and Victim-20b have not been refunded any of the money they paid for the Medical Answering Service and Medical Billing business opportunities.

VICTIMS 31a and 31b

52. On or about April 6, 2017, California resident Victim-31a responded to an advertisement for a Medical Billing business opportunity that was posted to www.bizquest.com.¹³ On or about April 10, 2017, Victim-31a completed and signed an NDA, which was between Victim-31a and Tannenbaum & Milask, Inc. Business Brokers, 525 Route 73 North, Five

¹³ I know that like bizbuysell.com, bizquest.com is a brokerage website for selling businesses.

Greentree Centre, Suite 104, Marlton, New Jersey.

53. BROWN subsequently sent Victim-31a an email attaching a business prospectus for a Medical Billing business opportunity offered for sale by Medasset Corporation. The prospectus also bore the name and address of Tannenbaum & Milask Business Brokers.

54. The prospectus defined the business as follows:

This business opportunity for sale is a book of business contracts with Medical Doctors to support their Medical Practices. This company supports physician's offices by performing their medical insurance billing. Included with your purchase of this business is the necessary software and training. In addition, Medasset Corporation will introduce you to vendors providing support in the billing area if you choose to use them.

What is for sale and what you are buying is a package of the above business disciplines or services to doctors. Each business discipline will have cash flow from the various doctors' offices, which the seller will provide you.

55. The prospectus stated that Medasset Corporation would provide a "guaranteed" client base to the buyer.

56. The prospectus stated that the business opportunity would produce a projected annual gross revenue of \$322,920.00 and would have estimated expenses of \$145,000.00, resulting in an annual profit of \$177,920.00. The prospectus identified the asking price for the business opportunity as \$125,000.00, with a \$75,000.00 down payment.

57. BROWN told Victim-31a that the business for sale would comprise 45 physician offices in need of medical billing services, averaging 200 claims per month.

58. On or about April 17, 2017, BROWN introduced Victim-31a to WEINSTEIN via telephone. WEINSTEIN was identified as the business seller and appeared to Victim-31a to be familiar with terminology and business practices in the medical field.

59. While conducting due diligence, Victim-31a and Victim-31a's

business partner, Victim-31b, asked for references of individuals who previously had done business with WEINSTEIN. WEINSTEIN provided two references: "Anna McClintock" (XXX-XXX-4431) and "Mark Salazar" (XXX-XXX-5387).

60. The investigation has revealed that "Anna McClintock" is an alias for CO-CONSPIRATOR 1's relative and that "Mark Salazar" is an alias for WEINSTEIN.

61. As described in paragraph 24 above, the phone number provided to Victim-31a and Victim-31b for "Anna McClintock" was obtained through Ad Hoc Labs, a company that provides users with free telephone numbers that they can use to make and receive telephone calls over the Internet using an Internet connected device. This phone number was active between January 24, 2017 and April 30, 2017. The phone number used to register "Anna McClintock's" Ad Hoc Labs phone number was the same number provided by CO-CONSPIRATOR 1's relative, along with CO-CONSPIRATOR 1's relative's Driver's License when CO-CONSPIRATOR 1's relative opened a United Parcel Service mailbox to receive mail for several of CO-CONSPIRATOR 1's businesses, including Revenue Asset Services.

62. The investigation has revealed that "Mark Salazar" is an alias for WEINSTEIN. The phone number provided to Victim-31a and Victim-31b for "Mark Salazar" was provided by a company that provides users with free telephone numbers for Internet calling. The phone number was active between February 10, 2016 and May 5, 2017. The phone number used to register "Mark Salazar's" phone number was subscribed to by WEINSTEIN through AT&T.

63. Both references provided Victim-31a and Victim-31b with favorable remarks about their purported business dealings with WEINSTEIN.

64. Subsequently, BROWN sent a contract to Victim-31a. The initial contract sent by BROWN did not include a timeline for delivery of clients, but WEINSTEIN agreed to a request from Victim-31a to add an 18-month deadline for delivery of clients.

65. Victim-31a and Victim-31b signed the sales contract and emailed it to BROWN on or about April 22, 2017. BROWN forwarded the contract to

WEINSTEIN, who signed it on behalf of Medasset Corporation.¹⁴ Later that day, BROWN emailed a copy of the fully-executed contract to Victim-31a. The contract stated that:

Medical Billing: Seller will deliver within 18 months of execution of contract 45 medical practices whose total monthly claims will average a goal of 9,000 claims in any 30-day period. If Buyer has not reached 9,000 claims in any 30-day period, then the Sole Remedy will be as follows: Seller will add a maximum of 15 additional offices.

66. The contract further stated that the buyer would pay Medasset Corporation a \$75,000.00 down payment and would execute a promissory note in the amount of \$50,000.00, which would be due when all clients were received.

67. On or about April 26, 2017, Victim-31a authorized the issuance of a wire transfer in the amount of \$75,000.00 from a bank account controlled by Victim-31a to bank account number xxx4028 held in the name of Tannenbaum & Milask, Inc. at Republic Bank. This wire was processed by computer servers located in Texas and New Jersey.

68. On or about April 26, 2017, \$50,000.00 was transferred from account number xxx4028 to bank account xxx8699 held in the name of Medservice Group at Republic Bank. Bank account number xxx8699 is controlled by WEINSTEIN. Thereafter, WEINSTEIN transferred funds from bank account xxx8699 to other bank accounts controlled by WEINSTEIN and used funds in bank account xxx8699 on personal expenses in various locations, including Japan, Hawaii, and Las Vegas.

69. On or about April 26, 2017, \$15,000.00 was transferred from account xxx4028 to bank account xxx8710 held by WEINSTEIN at Republic Bank. On or about April 30, 2017, a check was issued from account xxx8710 to BROWN in the amount of \$18,000.00. The memo line of the check contained Victim-31a's first name and the words "2 commission." Based on my training and experience and information learned through the investigation, I believe that the \$18,000.00 check represented commissions for sales of business opportunities to Victim-31a and another buyer/victim.

¹⁴ Medasset Corporation was registered in Nevada on November 17, 2016 by WEINSTEIN.

70. By September 2017—approximately five months after signing the contract—Victim-31a and Victim-31b had received approximately ten medical billing clients but those clients collectively were submitting only approximately 30 claims per month. On or about September 19, 2017, Victim-31a emailed WEINSTEIN about the “extremely limited volume.” In November 2017, Victim-31a emailed WEINSTEIN again that the provided clients had very little claims activity. In January 2018, Victim-31a emailed WEINSTEIN that only four clients were currently active and again asked about the delivery of new clients. Victim-31a also emailed WEINSTEIN to ask about clients in March 2018, August 2018, January 2019, February 2019, March 2019, and June 2019.

71. WEINSTEIN’s responses to these emails included that he was “involved in a marketing campaign as we speak;” that he was “going on a marketing tear;” that he “should have some for you late next week;” that he “will push clients over to you this month;” that the “Next one in is yours!” and that “I will surely transfer the next few coming in.”

72. By the expiration of the 18-month contract term, Victim-31a and Victim-31b had received only 15 Medical Billing clients and only three of those clients were actively sending billing requests.

VICTIMS 42a and 42b

73. On or about April 20, 2018, Victim-42a and Victim-42b of Illinois responded to an advertisement for a medical credentialing and medical appeals business opportunity that was posted on www.bizquest.com. In response to their inquiry, on or about April 27, 2018, BROWN sent a prospectus for a medical billing business opportunity offered by “MedAsset Corporation.” The prospectus bore the name of Visionary Business Brokers, 1401-I Route 130 South, Suite 343, Cinnaminson, New Jersey,¹⁵ and listed BROWN’s mobile telephone number.

74. The medical billing prospectus defined the business as follows:

¹⁵ Visionary Business Brokers LLC was registered by BROWN with the State of New Jersey on or about May 30, 2017. The business address is a mailbox rental facility operated by the United Parcel Service (“UPS”) Store and is located in Burlington County. Based on my training and experience, I know that perpetrators of fraudulent schemes often use UPS rental mailboxes and refer to the mailbox number as a “suite” to make it appear that they operate out of a legitimate physical office.

This business opportunity for sale is a book of business contracts with Medical Doctors to support their Medical Practices. This company supports physician's offices by performing their medical insurance billing. Included with your purchase of this business is the necessary software and training. In addition, Medasset Corporation will introduce you to vendors providing support in the billing area, if you choose to use them.

75. The prospectus stated that Medasset Corporation would provide a "guaranteed" client base to the buyer.

76. The prospectus stated that the business opportunity had projected annual gross revenue of \$322,920.00 and estimated expenses of \$145,000.00, resulting in an annual profit of \$177,920.00. The prospectus identified the asking price for the business as \$125,000.00, with a \$75,000.00 down payment.

77. The following day, on or about April 28, 2018, BROWN spoke to Victim-42a and Victim-42b via telephone to discuss the business for sale. Subsequently, BROWN sent a sales contract to Victim-42a for review. BROWN also stated that "Dave"—presumably referring to WEINSTEIN—thought that Victim-42a and Victim-42b would be a great fit for the business operation.

78. On or about May 2, 2018, Victim-42a and Victim-42b participated in a conference call with WEINSTEIN and BROWN. WEINSTEIN stated that he had sold similar business opportunities previously and the buyers had been successful. When asked why he was selling the business opportunity, WEINSTEIN stated that he was dealing with health issues and no longer wanted to deal with managing employees, but that he would conduct marketing and provide clients for Victim-42a and Victim-42b to provide medical billing services.

79. Victim-42a and Victim-42b asked for a reference of an individual who had previously purchased a business opportunity from WEINSTEIN. WEINSTEIN provided the name of CO-CONSPIRATOR 1. On a telephone call, CO-CONSPIRATOR 1 told Victim-42a that CO-CONSPIRATOR 1 had purchased several business opportunities from WEINSTEIN and those businesses had been successful. WEINSTEIN did not disclose that CO-CONSPIRATOR 1 was WEINSTEIN's business partner.

80. On or about May 3, 2018, Victim-42a signed the sales contract and

emailed it to BROWN. The following day, May 4, 2018, BROWN emailed a copy of the fully-executed contract that had been countersigned by WEINSTEIN, on behalf of Medasset Corporation, to Victim-42a. The contract stated that:

Medical Appeals: Seller will deliver, over the course of nine months from the date of signing this agreement, 60 medical practices, whose total annual uncollected receivables will average a goal of \$5 million dollars annually.

Medical Credentialing: Seller will deliver, over the course of nine months from the date of signing this agreement, 30 medical offices who are seeking credentialing services."

81. The contract further stated that the buyer would pay Medasset Corporation a \$75,000.00 down payment and simultaneously execute a promissory note in the amount of \$50,000.00, which would be due when all clients were assigned.

82. On or about May 3, 2018, Victim-42a visited a financial institution located in Wilmette, Illinois and authorized the issuance of a wire transfer in the amount of \$75,000.00 from a business account controlled by Victim-42a and Victim-42b to bank account number xxx2905 held by Visionary Business Brokers at Beneficial Bank. This wire was processed by computer servers located in Texas and New Jersey. Account xxx2905 is controlled by BROWN.

83. On or about May 4, 2018, \$13,300.00 was transferred from bank account number xxx2905 to small business checking bank account number xxx6406, held by Kevin Brown dba New Liberation Wellness, at Beneficial Bank. Account xxx6406 is controlled by BROWN.

84. On or about May 4, 2018, BROWN wrote a check in the amount of \$61,677.51 from bank account number xxx2905 payable to Tannenbaum & Milask. On or about May 4, 2018, the \$61,677.51 check was deposited into bank account number xxx4028 held by Tannenbaum & Milask Inc. at Republic Bank, which is controlled by WEINSTEIN. Thereafter, WEINSTEIN transferred funds in bank account xxx4028 to other bank accounts controlled by WEINSTEIN and used funds in bank account xxx4028 on personal expenses.

85. On or about July 19, 2018, Victim-42a emailed WEINSTEIN to advise that the first client was active, and to ask when additional clients would be received. WEINSTEIN replied that he would do a big push the next week.

He offered another business model or a combination of services if the “big push” did not produce Medical Appeals clients quickly enough.

86. On or about September 13, 2018, WEINSTEIN sent an email to Victim-42a stating that WEINSTEIN was working to find more clients for them.

87. On or about September 18, 2018, Victim-42b sent an email to WEINSTEIN and BROWN stating that their pre-sale projections and representations were “entirely inaccurate” and requesting a full refund of the \$75,000.00 down payment.

88. On or about October 1, 2018, the company formed by Victim-42a and Victim-42b filed a civil fraud lawsuit against WEINSTEIN, BROWN, CO-CONSPIRATOR 1, Medasset Corporation, and Visionary Business Brokers in the Circuit Court of Cook County, Illinois. On or about November 6, 2018, WEINSTEIN was served with a copy of the complaint at his residence in Las Vegas, Nevada.

89. In emails to Victim-42a between on or about November 8, 2018 and on or about November 13, 2018, WEINSTEIN threatened to retaliate against Victim-42a and Victim-42b for filing the lawsuit.

Email date and time	Email text
November 8, 2018; 10:22 a.m.	My Friend You never identified yourself as an attorney Talk about fraud lol My turn for suit Ethics Venue? Rico Better check the statues [sic] in your state I did
November 8, 2018; 10:28 a.m.	Kindly notify me which E/O carriers ¹⁶ you have. Or should I call Mr Slim esquire who I have a history of suing attorneys
November 13, 2018; 8:27 p.m.	I have counsel. Counter suit in progress

¹⁶ I understand “E/O carriers” means professional liability insurance carriers—“E/O” refers to errors and omissions.

90. As of the date of this affidavit, Medasset Corporation has provided zero of the 30 promised Medical Credentialing clients and three of the 60 promised Medical Appeals clients. The Medical Appeals clients produced only approximately \$400 of the contractually-promised \$5 million of annual revenue.

IDENTIFIED VICTIMS

91. The FBI has confirmed 43 sets of victims of the Targets' fraudulent business opportunity selling scheme. Below is a summary of the transactions completed by the confirmed victims:

Victim	Contract Date(s)	Seller Company	Business Lines Sold	Contract Signer	Wire / Check Date(s)	Payment Amount	Broker
1	9/4/15	MedAsset Management Company LLC	Billing	WEINSTEIN	9/8/15	\$35,000	CC1 ¹⁷
2	10/15/15	MedAsset Management Company LLC	Collections	WEINSTEIN	10/14/15	\$30,000	Broker-1
3	2/22/16	Revenue Asset Services	Answering Service	CC1	2/22/16	\$35,000	BROWN
4	3/6/16	Revenue Asset Services	Billing; Transcription; Answering Service	CC1	3/8/16 3/14/16	\$115,000	BROWN
5	3/28/16	Medasset Management Company LLC	Appeals	WEINSTEIN	3/29/16	\$30,000	BROWN
6	5/2/16	Medasset Management Company LLC	Billing	WEINSTEIN	5/2/16	\$35,000	CC1
7	5/2/16	MedAsset Management Company LLC	Billing; Appeals; Collections; Transcription	WEINSTEIN	5/2/16 5/13/16 5/20/16	\$135,000	BROWN

¹⁷ To simplify the readability of the table, CO-CONSPIRATOR 1 has been abbreviated to "CC1."

Victim	Contract Date(s)	Seller Company	Business Lines Sold	Contract Signer	Wire / Check Date(s)	Payment Amount	Broker
8	6/6/16	Medasset Management LLC	Billing; Appeals	WEINSTEIN	6/6/16	\$75,000	BROWN
9	6/22/16	Medasset Management LLC	Billing; Collections	WEINSTEIN	6/21/16	\$75,000	BROWN
10 ¹⁸	6/24/16	Medasset Management LLC; Stat Collection Agency LLC, d/b/a Medasset Management Company; American Billing Company; and American Transcription Company LLC	Prior contracts	WEINSTEIN	6/24/16	\$150,000	Broker-2
11	7/15/16	MedAsset Management LLC	Billing	Individual-1	7/15/16	\$30,000	BROWN
12	8/7/16 1/21/17	Revenue Asset Services LLC	Collections; Billing	CC1	8/30/16	\$75,000	CC1
13	8/19/16	Revenue Asset Services LLC	Collections	CC1	8/18/16	\$75,000	BROWN
14	8/29/16	Revenue Asset Services	Billing	CC1	8/29/16	\$31,250	BROWN
15	9/13/16	Revenue Asset Services	Billing, Collections	CC1	9/14/16	\$50,000	BROWN
16	9/28/16	Revenue Asset Services LLC	Billing	CC1	9/28/16	\$29,990	BROWN

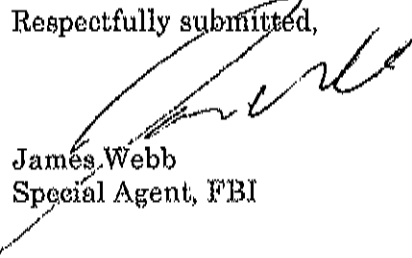
¹⁸ Victim 10 met with WEINSTEIN in Burlington County, New Jersey before authorizing the wire transfer for the business opportunity.

Victim	Contract Date(s)	Seller Company	Business Lines Sold	Contract Signer	Wire / Check Date(s)	Payment Amount	Broker
17	10/13/16	Revenue Asset Services, LLC	Answering Service	CC1	11/22/16	\$240,000	BROWN
18	11/1/16	American Medical Answering Services, LLC	Answering Service	CC1	10/31/16	\$75,000	BROWN
19	10/29/16	Revenue Asset Services	Answering Service	CC1	10/31/16	\$45,000	BROWN
20	11/16/16 12/17/16	American Medical Answering Services, LLC / American MD Companies JV	Answering Service; Billing	CC1 / WEINSTEIN	11/17/16 12/19/16	\$255,000	BROWN
21	11/29/16	American Medical Answering Service, LLC	Answering Service	CC1	12/12/16	\$75,000	BROWN
22	12/5/16	American MD Companies JV	Billing	WEINSTEIN	12/7/16	\$35,000	BROWN
23	12/13/16	American Medical Answering Services, LLC	Answering Service	CC1	12/14/16	\$75,000	BROWN
24	12/29/16	American MD Companies JV	Billing	WEINSTEIN	12/28/16	\$72,000	BROWN
25	1/4/17	American MD Companies JV	Billing	WEINSTEIN	1/4/17	\$50,000	BROWN
26	3/17/17	Medasset Corporation	Billing	WEINSTEIN	3/17/17	\$75,000	BROWN
27	3/21/17 6/12/17	Medasset Corporation	Billing; Prior Contracts	WEINSTEIN	3/22/17	\$75,000	BROWN
28	4/6/17	Medasset Corporation	Billing	WEINSTEIN	4/6/17	\$75,000	BROWN

Victim	Contract Date(s)	Seller Company	Business Lines Sold	Contract Signer	Wire / Check Date(s)	Payment Amount	Broker
29	4/14/17	American MD Companies JV	Billing; Collections; Appeals	WEINSTEIN	4/14/17	\$75,000	Broker-3
30	4/20/17	Medasset Corporation	Billing	WEINSTEIN	4/24/17	\$35,000	BROWN
31	4/22/17	Medasset Corporation	Billing	WEINSTEIN	4/26/17	\$75,000	BROWN
32	7/24/17	Medasset Corporation	Billing	WEINSTEIN	7/25/17	\$75,000	BROWN
33	9/7/17	American MD Companies JV	Billing	WEINSTEIN	9/8/17	\$75,000	BROWN
34	9/13/17 11/10/17	Medasset Corporation	Billing; Prior Contracts	WEINSTEIN	9/13/17 9/25/17	\$75,000	BROWN
35	9/14/17	Unknown	Billing	WEINSTEIN	9/14/17	\$75,000	BROWN
36	10/25/17	Medasset Corporation	Billing	WEINSTEIN	10/26/17	\$55,000	BROWN
37	11/28/17	Medasset Corporation	Billing	WEINSTEIN	11/29/17	\$75,000	BROWN
38	12/4/17	Medasset Management Company	Billing	WEINSTEIN	12/4/17	\$35,000	BROWN
39	3/20/18	Medasset Corporation	Billing	WEINSTEIN	1/30/18 3/14/18 3/19/18	\$75,000	BROWN
40	4/4/18	Medasset Corporation	Billing	WEINSTEIN	4/11/18	\$75,000	BROWN
41	4/13/18	Medasset Corporation	Billing	WEINSTEIN	4/13/18	\$75,000	BROWN
42	5/3/18	Medasset Corporation	Appeals; Credentialing; Billing	WEINSTEIN	5/3/18	\$75,000	BROWN
43	8/23/18	Medasset Corporation	Billing	WEINSTEIN	8/23/18; 9/10/18	\$15,000	BROWN
Total						\$3,118,240	

* Continued on Next Page *

Respectfully submitted,

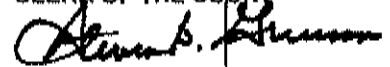

James Webb
Special Agent, FBI

Pursuant to Fed. R. Crim. P. 4.1, Special Agent James Webb was sworn and attested to the contents of this affidavit in support of the issuance of an arrest warrant and criminal complaint charging defendant DAVID WEINSTEIN with wire fraud conspiracy, as set forth in Attachment A.

HON. ANN MARIE DONIO
United States Magistrate Judge

Date: December ____, 2020

Exhibit 39



OPPS

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Margaret Reddy, and Mohan Thalamarla*

DISTRICT COURT

CLARK COUNTY, NEVADA

MEDAPPEAL, LLC, An Illinois Limited Liability
Company,

Plaintiff,

vs.

DAVID WEINSTIEN, VIJAY REDDY,
MARGARET REDDY, MOHAN
THALAMARLA, KEVIN BROWN, MAX
GLOBAL, INC., VISIONARY BUSINESS
BROKERS LLC, MEDASSET CORPORATION,
AND DOES 1-50,

Defendants;

Case No.: A-19-792836-C

Dept. No.: XIV

**VIJAY REDDY, MARGARET
REDDY, MOHAN
THALAMARLA, AND MAX
GLOBAL, INC.'S OPPOSITION
TO PLAINTIFF'S MOTION FOR
SUMMARY JUDGMENT**

Defendants VIJAY REDDY ("Vijay"), MARGARET REDDY ("Margaret"),
MOHAN THALAMARLA ("Mohan"), and MAX GLOBAL, INC. ("Max Global") hereby
oppose Plaintiff MEDAPPEAL, LLC's ("Plaintiff") Motion for Summary Judgment
("Motion").

This Opposition is based on the following Memorandum of Points and Authorities, the
Declarations of Vijay, Margaret, and Mohan, and any oral argument which the Court may
allow.

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. Introduction**

3 This case concerns Plaintiff Medappeal, LLC ("Plaintiff"), which entered into a
4 contract with Medasset Corporation ("Medasset") for Plaintiff to receive medical appeals
5 clients. Vijay, Margaret, Mohan, and Max Global were *not* parties to the contract. Plaintiff
6 claims that Medasset failed to honor the terms of the contract.

7 Although the facts of this dispute are simple, Plaintiff has turned this matter into a full-
8 blown witch hunt, dredging up every past lawsuit, bankruptcy proceeding, and client complaint
9 no matter how remote these issues might be against parties who have nothing to do with
10 Plaintiff. Further, Plaintiff has lumped all the Defendants together in its Motion, which is
11 improper, and makes it difficult to adequately respond to the Motion.

12 However, stripped all of all the smoke and mirrors, Plaintiff's claims against Vijay,
13 Margaret, Mohan, and Max Global fail for the following reasons: (1) Vijay, Margaret, Mohan,
14 and Max Global were not parties to Plaintiff's contract with Medasset; (2) a genuine issue of
15 fact exists about whether Vijay made false representations; (3) Plaintiff's civil conspiracy fails
16 as a matter of law because Plaintiff cannot prove that Vijay, Margaret, Mohan, and Max Global
17 did anything to harm Plaintiff; (4) Plaintiff's deceptive trade practices claims fails as a matter
18 of law because none of these defendants were parties to the contract; (5) Vijay has *never* been
19 found guilty of fraud; and (6) Mohan and Max Global never did any business with Defendant
20 David Weinstein ("David") or Medasset.

21 Moreover, Plaintiff's Motion is premature. Discovery closes on May 10, 2021.
22 Plaintiff's Motion should be denied for that reason alone. Therefore, Vijay, Margaret, Mohan,
23 and Max Global, who recently served Plaintiff with written discovery, should be granted the
24 opportunity to conduct their discovery.

25 Accordingly, Plaintiff's Motion should be denied.

26 ////
27
28

1 **II. Statement of Facts.**

2 **A. 2017 Private Transactions**

3 In 2017, Vijay and Margaret invested \$325,000 into various mining and real estate
4 projects in Africa and India. *See* Declaration of Mohan Thalamarla, attached hereto as Exhibit
5 A, ¶ 3, and Declaration of Margaret Reddy, attached hereto as Exhibit B, ¶ 3. Mohan was a
6 major stockholder in the projects. *Id.*

7 Approximately eight months later, Vijay and Margaret asked Mohan for a \$330,000
8 loan to purchase their home. *Id.*, ¶4. Originally, it was intended that the loan would be re-
9 paid through the \$325,000 investment. *Id.*

10 **B. Plaintiff's May 2018 Contract With Medasset**

11 On May 5, 2018, Vijay received a reference call from Plaintiff. *See* Declaration of Vijay
12 Reddy, attached hereto as Exhibit C, ¶ 3. During the telephone call, Vijay told Seth Johnson,
13 Plaintiff's representative that: (a) Vijay met David in 2007; (2) Vijay had bought and sold
14 numerous businesses from David throughout the years; (3) Vijay had done medical appeals
15 several years ago and was successful; (4) the medical appeals business is difficult because
16 insurance companies do not like to pay out claims without a fight; and (5) Vijay warned Mr.
17 Johnson not to take medical answering service contracts or medical transcription because they
18 were not viable businesses. *Id.*, ¶ 4.

19 During the call, Vijay did not discuss what Plaintiff's profitability would be, the
20 number of clients Plaintiff would receive, or any financial data. *Id.*, ¶ 6. In fact, Vijay made
21 it clear that he had never seen the executive summary Mr. Johnson mentioned during the call.
22 *Id.* Vijay's response to any question started with "In my opinion..." or words to that effect.
23 *Id.*, ¶ 7.

24 After Plaintiff entered into the contract with Medasset, Vijay provided training to
25 Plaintiff on the medical billing software and the procedures concerning medical appeals
26 without charge. *Id.*, ¶ 8. Vijay was never paid from the \$75,000 that Defendants David and
27 Kevin Brown ("Kevin") received from Plaintiff nor did he ask for payment. *Id.*, ¶ 9.

28

1 **1. Relevant Facts Concerning Margaret**

2 Margaret was not a party to Plaintiff's contract, she was not involved in the contract
3 negotiations, and she did not profit from the contract. *See* Exhibit B, ¶ 5. In fact, Margaret
4 has never communicated with Plaintiff at all. *Id.*, ¶ 6.

5 **2. Relevant Facts Concerning Mohan**

6 Mohan was not a party to Plaintiff's contract, he was not involved in the contract
7 negotiations, and he did not profit from the contract. *See* Exhibit A, ¶ 5. In fact, he has never
8 communicated with David, Kevin, or Plaintiff at all. *Id.*, ¶ 8.

9 **III. Standard of Review**

10 Unless there are no genuine issues of material fact and the moving party is entitled to
11 judgment as a matter of law, summary judgment must be denied. *See* NRCP 56(c); *see also*
12 *Wood v. Safeway, Inc.*, 121 Nev. 724, 731, 121 P.3d 1026, 1031 (2005). "The substantive law
13 controls which factual disputes are material and will preclude summary judgment." *Wood*,
14 121 Nev. at 731, 121 P.3d at 1034. A material issue of fact is one that affects the outcome of
15 the litigation and requires a trial to resolve differing versions of the truth. *Valley Bank v.*
16 *Marble*, 105 Nev. 366, 367, 775 P.2d 1278, 1282 (1989). The burden for demonstrating the
17 absence of a genuine issue of material facts lies with the moving party, and the material lodged
18 by the moving party must be viewed in the light most favorable to the nonmoving party.
19 *Hoopes v. Hammagren*, 102 Nev. 425, 429. 725 P.2d 238, 241 (1986).

20 **IV. Legal Argument**

21 **A. Plaintiff's Breach of Contract Fails as a Matter of Law Because Vijay,**
22 **Margaret, Mohan, and Max Global Were Not Parties to the Contract With**
23 **Medasset.**

24 Plaintiff argues that "Defendants do not dispute that they had a valid contract with
25 Plaintiff." *See* Motion, p. 12. It is not clear which of the "Defendants" Plaintiff claims had a
26 valid contract with Plaintiff. According to Plaintiff's First Amended Complaint, the breach of
27 contract is against *only* Defendants David and Medasset. To the extent, however, that Plaintiff
28 is attempting to now include other defendants in its claim for breach of contract, Plaintiff's
claim fails against Vijay, Margaret, Mohan, and Max Global. To make a prima facie claim for

1 breach of contract, Plaintiff must prove: (1) a valid and existing contract was entered into
2 between plaintiff and defendant; (2) Plaintiff performed or was excused from performance; (3)
3 Defendant breached; and (4) Plaintiff sustained damages. *Reichert v. General Insurance Co.*
4 *of Amer.*, 69 Cal.Rptr. 321 (1968).

5 Here, Vijay, Margaret, Mohan, and Max Global were *not* parties to Plaintiff's contract
6 with Medasset so summary judgment must be denied as to them concerning Plaintiff's claim
7 for breach of contract.

8 **B. A Genuine Issue of Fact Exists About Whether Vijay Made any False**
9 **Representations to Plaintiff.**

10 Intentional misrepresentation requires Plaintiff to prove each of the following elements:
11 (1) Defendant made a false representation; (2) Defendant knew or believed that his or her
12 representation was false, or defendant had an insufficient basis of information for making the
13 representation; (3) Defendant intended to induce plaintiff to act or refrain from acting upon the
14 misrepresentation; (4) Plaintiff justifiably relied upon defendant's representation; and (5)
15 Plaintiff sustained damage as a result. *Barmettler v. Reno Air, Inc.*, 114 Nev. 441, 956 P.2d
16 1382 (1998). Whether a party has proven the elements of intentional misrepresentation is
17 generally a question of fact. *Blanchard v. Blanchard*, 108 Nev. 908, 839 P.2d 1320 (1992).

18 Plaintiff cannot prove intentional misrepresentation against Vijay¹ unless Plaintiff can
19 show that Vijay actually made false representations.

20 On May 5, 2018, Vijay received a reference call from Plaintiff. *See* Exhibit C, ¶ 3.
21 During the call, Vijay told Seth Johnson, Plaintiff's representative that: (a) Vijay met David in
22 2007; (2) Vijay had bought and sold numerous businesses from David throughout the years;
23 (3) Vijay had done medical appeals several years ago and was successful; (4) the medical
24 appeals business is difficult because insurance companies do not like to pay out claims without
25 a fight; and (5) Vijay warned Mr. Johnson not to take medical answering service contracts or
26 medical transcription because they were not viable businesses. *Id.*, ¶ 4.

27
28 ¹ Plaintiff's claim for intentional misrepresentation in its First Amended Complaint does not include Margaret, Mohan, or Max Global.

1 Vijay did not discuss during the call what Plaintiff's profitability would be, the number
2 of clients Plaintiff would receive, or any financial data. *Id.*, ¶ 6. In fact, Vijay made it clear
3 that he had never seen the executive summary Mr. Johnson mentioned during the call. *Id.*
4 Vijay's response to any question started with "In my opinion....," or words to that effect. *Id.*,
5 ¶ 7.

6 Plaintiff further claims that Vijay knowingly failed to disclose that David's felony.
7 Plaintiff conveniently ignores the fact the Eli and Seth Johnson are attorneys in Illinois, and
8 attorneys routinely perform background or asset searches. If Plaintiff did its due diligence, it
9 would have discovered David's felony conviction from many years ago. Vijay is *not*
10 responsible for Plaintiff's lack of due diligence. Further, Vijay testified that he felt it was not
11 his place to disclose the felony to a total stranger during a brief telephone call. *See* Exhibit 2
12 to Plaintiff's Motion, p. 95, lns. 6-13.

13 Additionally, Plaintiff continuously refers to Vijay's past fraudulent activity, but Vijay
14 has *never* been found guilty of fraud. He was not found guilty of fraud in *Holmes v. Reddy*,
15 10-210-CK (D. MI 2010). Vijay was not found guilty of fraud in the *BlueSky Med-Office*
16 *Solutions* matter. Moreover, the FBI Complaint, upon which Plaintiff relies in the Motion, has
17 not been adjudicated and the Complaint is nothing more than allegations at this point. It is
18 disingenuous for Plaintiff to make it appear as though there has been a trial and that Vijay was
19 found guilty of fraud.

20 Accordingly, a genuine dispute exists concerning whether Vijay made false
21 representations and summary judgment on the intentional misrepresentation claim should be
22 denied.

23 **C. Plaintiff Cannot Prove That Vijay, Margaret, Mohan, and Max Global Did**
24 **Anything to Harm Plaintiff.**

25 To prove a prima facie claim for civil conspiracy, Plaintiff is required to prove that: (1)
26 Defendants, by acting in concert, intended to accomplish an unlawful objective for the purpose
27 of harming plaintiff; and (2) Plaintiff sustained damage resulting from defendants' act or acts.
28

1 *Consolidated Generator-Nevada, Inc. v. Cummins Engine Co., Inc.*, 114 Nev. 1304, 971 P.2d
2 1251 (1999).

3 In support of Plaintiff's argument that "Defendants" were part of a civil conspiracy,
4 Plaintiff states that "[w]hether serving as a broker (Brown/Weinstein), trainer (V.Reddy), seller
5 (V.Reddy/Weinstein), marketer (Margaret/Weinstein/V.Reddy) or hiding proceeds from the
6 sale and money laundering (Margaret/M. Thalamarla/Max Global Inc), these parties
7 continuously relied on one another in furtherance of civil conspiracy." See Motion, p. 20.

8 Putting aside the fact that Plaintiff's argument is nothing more than conclusory
9 statements without evidentiary support, Plaintiff cannot show that Vijay, Margaret, Mohan,
10 and Max Global "intended to accomplish an unlawful objective for the purpose of harming
11 *plaintiff*." Vijay, Margaret, Mohan, and Max Global were not parties to Plaintiff's agreement
12 with Medasset, were not involved in the contract negotiations, and did not profit from the
13 agreement.

14 Furthermore, the alleged fraudulent transactions between Vijay, Margaret, Mohan, and
15 Max Global which Plaintiff complains about happened in 2017, which is *before* Plaintiff
16 entered into the contract with Medasset in 2018. It is not possible that these transactions had
17 any connection to the Plaintiff.

18 Plaintiff, as the moving party, has the burden to show that Vijay, Margaret, Mohan, and
19 Max Global participated in a civil conspiracy and took actions designed to *harm plaintiff*, and
20 Plaintiff has failed to do so. Accordingly, Plaintiff's claim for civil conspiracy fails and
21 summary judgment should be denied.

22 **D. Genuine Issues of Fact Exist Concerning Plaintiff's Deceptive Trade Practices**
23 **Claim Because Vijay, Margaret, Mohan, and Max Global Were Not Parties to**
24 **Medasset's Contract With Plaintiff.**

25 With respect to Plaintiff's claim for deceptive trade practices, Plaintiff again lumps all
26 of the "Defendants" together and simply makes the following conclusory statements about
27 "Defendants'" actions:

28 *Defendants'* false representations to Medaappeal are voluminous and well detailed in
this motion. Significantly, *Defendants* misrepresented their history of success and

1 omitted telling Plaintiff about the numerous complaints, lawsuits, and allegations made
2 against them for the sale of the same or substantially similar "business opportunity."
3 ...**Defendants'** inability to perform their promised obligation, to either Medappeal or
4 other purchasers, clearly indicates their false representations regarding the underlying
5 transaction, i.e. the failure to disclose that Medappeal would not receive the promised
6 contracts.

7 *See* Motion, pp. 22-23. Mohan and Max Global have never did any business with David or
8 Medasset. Further, Mohan and Max Global never communicated with David, Medasset, or
9 Plaintiff. Similarly, Margaret never communicated with Plaintiff. As already discussed,
10 genuine issues of material fact exist concerning whether Vijay made false representations to
11 the Plaintiff. As a result, Plaintiff's claim for deceptive trade practice fail against Mohan and
12 Margaret, and a genuine issue of fact exists with respect to Vijay to deny summary judgement.

13 **E. Plaintiff's RICO Claim Fails as a Matter of Law Because Plaintiff Cannot**
14 **Show Injury Flowing From Defendants' Alleged Violation of the Predicate Acts.**

15 A plaintiff cannot recover damages under RICO, unless the plaintiff can prove that (1)
16 Plaintiff's injury flows from the defendant's violation of the predicate RICO act; (2) Plaintiff's
17 injury must be proximately caused by the defendant's violation of the predicate act; and (3)
18 Plaintiff must not have participated in the commission of the predicate act. *Allum v. Valley*
19 *Bank of Nevada*, 109 Nev. 280, 283, 849 P.2d 297, 299 (1993).

20 Again, Plaintiff argues that all "Defendants" engaged in a criminal scheme to swindle
21 unsuspecting victims, Plaintiff cannot prove that its injury, if any, flows from these alleged
22 predicate acts – which is fatal to its claim. As already discussed, Mohan and Max Global never
23 did business with David, Medasset, or Plaintiff. Further, Margaret was not a party to Plaintiff's
24 contract and never communicated with Plaintiff. Moreover, Vijay's only involvement with
25 Plaintiff was that he had a telephone call and provided training to Plaintiff free of charge. None
26 of these parties received any payment from Plaintiff's contract with Medasset. In fact, none
27 of them profited from Plaintiff's transaction in any way. Accordingly, Plaintiff's claim for
28 RICO as to Vijay, Margaret, Mohan, and Max Global likewise fails and summary judgment
should be denied.

CERTIFICATE OF SERVICE

I hereby certify that on the 29 day of March 2021, the foregoing **VIJAY REDDY, MARGARET REDDY, MOHAN THALAMARLA, AND MAX GLOBAL, INC.'S OPPOSITION TO PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT** was served via the Odyssey E-File & Serve system, to the following:


Zachary Ball
Nevada Bar No. 8364
1935 Village Center Circle, Suite 120
Las Vegas, NV 89134
Attorney for Medappeal, LLC

David Weinstein
c/o Michael Orenstein
4018 Sheridan Street
Hollywood, Florida 33021

Medasset Corporation
c/o Michael Orenstein
4018 Sheridan Street
Hollywood, Florida 33021

Kevin Brown
2006 Sylvan Park Road
Burlington, New Jersey 08016

Visionary Business Brokers, LLC
2006 Sylvan Park Road
Burlington, New Jersey 08016



On behalf of LEAH MARTIN LAW

Exhibit A

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DECLARATION OF MOHAN THALAMARLA

I, Mohan Thalamarla, declare:

1. I make this declaration in support of Vijay Reddy, Margaret Reddy, Mohan Thalamarla, and Max Global, Inc.'s Opposition to Plaintiff's Motion for Summary Judgment in *Medappeal, LLC v. Weinstein, et al.*, Case No. A-19-792836-C, filed with the Eighth Judicial District Court in Clark County, Nevada.

2. I have personal knowledge of the facts set forth in my declaration and could testify about them if called upon to do so.

3. In 2017, I presented an investment opportunity to Vijay Reddy ("Vijay") and Margaret Reddy ("Margaret"). They invested \$325,000 of their money into various mining and real estate projects in Africa and India. I am a major stockholder in the projects.

4. Approximately eight months later, Vijay and Margaret asked me for a \$330,000 loan to purchase their home. It was originally intended that the returns from their \$325,000 investment would be used to satisfy the monthly mortgage payment owed to me.

5. I was not involved in the negotiations concerning Plaintiff Medappeal, LLC's ("Plaintiff") contract with Medasset Corporation. I was not a party to the contract. I did not profit from the contract.

6. I have not been paid from the \$75,000 that Mr. David Weinstein and Mr. Kevin Brown received from Plaintiff.

7. I have not sent or received any money from Mr. Weinstein, Mr. Brown, or the Plaintiff.

8. I have never communicated with Mr. Weinstein, Mr. Brown, or Plaintiff.

Executed this 29th day of March, 2021.

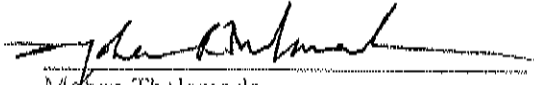

Mohan Thalamarla

Exhibit B

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DECLARATION OF MARGARET REDDY

I, Margaret Reddy, declare:

1. I make this declaration in support of Vijay Reddy, Margaret Reddy, Mohan Thalamarla, and Max Global, Inc.'s Opposition to Plaintiff's Motion for Summary Judgment in *Medappeal, LLC v. Weinstein, et al.*, Case No. A-19-792836-C, filed with the Eighth Judicial District Court in Clark County, Nevada.

2. I have personal knowledge of the facts set forth in my declaration and could testify about them if called upon to do so.

3. In 2017, Mohan Thalamarla ("Mohan") presented an investment opportunity to Vijay Reddy and me. We invested \$325,000 of our money into various mining and real estate projects in Africa and India. Mohan is a major stakeholder in the projects.

4. Approximately eight months later, in a completely separate transaction, we asked Mohan for a \$330,000 loan to purchase our current home. It was originally intended that the returns from the \$325,000 investment would be able to satisfy the monthly mortgage payment owed to Mohan.

4. The 2017 private transactions pre-dated Plaintiff's contract with Medasset Corporation ("Medasset").

5. I was not involved in the contract negotiations concerning Plaintiff's contract with Medasset. I was not a party to the contract. I did not profit from the contract.

6. I have never communicated with Plaintiff.

Executed this 29th day of March, 2021.


Margaret Reddy

Exhibit C

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DECLARATION OF VIJAY REDDY

I, Vijay Reddy, declare:

1. I make this declaration in support of Vijay Reddy, Margaret Reddy, Mohan Thalamarla, and Max Global, Inc's Opposition to Plaintiff's Motion for Summary Judgment in *Medappeal, LLC v. Weinstein, et al.*, Case No. A-19-792836-C, filed with the Eighth Judicial District Court in Clark County, Nevada.

2. I have personal knowledge of the facts set forth in my declaration and could testify about them if called upon to do so.

3. On or about May 5, 2018, I received a reference call from Seth Johnson, of Plaintiff Medappeal, LLC, which lasted about 10-15 minutes.

4. During the call with Mr. Johnson, I relayed the following facts to him: (1) I met David Weinstein ("David") around 2007; (b) I had bought and sold numerous businesses from David over the years; (c) I did the medical appeals myself and was successful several years ago; (d) Medical appeals is very difficult because insurance companies are not in the business of paying out claims without a fight; (e) I did not recommend medical appeals unless he had a background in basic medical billing procedure. Mr. Johnson told me that he owned a home health care business and that he was familiar with medical billing. I was not aware of what David might have offered besides medical appeals, but I warned Mr. Johnson that he should not buy medical answering service contracts as I knew that that business was no longer viable. I further warned Mr. Johnson not to buy medical transcription because with the rise of voice recognition software, that was a dying industry.

5. During the call, Mr. Johnson did not ask me about medical credentialing and I was unaware that was part of his purchase package until after Plaintiff had signed the contract with Medasset Corporation ("Medasset").

6. During the call, I did not make any representations about what Mr. Johnson's profitability would be, any guarantees about what level of business he could expect to generate, the number of clients he would receive, any financial data, and if any numbers he had been

1 provided were accurate. I told him that I could not validate those numbers as I had not seen
2 the executive summary Mr. Johnson mentioned during our call.

3 7. For any questions that Mr. Johnson asked me during the call, I answered with
4 "In my opinion..." or words to that effect. I answered his questions honestly and to the best
5 of my ability.

6 8. After Plaintiff entered into the contract with Medasset and paid the money to
7 David and Mr. Kevin Brown ("Kevin"), I trained Plaintiff on the medical billing software and
8 associated procedures for medical appeals free of charge.

9 9. I was never paid from the \$75,000 which Plaintiff paid to David and Kevin nor
10 did I ever ask for payment.

11 10. The full extent of my involvement with Plaintiff prior to Plaintiff signing the
12 contract with Medasset was the 10-15 telephone call with Mr. Johnson.

13 11. I had no vested financial interest or incentive in the outcome between David,
14 Kevin, and Plaintiff.

15 12. I am not a co-owner of, or have any stock equity or bond, in any company
16 owned by Mr. Weinstein or Mr. Brown.

17 13. I was not involved in the negotiations concerning Plaintiff's contract with
18 Medasset. I was not a party to the contract. I did not profit from the contract.

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1 14. On August 11, 2020, I sent Plaintiff an email in which I said that if a certain
2 client did not work out, Plaintiff could reject the client at no penalty to Plaintiff. After I sent
3 the email, I called Plaintiff to tell Plaintiff that I had mis-spoke and I did not have the authority
4 to allow Plaintiff to reject any client that was offered by Medasset.

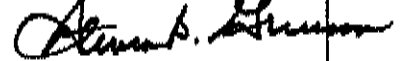
5 15. Pursuant to NRCP 56(d), Margaret, Mohan, Max Global, and I should have a
6 reasonable opportunity to conduct discovery. Plaintiffs were recently served with written
7 discovery that will show that Margaret, Mohan, and Max Global had no involvement with
8 Plaintiff. They were not parties to Plaintiff's contract with Medasset, and they never
9 communicated with Plaintiff at all. As for me, the discovery will show that I never made any
10 false representations to Plaintiff. I make this request in good faith and not to further delay the
11 proceedings, especially in light of the fact, that written discovery has already been served on
12 Plaintiff, and discovery does not close until May 10, 2021.

13 I declare under the penalty of perjury under the laws of the State of Nevada that the
14 foregoing is true and correct.

15 Executed this 29th day of March, 2021.

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18 Vijay Reddy
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Exhibit 40



RPLY

Zachary T. Ball, Esq.
Nevada Bar No. 8364
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Telephone: (702) 303-8600
Email: zball@balllawgroup.com
Attorney for *Medappeal LLC*

**DISTRICT COURT
CLARK COUNTY, NEVADA**

MEDAPPEAL, LLC, An Illinois Limited
Liability Company,

Plaintiff,

vs.

DAVID WEINSTEIN, VIJAY REDDY,
MARGARET REDDY, MOHAN
THALMARLA, KEVIN BROWN, MAX
GLOBAL, INC., VISIONARY BUSINESS
BROKERS LLC, MEDASSET
CORPORATION, and DOES 1-50,

Defendants.

MEDASSET CORPORATION, a Nevada
Corporation,

Counterclaimant,

v.

MEDAPPEAL, LLC, an Illinois Limited
Liability Company,

Counter-Defendant.

MEDASSET CORPORATION, a Nevada
Corporation,

Third-Party Plaintiff,

v.

LIBERTY CONSULTING &
MANAGEMENT SERVICES, LLC, an
Illinois Limited Liability Company,

Third-Party Defendant.

Case No.: A-19-792836-C

Dept. No.: 14

**REPLY TO OPPOSITION TO MOTION
FOR SUMMARY JUDGMENT**

Date of Hearing: April 20, 2021

Time of Hearing: 9:30 am

THE BALL LAW GROUP
1935 Village Center Circle, Suite 120
Las Vegas, Nevada 89134
(702) 303-8600

1 **REPLY TO OPPOSITION TO MOTION FOR SUMMARY JUDGMENT**

2 MEDAPPEAL, LLC ("MEDAPPEAL") hereby replies to Defendants VIJAY REDDY
3 ("Vijay"), MARGARET REDDY ("Margaret"), MOHAN THALAMARA ("Mohan") and
4 MAX GLOBAL, INC.'s ("MAX GLOBAL") Opposition to MEDAPPEAL's Motion for
5 Summary Judgment ("Opposition"). This Reply is based on the attached Memorandum of Points
6 and Authorities, all papers and pleadings on file herein, all judicially noticed facts, and on any
7 oral or documentary evidence that may be submitted at a hearing on this matter.

8 **I. Introduction**

9 Already clear to this Court is the nature of this action – a multimillion-dollar fraud
10 spanning for over a decade and extending across the country. The duration, scope, and magnitude
11 of the fraud could not have occurred without the cooperation and coordination of *all* the
12 Defendants. Plaintiff is just one of Defendants' many victims. As detailed by the FBI,
13 Defendants conspired together to defraud Plaintiff through the sale of a worthless "business
14 opportunity" in the medical billing/appeals industry. Since 2015 alone, the FBI has identified 43
15 victims of Defendants' fraudulent scheme, which netted Defendants millions of dollars.

16 Despite being well over a year and-a-half into this case and the issuance of FBI indictments,
17 Defendants Vijay Reddy, Margaret Reddy, Mohan Thalarla, and Max Global fail to understand
18 that this case centers around *fraud*. These Defendants contend throughout the Opposition that
19 because they did not sign the contract or engage in negotiations with Plaintiff, they are therefore
20 not liable for the damages suffered by Plaintiff.

21 This proposition is illogical; there is no predefined list of actions one must perform in order
22 to be found liable for conspiracy to commit fraud. Nevada law is exceeding clear on this point;
23 a civil conspiracy to commit fraud exists when two or more people take a concerted action with
24 the unlawful purpose of harming another. *Consolidated Generator-Nevada v. Cummins Engine*,
25 114 Nev. 1304, 1311, 971 P.2d 1251, 1256 (1998) (quoting *Hilton Hotels v. Butch Lewis*
26 *Productions*, 109 Nev. 1043, 1048, 862 P.2d 1207, 1210 (1993)). Because the actions of
27 conspirators can take many forms, Nevada law does not specifically designate what "concerted
28 actions" constitute fraudulent conduct. To do so would be highly impracticable and fail to take

1 into consideration the facts on a case-by-case basis.

2 At this stage in the litigation *there are no issues of genuine fact*. This case has been
3 pending with this court since August 31, 2018 – over one-and-a-half years. Plaintiff conducted
4 extensive discovery and Defendants had every opportunity to do the same. Tellingly, one after
5 the other, each Defendant claims to have lost or destroyed their financial and banking records
6 along with emails and communications responsive to Plaintiff's discovery requests. Despite this
7 unbelievable assertion, Plaintiff still moved forward; Plaintiff took Defendants before the
8 Discovery Commissioner numerous times and conducted multiple depositions. Accordingly, all
9 of Plaintiff's allegations are supported by Defendants' own testimonies and responses to
10 interrogatories.

11 If the words of the Defendants are not enough, Plaintiff's contentions are also supported
12 by the FBI, the United States Attorney's Office, the IRS, the Office of the US Trustee (DOJ),
13 two different ABC News investigative reports, at least four other civil lawsuits, and the emails
14 and sworn statements of multiple other victims (emails which the Defendants verified during
15 their depositions).

16 Defendants Weinstein, Brown, and Vijay Reddy were indicted by the FBI, arrested, and
17 are now facing criminal charges due to the exact same fraudulent conduct as alleged by Plaintiff
18 in this lawsuit (in fact, Plaintiff is listed as one of the FBI's forty-three victims in the indictment).
19 Four of the defendants in this case: Weinstein, Medasset, Kevin Brown, and Visionary Business
20 Brokers, have failed to respond to Plaintiff's Motion for Summary Judgement.

21 It is time for the rest of Defendants' charade to end. Their antics to prolong this case,
22 attempt to wear out Plaintiff, and waste this Court's valuable time need to stop. The evidence of
23 Defendants' multi-year, multi-state fraud is simply overwhelming. Summary judgment is
24 appropriate and should be granted.

25 **II. The Opposition Fails To Meet The Needed Factual and Legal Standards To Avoid**
26 **Summary Judgment.**

27 The Opposition wholly fails to provide the needed evidence or argument to prevent
28

summary judgment. Plaintiff, as the moving party, however, has no burden to negate or disprove matters on which the non-moving party will have the burden of proof at trial. Plaintiff need only point out to the Court that there is an absence of evidence to support the non-moving party's case. See *id.* at 325, 106 S.Ct. 2548. *Sluimer v. Verity, Inc.*, 606 F.3d 584 (9th Cir. 2010) Here, each and every Defendant claims to have lost, destroyed, or refused to provide their financial and business records along with records of their communications, i.e., texts and emails.

The burden then shifted to the non-moving party to "designate specific facts showing that there is a genuine issue for trial." *Id.* at 324, 106 S.Ct. 2548 (quoting Fed.R.Civ.P.(e)). To carry this burden, the non-moving party must "do more than simply show that there is some metaphysical doubt as to the material facts." *Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 586, 106 S.Ct. 1348, 89 L.Ed.2d 538 (1986). "The mere existence of a scintilla of evidence ... will be insufficient; there must be evidence on which the jury could reasonably find for the [non-moving party]." *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 252, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986). *Sluimer v. Verity, Inc.*, 606 F.3d 584 (9th Cir. 2010)

Moreover, where the record taken as a whole could not lead a rational trier of fact to find for the non-moving party, there is no "genuine issue for trial." *Cities Service, supra*, 391 U.S., at 289, 88 S.Ct., at 1592. *Matsushita Electric Industrial Co Ltd v. Zenith Radio Corporation*, 475 U.S. 574, 106 S.Ct. 1348, 89 L.Ed.2d 538 (1986). If the factual context makes the moving party's claim implausible, that party must come forward with more persuasive evidence than would otherwise be necessary to show that there is a genuine issue for trial. Significantly, the Ninth Circuit has been at the forefront of expanding evidentiary review at the summary judgment stage of litigation, stating: "[n]o longer can it be argued that any disagreement about a material issue of fact precludes the use of summary judgment." *Franciscan Ceramics*, 818 F.2d at 1468. Having failed to carry the burden, this Court should grant Summary Judgement and send a clear message to Defendants that their days of defrauding the public are over.

A. Based On A Clear Lack of Opposition, Plaintiff's Breach of Contract Claim Should Be Granted.

1 Plaintiff's first cause of action is for breach of contract against Defendants Medasset and
2 Weinstein. Both Weinstein and Medasset failed to respond to Plaintiff's Motion for Summary
3 Judgement on this claim. In addition, Defendant Medasset, a corporation, has been unrepresented
4 by counsel for over three months.

5 Due to Defendants' failure to respond, judgement on this claim should be found in favor
6 of Plaintiff. "Failure of the opposing party to serve and file his written opposition may be
7 construed as an admission that the motion is meritorious and a consent to granting the same."
8 DCR 13(3)..." *Walls v. Brewster*, 912 P.2d 261, 112 Nev. 175 (Nev. 1996).

9 Even had Defendants responded, Plaintiff still submitted an overwhelming amount of
10 evidence that demonstrates: (1) a valid contract between Plaintiff and Defendants, (2) Plaintiff's
11 performance of its side of the contract, (3) Defendants' failure to perform as promised, and (4)
12 that Plaintiff suffered economic harm as a result.

13 In its Order Regarding Plaintiff's Motion to Dismiss, or in the Alternative, Motion for
14 Summary Judgment, this Court already found that Plaintiff fully performed under the Agreement.
15 See Order dated 3/30/2021. This Court further found that Defendants had not performed under
16 the Agreement and that there was no issue of fact as to Defendants' non-performance. Therefore,
17 Summary Judgement should be granted on Plaintiff's breach of contract claim.

18 **B. Similar To The Breach Of Contract Claim, Plaintiff's Claim Of Fraud Is Void**
19 **of Opposition and Should Be Granted.**

20 As with breach of contract, there are no issues of material fact that Defendants engaged in
21 fraudulent conduct. As Weinstein, Brown, Medasset, and VBB failed to respond to Plaintiff's
22 Motion for Summary Judgment, Plaintiff will not reiterate the facts laid out against them in its
23 Motion for Summary Judgment. Their failure to respond must be construed as an admission and
24 consent to the granting of Plaintiff's Motion. Plaintiff will instead focus this Response on Vijay
25 Reddy, the only Defendant to this cause of action who did respond.

26 Vijay Reddy claims that he did not commit fraud, because he claims he "did not make a
27 false representation." This is both factually untrue and an incorrect reading of the law.
28

1 **(i) Defendants Fail To Adequately Oppose The Legal Standard For Fraud.**

2 It is true that to prove fraud, Plaintiff must demonstrate that “defendant made a false
3 representation.” However, Nevada law is clear that the suppression or omission “of a material
4 fact which a party is bound in good faith to disclose is equivalent to a false representation, since
5 it constitutes an indirect representation that such fact does not exist.” *Nelson v. Heer*, 123 Nev.
6 217, 163 P.3d 420 (Nev. 2007) (quoting *Midwest Supply, Inc. v. Waters*, 89 Nev. 210, 212-13,
7 510 P.2d 876, 878 (1973).

8 Moreover, “a defendant may be found liable for misrepresentation even when the defendant
9 does not make an express misrepresentation, but instead makes a representation which is
10 misleading because it partially suppresses or conceals information.” See *American Trust Co. v.*
11 *California W. States Life Ins. Co.*, 15 Cal.2d 42, 98 P.2d 497, 508 (1940). See also *Northern Nev.*
12 *Mobile Home v. Penrod*, 96 Nev. 394, 610 P.2d 724 (1980); *Holland Rlty. v. Nev. Real Est.*
13 *Comm’n*, 84 Nev. 91, 436 P.2d 422 (1968).” *Epperson v. Roloff*, 102 Nev. 206, 212-13, 719
14 P.2d 799, 803 (1986).

15 Finally, Nevada law holds that there is a duty to disclose where the defendant alone has
16 knowledge of material facts not accessible to the plaintiff. A defendant has a duty to reveal “the
17 hidden and material facts” and cannot hide behind the excuse that no affirmative representation
18 was ever made. See, e.g., *Barder v. McClung*, 93 Cal.App.2d 692, 209 P.2d 808 (1949) (vendor
19 failed to disclose fact that part of house violated city zoning ordinances); *Rothstein v. Janss Inv.*
20 *Corporation*, 45 Cal.App.2d 64, 113 P.2d 465 (1941) (vendor failed to disclose fact that land
21 was filled ground).” *Epperson v. Roloff*, 102 Nev. 206, 213, 719 P.2d 799, 803-804 (1986).

22 **(ii) The Opposition Fails To Dispute The Facts and Evidence Proving That**
23 **Plaintiff Has Been Defrauded.**

24 There are no factual disputes as to Vijay Reddy’s fraudulent conduct, because the facts
25 come directly from the mouths of Vijay Reddy and his co-Defendants, themselves. Even if this
26 court assumes, *in arguendo*, that everything in Defendants’ Opposition to Plaintiff’s Motion for
27 Summary Judgement is true, this still does not negate the fact that Vijay Reddy engaged in fraud.
28

To sum Defendants' arguments, Vijay Reddy did not engage in fraud, because:

a. Vijay Reddy used "in my opinion..., or words to that effect" (Def Motion pg. 6) while acting as a reference for Weinstein to Plaintiff,

b. Despite "vouching" for Weinstein, Vijay Reddy had no obligation to tell Plaintiff that Weinstein was a convicted felon for fraud, and

c. Despite having been sued numerous times and receiving innumerable complaints, Vijay Reddy was never actually found guilty of fraud.¹ Therefore, presumably, V. Reddy had no obligation to tell Plaintiff about the same or substantially similar failed deals he and Weinstein were involved in.

Defendant's arguments are absurd. To start with, Vijay Reddy testified during his deposition that he (1) served as a reference for Weinstein/Medasset, and (2) "vouched for David Weinstein." V. Reddy Tr. p. 90, ll. 12-16. At the same time, Vijay Reddy admits that he never told Plaintiff about Weinstein's status as a convicted felon for fraud, despite knowing this at the time to be true. *See* V. Reddy Tr. p. 95, ll. 6-13).

As a defense, Vijay Reddy states that it was not his responsibility to disclose Weinstein's criminal history and that Plaintiff was responsible for discovering this on its own. This is ridiculous. Vijay Reddy vouched for Weinstein as a businessman. He knew Weinstein was a convicted felon for fraud. Moreover, Weinstein's fraud was related to his business dealings *and* the insurance industry, both of which were directly related to what Weinstein was selling to Plaintiff.

Additionally, while admitting he told Plaintiff he "bought and sold businesses from David throughout the years", Vijay Reddy never told Plaintiff that these deals ended in failure, lawsuits, and innumerable complaints. In fact, while under oath, V. Reddy *could not identify a single satisfied customer* of his or Mr. Weinstein. *See* V. Reddy Tr. p. 155, ll. 19-25. V. Reddy has been sued at least twice for the sale of the same or similar business. Additionally, Vijay Reddy acknowledges he received numerous complaints from individuals who purchased the same or

¹ This claim is perplexing, as a judgement in the amount of \$200,000 was found against Vijay Reddy, in which the Plaintiff alleged nearly the same claims as the Plaintiff does in this case.

1 similar business opportunities from himself and Weinstein.² See Reddy Tr. 122-161

2 Vijay Reddy was also aware that he and Weinstein created numerous shell companies all
3 over the U.S. from which they sold their fraudulent "business opportunity." As Weinstein
4 admitted in his deposition, these companies were nearly identical in purpose, and even used the
5 same contracts, executive summaries, and documents. (Weinstein Tr. 182). Some of these
6 entities had been sued, some shut down, some fraudulently registered as not-for-profits, and
7 others dumped on unsuspecting buyers who later found out they purchased worthless shell
8 companies full of liabilities.

9 Clearly, Defendants were doing their best to cover their trail and hide their history of
10 fraudulent transactions. It is the essence of fraud for Vijay Reddy to vouch for Weinstein as a
11 reference while negating to mention the multitude of corporate entities he and Weinstein formed
12 and dissolved across the country; particularly when these corporate entities were the subject of
13 innumerable complaints and multiple civil lawsuits.³

14 Additionally, while acting as a "neutral business reference," V. Reddy never disclosed that
15 he and Weinstein had a personal and professional relationship going back years. See Weinstein
16 Tr. p. 71, ll. 22 and Brown Tr. I p. 96-97, ll. 5-11, and V. Reddy Tr. p. 89, ll. 1-3). This includes
17 Weinstein having paid Vijay's wife, Margaret Reddy, \$686,950.00 in less than a two-year period,
18 for what has been described as largely secretarial and administrative work. There is simply no
19 way Plaintiff could have known about these ties without them being disclosed by Vijay Reddy.

20 Even more significant, while pretending to be a "reference," V. Reddy never told Plaintiff
21 about his deep involvement with Weinstein *in the exact "business opportunity" being sold to*
22
23
24

25
26 ² At a minimum, V. Reddy admits he received complaints about his and Weinstein's performance from victims:
27 Kalpana Dugar, Craig Ramsdell, Paul Volen, Desiree Cortes, and Gerson Bennoit. All of these complaints were
28 prior to V. Reddy speaking with Plaintiff.

³ And all these corporate entities sold the same, or substantially similar "business opportunity" as that sold to Plaintiff.

1 **Plaintiff**. In his deposition, Weinstein details Reddy working extensively with him on the
2 "business opportunity," to include doing the "beta testing." Weinstein also testified as follows:

3 Q. What was Mr. Reddy's role in Medasset?

4 A. Mr. Reddy's role in Medasset. He would build kits. He would provide training.
5 He would do any overflow of marketing calls coming in from medical offices,
6 support of the end user, and distribution of contracts that came in and counting them.

7 Q. Anything else?

8 A. Marketing strategy, some -- some lists, general support.

9 Q. So it sounds to me that he was heavily involved; is that correct?

10 A. He was involved.

11 (Weinstein Tr. 109, 13-25)

12 To reiterate, while acting as a neutral business reference for Weinstein and Medasset, Vijay
13 Reddy never told Plaintiff about his extensive involvement in Medasset **and the exact "business**
14 **opportunity"** being sold to Plaintiff.

15 Laughably, even now, Vijay Reddy is lying to this Court. In his Opposition, Vijay Reddy
16 claims "he made it clear that he had never seen the executive summary Mr. Johnson mentioned
17 during the call." Opposition Motion p. 6. Even if we assume, *in arguendo*, that Vijay Reddy did
18 say this, the statement would still be false and deceitful.

19 The executive summary provided to Plaintiff is nearly identical to those provided by both
20 Weinstein and Vijay Reddy to their other victims. (*See* Exhibit 1 - Copies of Executive
21 Summaries) Having used them himself, Vijay Reddy knew these executive summaries were not
22 worth the paper they were written on. Like Weinstein, Vijay Reddy never came anywhere close
23 to performing as the Executive Summaries describe. (Reddy Tr. 153-154).

24 In sum, the discovery responses and depositions of V. Reddy, Weinstein, and Brown
25 demonstrate that Vijay Reddy committed fraud beyond any scintilla of doubt. Vijay Reddy
26 admits to acting as a reference to Plaintiff and vouching for David Weinstein. At the same time,
27 Vijay Reddy admits that he never disclosed:
28

- (1) Weinstein's criminal history to Plaintiff;
 - (2) The numerous failed business deals, the same or substantially similar to that being sold to Plaintiff, which he and Weinstein were involved in;
 - (3) That he and Weinstein never fulfilled the terms of any of their previous agreements;
 - (4) That he and Weinstein had been sued multiple times for their sale of the same, or substantially similar "business opportunity" being sold to Plaintiff;
 - (5) That he and Weinstein had a personal and financial relationship going back years;
- and
- (6) That he himself had been actively involved in setting up and running Medasset.

Given the lengths at which Defendants went to hide their criminal background and history of failure, it is disingenuous to suggest that Plaintiff could have discovered this with any due diligence. There is a reason Defendants were able to execute their fraudulent scheme for over decade. As the FBI indictment details, Defendants used fake names, fake references, burner phone numbers, numerous shell companies incorporated all over the country, and relied on the assistance of family members to perpetrate their scheme. Defendants' argument absurdly suggests that Plaintiff is at fault for being swindled, because Plaintiff did not discover Defendants were crooks at the time of the scam. With no factual issues remaining, Summary Judgment should be granted on the issue of fraud.

C. Despite The Opposition's Claims To The Contrary, All Defendants Are Liable For Civil Conspiracy.

Defendants engaged in a civil conspiracy to defraud Plaintiff and a long list of other victims, through the sale of fraudulent "business opportunities." Defendants Vijay Reddy, Margaret, Thalamarla, and Max Global claim that because they were not signatories to Medasset's Agreement with Plaintiff, did not negotiate the Agreement, and (allegedly) did not profit off this particular fraud, that they cannot be held liable for conspiracy. Defendants' argument fails both factually and legally.

1 "An actionable civil conspiracy consists of a combination of two or more persons who, by
2 some concerted action, intend to accomplish an unlawful objective for the purpose of harming
3 another, and damage results from the act or acts." *Consolidated Generator-Nev., Inc. v. Cummins*
4 *Engine Co.*, 114 Nev. 1304 1311, 971 P.2d 1251, 1256 (1998) *Schwartz v. Univ. Med. Ctr. of S.*
5 *Nev.*, 460 P.3d 25 (Nev. 2020).

6 Here, Plaintiff alleges that Defendants' unlawful objectives consisted of: (1) stealing their
7 victims' money through the sale of fraudulent "business opportunities," and (2) hiding and
8 laundering the proceeds from their theft. The resulting damage being Plaintiff (along with the
9 other victims) losing its money and being unable to recover any of it.

10 As stated earlier, **ALL** of the Defendants have either refused to provide financial and
11 business records, or else claim to have lost, destroyed, or purged all any trace of these records.
12 They also **ALL** claim to have no recollection as to how much they earned from their fraudulent
13 schemes. In his deposition, Vijay Reddy refused to even provide a "ballpark figure" as to how
14 much he earned during any of the prior recent years. (Reddy Tr. at 32)

15 Despite Defendants' incredible claims of total document destruction and memory loss, it
16 is uncontroverted by Defendants that: (1) proceeds from the fraudulent scheme were funneled
17 from Weinstein to Vijay Reddy via checks made out exclusively in Margaret Reddy's name, and
18 (2) large sums of money were transferred from Margaret Reddy to Mohan Thalamarla and Max
19 Global, (3) who turned around and transferred nearly the exact same amount back to Margaret
20 Reddy as a purported "loan." These transactions were labeled as "fraudulent" by the Bankruptcy
21 Trustee.

22 Significantly, these transactions were done to hide, shield, and launder the proceeds of
23 Defendants' crimes. Despite Defendants' claims to the contrary, Defendants' fraudulent
24 transactions cover the time of Plaintiff's Agreement. Plaintiff wired Defendants the \$75,000
25 down payment on May 3, 2018. The US Bankruptcy Court for the Eastern District of Michigan
26 ordered Margaret Reddy to produce documents and testimony for the period of time between
27
28

2015 to present (January 25, 2019). To reiterate, this covers the time period before, during, and after Defendants' deal with Plaintiff.

Importantly, the Court requested among other records:

a. Copies of all monthly statements, check registers, and cancelled checks for all checking, savings, investment, credit, and other financial accounts in which Margaret Reddy had an interest for the period of *March 1, 2016 – present*.

b. Statement of Commissions from Tannenbaum and Milask (i.e., David Weinstein) in Cherry Hill, NJ to Margaret Reddy for the period of *March 1, 2016 – present*;

c. Payment history and accounting regarding the private loan from Mohan Thalarla to Margaret Reddy for the period of *March 1, 2016 – present*;

d. Accounting of payments made to Mohan Thalarla, including bank account statements for the funds source account for the period of *March 1, 2016 – present*;

e. Any and all personal financial statements furnished by Margaret Reddy during the period of *December 1, 2016-present*;

f. IRS Form W-2's, 1099's, pay advices, and/or any other documents tending to evidence any payments received from Tannenbaum & Milask, Inc. (i.e., David Weinstein; and

g. Any documents tending to show the nature of the sales made by Margaret Reddy for which the commissions were received from Tannenbaum & Milask, Inc. (David Weinstein), including any sales contracts, acquisition agreements, broker listing agreements, etc;

As in Plaintiff's case, Defendants refused to provide the Bankruptcy Court with any of these records. In fact, *Margaret Reddy was even held in Contempt of Court*, "for failure to comply with this Court's Order to produce documents and appear for examination." (Case No. 18-43079-mlo, Chapter 7). Again, the Court requested financial records from 2016 to *present* (January 23, 2019), a period of time that encompasses Plaintiff's transaction with Defendants.

As a relevant sidenote, Defendants never did produce the requested documents to the Bankruptcy Court. Instead, following a Complaint filed by the US DOJ, Vijay Reddy withdrew his bankruptcy petition. Incredibly, at that very moment, Vijay Reddy managed to find \$330,000 of which to pay his victims/creditors.

The timing of Defendants' fraudulent transactions is also worth noting.

1 a. In 2012 Vijay Reddy was sued by Anthony Holmes in Michigan for
2 the sale of the same or similar fraudulent "business opportunity" as that sold to
3 Plaintiff. Plaintiff Holmes was awarded a judgment against Vijay Reddy in the
4 amount of \$200,000. In 2015 Plaintiff Holmes recorded this judgment and sought
5 to collect.

6 b. At this time Weinstein began transferring \$686,950.00 owed to
7 **Reddy and Margaret** via checks made out only to Margaret. Additionally, Margaret
8 began transferring large sums of money (eventually totaling \$325,000) to Mohan
9 Thalamarla and Max Global, with Thalamarla then transferring nearly **the same**
10 **amount** back to Margaret as a "loan."

11 c. Subsequently, in March 2018, Vijay Reddy filed for Bankruptcy. At
12 this point, based on the FBI's timeline, Reddy shifted from being a "seller" of the
13 fraudulent deals, and instead began acting as a "trainer" for Weinstein and setting
14 up/working on Weinstein's deals. (*See also*, Weinstein Tr. 109)

15 d. Coincidentally, neither Vijay Reddy, Margaret, or Thalamarla have,
16 or are willing to provide, any financial records for this period (2016 - present).
17 During his deposition, Vijay Reddy testified that he "could not recall" even a
18 remote estimate of how much he earned in the past few years.

19 ***How many legitimate transactions for hundreds of thousands of dollars have no records***
20 ***of taking place?*** Defendants Brown and VBB admit that they received Plaintiff's money.
21 Defendant Brown admits that he only kept 10% of Plaintiff's money. (Brown Tr. 78) However,
22 Brown claims he has no records regarding his transfer of the other 90% of Plaintiff's money.
23 This begs the question, who received the remainder of Plaintiff's money and where did it go?

24 Defendants' conspiracy to stonewall, lie, and destroy financial documentation is
25 purposefully designed to hide the money they took from their victims and make recovery
26 seemingly impossible. As a result, Plaintiff has no idea as to where its money went and how it
27 can ever recover its losses from Defendants' scam.

28 Participation by all of the Defendants in the fraudulent scheme has been conclusively
proven, by their own testimonies. Defendants now attempt to rely on their refusal to provide
financial records, their destruction of documents, and "inability" to remember as a defense. The
Court should see this for just what it is, just another element of Defendants' scam.

29 **D. All Defendants Are Liable For Deceptive Trade Practices**

30 Defendants' sale of the worthless "business opportunity" violated the Nevada Deceptive
31 Trade Practices Act (NDTPA), NRS 598.0915. Defendants made material misstatements
32 regarding the profitability of the "business opportunity" (both orally and in writing via the

1 Executive Summary), about their history of success, and their ability to fulfill the terms of the
2 Agreement. Moreover, to the last, Defendants knowingly withheld relevant information
3 regarding the "business opportunity" being sold to Plaintiff.⁴

4 "Deceptive trade practices, as defined under NRS Chapter 598, must only be proven by a
5 preponderance of the evidence." *Betsinger v. D.R. Horton, Inc.*, 232 P.3d 433, 126 Nev. 17 (Nev.
6 2010). This is a lesser evidentiary standard than clear and convincing evidence. Plaintiff
7 respectfully submits that it has more than met its burden and summary judgment is proper.

8 Moreover, this Court should consider that the NDTPA is a remedial statutory scheme,
9 *Sellinger v. Freeway Mobile Home Sales, Inc.*, 521 P.2d 1119, 1122 (Ariz. 1974) (recognizing
10 that remedial statutes are those that "are designed to redress existing grievances and introduce
11 regulations conducive to the public good"), we "afford [it] liberal construction to accomplish its
12 beneficial intent," see *Welfare Div. of State Dep't of Health, Welfare & Rehab. v. Washoe Cty.*
13 *Welfare Dep't*, 88 Nev. 635, 637, 503 P.2d 457, 458 (1972) (construing a remedial public welfare
14 statute liberally to accomplish its intent). Based on this, Plaintiff contends that it is in the best
15 interest of the public that *ALL* of the Defendants are held accountable for their harmful conduct.

16 Defendants Vijay Reddy, Margaret, Thalamarla, and Max Global's contend that they are
17 not liable under the NDTPA because they did not negotiate or sign the Agreement with Plaintiff,
18 and with the exception of Vijay Reddy, did not communicate with Plaintiff.

19 Defendants' violations of the NDTPA are extensive. Defendants did not disclose their
20 concurrent conflicting obligations to other buyers, the fact that in over a decade of operation,
21 they never fulfilled a single Agreement, that they had multiple corporate entities registered in
22 different states, doing the same thing at the same time, and that the projections in their Executive
23 Summary were completely inaccurate and unrealistic given Defendants' operating history.
24 Moreover, Defendants did not disclose that they were all interconnected; the seller (Weinstein)

25
26
27
28 ⁴ All of this was in violation of NRS 598.0915(3) "knowingly makes a false representation as to affiliation,
connection, association with or certification by another person" and NRS 598.0915(15) "knowingly makes any
other false representation in a transaction."

1 actually wrote the business listing, posted the listing, and drafted documents for the business
2 broker (Brown and VBB), and the "neutral reference" and "trainer," Vijay Reddy, was actually
3 heavily involved in the business being sold, and personally and financially tied to Weinstein.

4 All of the actions described in this Complaint are part of, and in furtherance of, the unlawful
5 conduct alleged herein, and were authorized, ordered, and/or done by Defendants' officers,
6 agents, employees, or other representatives while actively engaged in the management of
7 Defendants' affairs within the course and scope of their duties and employment, and/or with
8 Defendants' actual, apparent, and/or ostensible authority. Summary judgment against all
9 defendants should be granted.

10 **E. All Defendants Are Liable For Civil RICO.**

11 Nevada's anti-racketeering statutes provide for a civil cause of action for injuries resulting
12 from racketeering activities under which a plaintiff may recover treble damages, attorney's fees
13 and litigation costs. A civil RICO cause of action may be based upon allegations and proof that
14 the defendants engaged in at least two crimes related to racketeering that have the same or similar
15 pattern, intents, results, accomplices, victims or methods of commission, or are otherwise
16 interrelated by distinguishing characteristics and are not isolated incidents. *Hale v. Berkhardt*
17 764 P.2d 866 (1988).

18 Plaintiff is one of over 43 victims identified by the FBI in Defendants' decade long,
19 multimillion-dollar scam. The facts have been addressed numerous times, but concisely stated-
20 Defendants would pose as "business brokers," sellers, and references to sell worthless corporate
21 opportunities to unsuspecting victims. When confronted about the disastrous financial loss,
22 Defendants would either go silent and disappear or make baseless threats or counterclaims
23 against their victims. Defendants' "success" in carrying out their scam was dependent on their
24 willingness to work in concert. Defendants served as each other's false references, "third party"
25 business brokers, "marketers," trainers, and money launderers.

26 Because Weinstein, Medasset, Brown, and VBB failed to respond to Plaintiff's Motion for
27 Summary Judgement, Plaintiff will instead focus on the arguments made by the other Defendants.
28

1 In their Opposition Motion, Vijay Reddy, Margaret, Thalararla, and Max Global argue that
2 Plaintiff's RICO claim must fail, because Plaintiff cannot prove that its injury flows from
3 Defendants' predicate acts. Defendants reason as follows:

- 4 (1) Thalararla and Max Global never did business with Weinstein, Medasset,
5 or Plaintiff;
- 6 (2) Margaret was not a party to Plaintiff's contract with Medasset and did not
7 communicate with Plaintiff;
- 8 (3) Vijay Reddy's only involvement with Plaintiff was "having a telephone call"
9 and "providing training" to Plaintiff; and
- 10 (4) Thalararla, Max Global, Vijay Reddy, and Margaret did not profit from
11 Plaintiff's transaction.

12 Defendants' argument fails both factually and as a matter of law. Factually, it is abundantly
13 clear, based on Defendants' own statements, that Vijay Reddy did not just "have a phone call
14 with Plaintiff" and act as a trainer. Additionally, it is clear from Defendants' responses to
15 interrogatories, depositions, and prior lawsuits that all of the Defendants made a concerted effort
16 to hide, shield, and launder the gains from their fraudulent enterprise. This is inclusive of the
17 time before, during, and after Defendants' deal with Plaintiff.

18 Defendants' argument fails as a matter of law, because it does not take into account the
19 crux of this case; i.e., that all Defendants were part of an ongoing fraudulent scheme. Defendants'
20 arguments in defense of RICO liability center around their lack of contact with Plaintiff and/or
21 Weinstein and Medasset. However, it does not matter which Defendant had communication with
22 Plaintiff or signed the Agreement, so long as each Defendant played a role in furtherance of the
23 fraudulent scheme.

24 Defendants present no triable issue of fact regarding Plaintiff's RICO claim. Even if
25 Defendants' defense is assumed, *in arguendo*, to be true, it focuses on specific actions, none of
26 which are relevant to liability for fraud. In this case, Plaintiff suffered injury because all the
27 Defendants worked together to carry out a fraudulent scheme. Each Defendant played one or
28 more roles in committing and facilitating the fraudulent scheme. This is how the Defendants
were able to perpetrate the fraud for so long and ensnare so many victims. Accordingly,

1 Plaintiff's motion for Summary Judgement should be granted on its claim for RICO.

2 **F. Failing To Satisfy Every Critical Element Necessary To Obtain Relief, The**
3 **Opposition's Request For Additional Discovery Pursuant To NRCP 56(d) Should Be**
4 **Denied.**

5 The Opposition's vague request for NRCP 56(d) release should be rejected. *See* Opposition,
6 p. 9, ll. 1-10. The current version of NRCP 56(d) is modeled after its federal counterpart. Federal
7 Courts interpreting this rule have found: "The party making a Rule 56(d) request must be able to
8 show that it diligently pursued its previous discovery opportunities and show 'how allowing
9 additional discovery would have precluded summary judgment.'" *Soule v. High Rock Holding,*
10 *LLC*, 514 B.R. 626, 631 (D. Nev. 2014) citing *Qualls v. Blue Cross of Cal., Inc.*, 22 F.3d 839,
11 844 (9th Cir.1994). The affidavit or declaration provided by the party seeking to delay summary
12 judgment must reveal the specific facts the party hopes to elicit with additional discovery, whether
13 the sought-after facts exist, and that such facts are essential to oppose summary judgment. *Bank*
14 *of Am., N.A. v. Terraces at Rose Lake Homeowners Ass'n*, No. 216CV01106GMNPAL, 2020 WL
15 5223296 (D. Nev. Aug. 28, 2020) citing *Stevens v. Corelogic, Inc.*, 899 F.3d 666, 678 (9th Cir.
16 2018). Failing to diligently pursue discovery in the past is sufficient reason to deny
17 further discovery. *Long v. Playboy Enterprises Int'l, Inc.*, 565 F. App'x 646, 648 (9th Cir. 2014)
18 citing *Nidds v. Schindler Elevator Corp.*, 113 F.3d 912, 921 (9th Cir.1997).

19 These requirements largely mirror those recognized by the Nevada Supreme Court while
20 interpreting the previous language in NRCP 56(f). A motion for a continuance under NRCP 56(f)
21 requires the movant to show how further discovery will lead to the creation of a genuine issue of
22 material fact and show that it has diligently pursued discovery. *See e.g. Francis v. Wynn Las*
23 *Vegas, LLC*, 127 Nev. 657, 669, 262 P.3d 705, 714 (2011).

24 Here, Defendants' request is woefully inadequate. First, the Defendants fail to identify with
25 any specificity the discovery necessary or the evidence they expect to discover that will create an
26 issue of fact. Rather, they state that "these defendants recently served Plaintiff with requests for
27 production of documents, interrogatories and requests for admissions." *See* Opposition, p. 9, ll.
28

1 4-5. In their tried and true way, they are relying not on the evidence that they can produce, but on
2 the alleged lack of evidence that Plaintiff has to prove their bad actions. The Defendants do
3 nothing to explain how this discovery would produce evidence to avoid summary judgment. And
4 despite three declarations attached to the Opposition, none request additional discovery time or
5 even reference it.

6 Defendants request for 56(d) relief should be denied. Defendants request fails to satisfy
7 every critical element necessary to obtain relief. The 56(d) request does not include adequate
8 detail concerning the necessary discovery or the issue of fact the Defense expects to uncover. In
9 these circumstances, Defendants fail to satisfy any requirement of NRCP 56(d) or to provide the
10 court any basis to defer granting summary judgment.

11 **III. CONCLUSION**

12 For all of the foregoing reasons, Plaintiff's Motion for Summary Judgment should be
13 granted.

14 Dated this 13th day of April, 2021.

THE BALL LAW GROUP

15
16
17 /s/ Zachary T. Ball, Esq.
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CERTIFICATE OF SERVICE

I hereby certify that the foregoing **REPLY TO OPPOSITION TO MOTION FOR SUMMARY JUDGMENT** was electronically filed with the Eighth Judicial District Court on the 13th day of April, 2021. Electronic service of the foregoing document shall be sent by the Court via email to the addresses furnished by the registered user(s) pursuant to N.E.F.C.R. 9(b) and 13(c) and as shown below:

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An Employee of the Ball Law Group

Exhibit 1

Exhibit 1

Medical Billing Unit:

General MD Group provides the software, systems, knowledge base, training and client contacts for the buyer to be successful in the growing business of Medical Billing. The buyer/business owner has the option of processing claims themselves or they can use "back office billers" for the basic claims submission process.

If the buyer opts to use "back office billers" General MD Group can introduce the buyer to independent claims submission offices staffed with medical billing specialists and technical support teams experienced in the medical field. All specialists have undergone rigorous training prior to their employment by the office.

The business owner will be solely responsible for including but not limited to: the ongoing customer service relationship with clients through monitoring quality and accuracy of claims submitted, resolving any issues identified by the clearinghouse, and accuracy of documents and reports delivered through the system to the client/doctor's office.

Access to all software, training, and tools necessary are provided by General MD Group as well as the clearinghouse. All necessary software for operating this unit will be downloaded to the business owner's computer by General MD Group. The clients/doctors offices transferred to the individual business owner's unit will be distributed geographically across the country without concern for local or regional concentration. Once placed under agreement by General MD Group and transferred to the business owner, the business owner will retain the client/doctor service relationship indefinitely.

Access to all software, formatting of that software, training, and tools necessary are provided by General MD Group. The necessary FTP software for operating this module is available for download to the business owner's computer from the Internet. The list of transferred clients/doctors developed to support the owner's unit will be distributed geographically across the country without concern for local or regional concentration. Once placed under agreement by General MD Group and transferred to the business owner, the business owner will retain the clients/doctors' service relationship indefinitely.

Medical Billing – once your contract is fulfilled

Number of doctor offices per your contract:	15 offices
Approximate number of claims per month:	3000 claims/month
Charge per claim:	\$2.99/ claim

Average Revenue – Monthly: \$8,970

Average Overhead – Monthly: \$1,000

Average Total Profit- Monthly: \$7,970

Average Annual Profit: \$95,640

After all contracts are full filled*

Medical Collection Unit:

General MD Group provides all the software, systems, knowledge base, training and client contacts for the buyer to be successful in the growing business of Medical/Dental Collection. Using a unique state-of-the-art electronic collection software system created for General MD Group and available only through General MD Group, business owners will be trained to maintain a highly professional and courteous interface with delinquent medical accounts assigned to them by their clients/doctors. The business owner will manage all contact directly with the debtor on behalf of his/her clients/doctors.

The clients/doctor will submit delinquent accounts to the business owner by fax or electronic data transmission. Typically within 24 hours of receipt of the debtor/patient information, the business owner begins a contact chain using various methods of friendly communication with the debtor to encourage urgent payment. The client/doctor is advised of the status/activity on a regular scheduled basis using system generated detailed reports.

The business owner will be solely responsible for the ongoing customer service relationship with his clients/doctors, collection on accounts and accuracy of documents and reports delivered through the process to the clients/ doctors' offices.

Provided with the collection module is a stand-alone computer pre-loaded with the unique software, formatting of that software, training, and tools necessary to operate a successful collection business as well as support. The list of transferred clients/doctors developed to support the owner's unit will be distributed geographically across the country without concern for local or regional concentration. Once placed under agreement by General MD Group and transferred to the business owner, the business owner will retain the client/doctor service relationship indefinitely.

Medical Collections – once your contract is fulfilled

Number of clinics per your contract:	100
Average # of Debtors per client/doctor:	24
Average debt:	\$700
Average contingency:	30%
Average collection rate:	20%

Average Revenue – Monthly: \$8,400

Average Overhead – Monthly: \$1,875

Average Profit- Monthly: \$6,525

Average Annual Profit: \$78,300

After all contracts are full filled*

Medical Answering Services Unit:

General MD Group provides all the software, systems, and knowledge base, training and client contracts for the buyer to be successful in the growing business of Medical Answering Services. Using a unique proprietary software system created for General MD Group and available only through General MD Group, business owners will be trained to manage medical accounts.

General MD Group will introduce the buyer to call-center companies. The buyer can then enter into contracts with that company. The client/doctor will forward the office's incoming phone line to a number provided to them at the time they sign the services agreement. Those calls will then be answered by live operators at the call-center company under contract with the business owner at the end of each business day. Monitoring the answering services, quality of service, and message delivery will be the sole responsibility of the buyer.

Under the unit's contract, General MD Group will provide the business owner over a reasonable time period a client/doctor base capable of providing the annualized cash flow as noted in the attached documents. The business owner will be solely responsible for the ongoing customer service relationship with his/her clients/doctors.

Medical Answering Service – once your contract is fulfilled *

Number of physician offices per your contract:	100
Monthly charge per office:	\$69.00
Call-center estimated charge per month/per office:	\$30.00

Average Revenue – Monthly: \$6,900

Average Overhead – Monthly: \$3,619

Average Profit- Monthly: \$3,280

Average Annual Profit: \$39,000*

After all contracts are full filled*

Financial Model:

A financial overview model has been provided with this Offering Memorandum combining the anticipated annual cash flow for each of the four units along with expected start-up expenses and typical operating expenses.

The financial information is provided as an example only. It is considered reasonably reflective of typical business experience by successful operators.

While most of the Gross Revenue and Gross Profit information is reasonably predictable, your operating results could vary greatly depending on your ability to manage and operate any business and this business template in particular.

Business Owners:

Office:

All business units are designed to operate from a virtual office atmosphere. All client and customer contact is via electronic data, fax, and voice communication. There is no foot traffic to the business-operating site. Therefore, 'bricks and mortar' office facilities are not required.

Likewise, any employees/contractors will also correspond electronically and have no need for a certain physical location from which to perform their assigned responsibilities.

Additional computers to support the business operation (other than the computer supplied by General MD Group) are the choice of the business owner. They need to be PC based with at least Microsoft XP operating system as a minimum with Microsoft Office. Computer system operating speed and capacity is at the discretion of the owner, with the recommendation that it be of a capacity that will support timely data transfer and future growth within the multiple units that represent the owner's total enterprise.

Although there is nothing special about the computer supplied with the collections module, it is of a capacity to effectively operate the business. It is provided by General MD Group so the business owner is "up and running" immediately without any initial software purchase necessary. It is more cost effective and quality capable for that to be done by General MD Group at their location and shipped to the business owner's location ready to use.

Business Naming:

It is recommended that initially the business owner create business names or 'dba' that are a derivative of that discipline's parent name or parent division name. This is to facilitate a seamless transfer of agreements. These contracts are then easily transferred to the new business owner. This is a very comfortable long-term operating template.

It is recognized that business owners may look for 'personal branding' at some point. This is easy to accomplish after 6 months or so and a solid rapport between the business owner and the transferred clients/doctors have been established. A simple letter announcing that "NEWCO" has acquired "OLDCO" leaving all contact information, account representatives, etc. identical is all that is necessary. Name changes have never caused a doctor to leave a solid service provider.

Operations:

Depending on the type of unit(s), the business owner's operation of each unit will be different.

Transcription Unit:

The Transcription unit's operation will involve the monitoring of the flow of voice-files and subsequent delivery of transcribed documents to the clients/doctors. Establishing the most time efficient process and assuring that it works seamlessly will be important. Any special requests from the clients/doctors will need to be handled on a timely and efficient manner. Any quality issues or formatting issues must also be handled on a timely basis and efficiently communicated to the back office transcriptionists.

Billing Unit:

The Billing unit operation will be primarily involved in managing the flow of outbound and inbound data between clients/doctors and the back office billers (if the owner is using a back office). Establishing the most time efficient process and assuring that it works seamlessly will be important as well as monitoring the back office billers with regard to timely submission of claims, etc. Any special requests from the clients/doctors will need to be handled on a timely and efficient manner without disrupting the normal daily process. Any quality issues or questions generated must be handled on a timely basis.

Collection Unit:

With regard to the Collection unit, the business owner's operation will involve a 'hands-on' business where they or their employees are involved daily with following the delinquent accounts that are acquired. While a more exciting process to manage, the income potential to a professionally oriented business owner is extremely rewarding.

Answering Service Unit:

With regard to the Answering Service unit, the business owner will be responsible for the initial client contact once the contract has been assigned. This will involve obtaining the client's office hours, preferences with regard to the message delivery, etc. The ongoing customer support and liaison with the call-center will be the business owner's responsibility.

As with all the units, the business owner will invoice his/her clients directly and manage the ongoing day-to-day operations of each unit and will be responsible for the quality of services provided.

It should become obvious that there is strong potential for growing relationships with each client by cross-selling the use of additional services based on the solid relationship generated from the core activity with that client. All of these service units compliment each other and provide the base for additional income from the same customer base. In addition, once client/service provider relationships are established; it is a perfect partnership for the encouragement of referrals from your existing client base. General MD Group will coach their new business owners in the process of referral generation.

Due Diligence Process:

The due diligence process consists of reviewing the basic proposal presented in this overview. With the assistance of Brokers handling initial Q&A activity and a decision that the overall concept is of interest, a conference call meeting with General MD Group will be arranged. Further in-depth Q&A will serve to validate your decision to move forward.

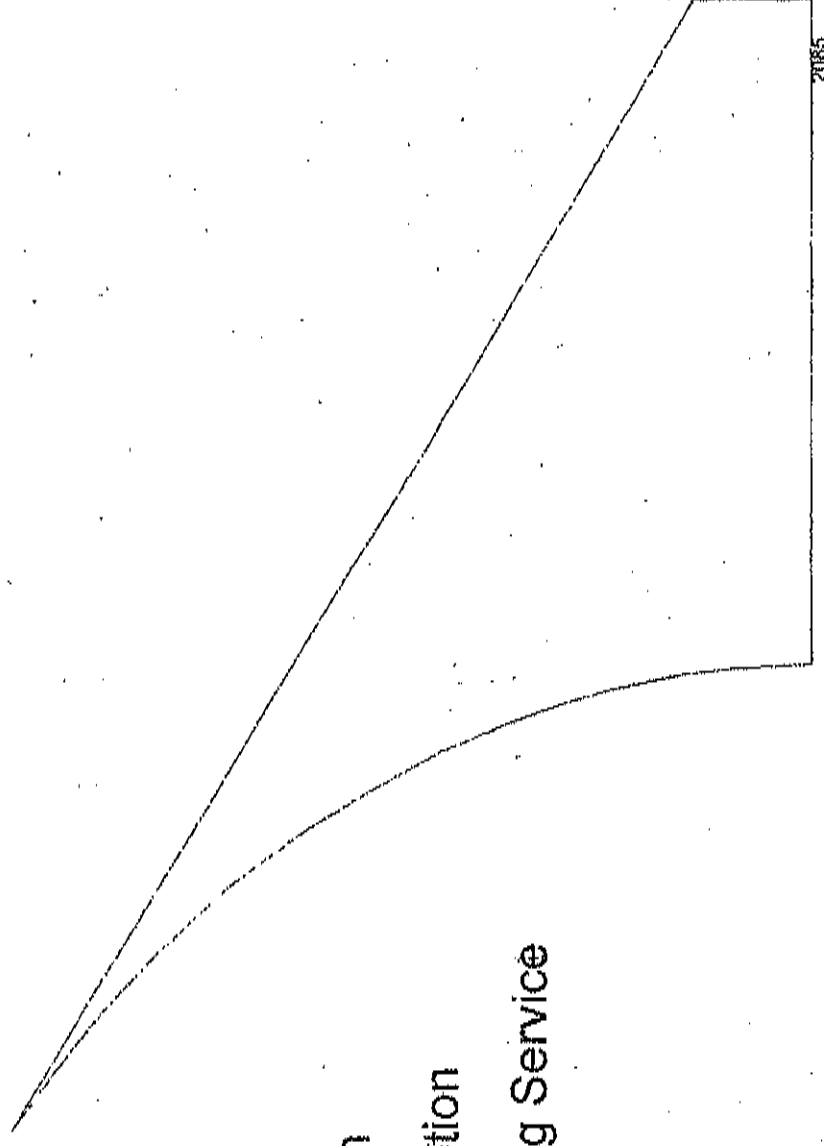
After initial discussions, you will formulate the vision for the enterprise you would like to build and make some initial decisions on the Business Unit(s) that will be included.

Once your decision has been made, an Agreement stating the terms and conditions will be presented for review by you and a mutual target closing date can be chosen. Pricing will be well defined as you make your unit selections. There will be a specified amount due at closing with the promissory note payments clearly noted in the Agreement.

General MD Group

We do the hard part . . . We get the doctors under contract for you.™

- ✓ Medical Billing
- ✓ Medical Collection
- ✓ Medical Transcription
- ✓ Medical Answering Service



REVENUE ASSET SERVICES

A Complete Medical Solution

Medical Answering Service

***Tannenbaum
& Milask***
Business Brokers

Disclaimer

The information, material and judgments have been prepared by **Revenue Asset Services**. While **Revenue Asset Services** believes this document to be accurate, no warranty is implied, expressed or provided. Recast statements, comments of future potential, and financial projections are based on the assumptions that must be reasonably verified by the reader.

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Executive Summary

REVENUE ASSET SERVICES

A Complete Medical Solution

Medical Answering Service

Category: Medical Services

Revenue Asset Services is presenting this business in conjunction with expanding their national network. The unique business model arises from the Seller's experience in the medical industry, specifically in the medical marketing services arena. From a virtual office template, the unit buyer will operate a vertical medical service business. No medical experience is necessary and access to the tools, training, support and clients necessary for positive cash flow are provided by Revenue Asset Services.

First time offering outside of the Network

Limited Space Available

This unique model for sale is a book of business contracts with Medical Doctors to support their Medical Practices. This company supports physician's offices by performing their medical answering service needs. Included with your purchase of this business is the necessary tools, contractors, and training. In addition, Revenue Asset Services will introduce you to vendors providing support for the answering service, if you choose to use them.

What is for sale and what you are buying is a package of the above business services to doctors. The business will have cash flow from the various doctors' offices, which the seller will provide you.

Seller will provide you complete training, vendors, and contract assignments.

Background and Overview:

Revenue Asset Services was established to offer medical answering services to clinics/doctors. All clinics/doctors are under 100% transferable service agreements. Business owners are offered the chance to affiliate with Revenue Asset Services and to purchase access to the proven state-of-the-art, industry-leading software and training in a system that uses a proprietary streamlined approach. As you are being trained in your new business and becoming familiar with the systems, Revenue Asset Services provides the clients/doctors to you under their transferable service agreement to fill your “books of business.” Once these service agreements are transferred, the client/doctor relationship is yours to ‘own’ and manage indefinitely.

Get a clear and direct approach to profitability with the ability to grow and expand in the healthcare field. Pairing this with the successful training methods and backup resources makes you uniquely prepared and qualified to enter the healthcare industry and become a profitable service provider in your own business. The business has its own unique and proprietary system for you to follow with support provided by Revenue Asset Services.

Never before has there been a package that encompasses so much with no marketing or sales activity required from the owner to reach profitability.

- No need for health industry background.
- All training is received via standard web-based systems . . . no travel expenses.
- All software and equipment needed is supplied with your purchase.
- You bill and get paid directly by your clinics/doctors.
- Each purchased block will be filled with a unique set of clinics/doctors.

Revenue Asset Services provides the buyer with all the tools and training to allow the buyer to succeed in the exploding field of healthcare.

Revenue Asset Services offers a new business owner a minimum of three hundred clients. The business owner has total flexibility as they design their business enterprise. In addition, the business owner may elect to add additional units at a later date. The initial 'book of business' for each unit is provided by Revenue Asset Services from the continuing flow of new clients generated by it's medical client level sales and marketing efforts. The new business owner is provided a guaranteed client base with no marketing effort of their own. As each purchased unit matures, additional units can be acquired from the company's resources on a fee based arrangement, or the owner may develop their own client generating referral programs.

This business model success is based on delivering the absolute highest level of customer satisfaction. Therefore, it is important for the new business owner to grow the business as quickly as possible to provide cash flow and to fully comprehend any and all nuances of satisfying the clients/doctors to be serviced. This is very much a relationship business managed primarily electronically via data or voice without face-to-face contact between the business owner and his geographically disbursed clients/doctors. Each unit will be filled with a diverse group of clients so the business owner will have a broad scope, not only geographically – but in range of types of practices as well.

REVENUE ASSET SERVICES

By utilizing Revenue Asset Services, you can take advantage of the benefits that were once only available to multi-million dollar companies. Small and large unit buyers alike can benefit from our streamline approach.

When you purchase the units from Revenue Asset Services, you are afforded the highest level possible of support and training. Below are just some of the benefits and resources:

- Have a clear and direct approach to profitability.
- Proven systems for managing your business.
- Revenue Asset Services will hold seller financing for a vested interest in your success.
- All client/doctor contracts are 100% transferable and once transferred to you, you own the contracts outright.
- Medical practice cancellation guarantee* (see contract provisions).
- State-of-the-art training system.
- Ability to grow and expand to meet the explosive growth in the healthcare field.

Listing Information

Firm Name: Revenue Asset Services

Reason for Sale: Expansion

Category: Medical Services

Financial Information

Asking Price: \$125,000

Medical Answering Service Annual Profit: \$39,000

Total Annual Revenue: \$ 248,400.00

Total Expenses: \$ 112,800.00

Annual Profit: \$ 135,600.00

\$75,000 is the required down payment.

\$50,000 balance is due over 3yrs.

Debt service paced with your growth

The above set forth information has been secured from the seller.

Information provided is in no way guaranteed for accuracy of such information, nor is it warranting any assumptions as true and correct

Confidentiality Is Critical!

Description of Unit:

Medical Answering Services Unit:

Revenue Asset Services provides all the systems, knowledge base, training and client contracts for the buyer to be successful in the growing business of Medical Answering Service. Using a unique software system business owners will be trained to manage medical accounts.

Revenue Asset Services will introduce the buyer to a call-center company. The buyer can then enter into contracts with that company. The clinics/doctors will forward the office's incoming phone line to a number provided to them at the time they sign the services agreement. Those calls will then be answered by live operators at the call-center company under contract with the business owner at the end of each business day. Monitoring the answering services, quality of service, and message delivery will be the sole responsibility of the buyer.

Under the unit's contract, Revenue Asset Services will provide the business owner over a reasonable time period a client/doctor base capable of providing the annualized cash flow as noted in the attached documents. The business owner will be solely responsible for the ongoing customer service relationship with his/her clients/doctors and the call center.

Medical Answering Service — once your contract is fulfilled *

Number of physician offices per your contract:	300
Monthly charge per office:	\$69.00
Call-center estimated charge per month/per office:	\$30.00
Other overhead:	\$400.00

Average Revenue – Monthly: \$20,700

Average Overhead – Monthly: \$9,400

Average Profit- Monthly: \$11,300

Average Annual Profit: \$135,600*

After all contracts are full filled*

Financial Model:

A financial overview model has been provided with this Offering Memorandum combining the anticipated annual cash flow along with expected start-up expenses and typical operating expenses.

The financial information is provided as an example only. It is considered reasonably reflective of typical business experience by successful operators.

While most of the Gross Revenue and Gross Profit information is reasonably predictable, your operating results could vary greatly depending on your ability to manage and operate any business and this business template in particular.

Business Owners:

Office:

All business units are designed to operate from a virtual office atmosphere. All client and customer contact is via electronic data, fax, and voice communication. There is no foot traffic to the business-operating site. Therefore, 'bricks and mortar' office facilities are not required.

Likewise, any employees/contractors will also correspond electronically and have no need for a certain physical location from which to perform their assigned responsibilities.

Additional computers to support the business operation or personnel are the choice of the business owner. They need to be PC based with at least Microsoft XP operating system as a minimum with Microsoft Office. Computer system operating speed and capacity is at the discretion of the owner, with the recommendation that it be of a capacity that will support timely data transfer and future growth within the multiple units that represent the owner's total enterprise.

Business Naming:

It is recommended that initially the business owner create business names

or “dba” that are a derivative of that parent name. This is to facilitate a seamless transfer of agreements. These contracts are then easily transferred to the new business owner. This is a very comfortable long-term operating template.

It is recognized that business owners may look for ‘personal branding’ at some point. This is easy to accomplish after 6 months or so and a solid rapport between the business owner and the transferred clients/doctors have been established. A simple letter announcing that “NEWCO” has acquired “OLDCO” leaving all contact information, account representatives, etc. identical is all that is necessary. Name changes have never caused a doctor to leave a solid service provider.

Operations:

Business owner will be trained in the day-to-day operations.

Answering Service Unit:

With regard to the Answering Service unit, the business owner will be responsible for the initial client contact once the contract has been assigned. This will involve obtaining the client’s office hours, preferences with regard to the message delivery, etc. The ongoing customer support and liaison with the call-center will be the business owner’s responsibility.

The business owner will invoice his/her clients directly and manage the ongoing day-to-day operations and will be responsible for the quality of services provided.

It should become obvious that there is strong potential for growing relationships with each client based on the solid relationship generated from the core activity with that client. In addition, once client/service provider relationships are established; it is a perfect partnership for the encouragement of referrals from your existing client base. Revenue Asset Services will coach their new business owners in the process of referral generation.

Due Diligence Process:

The due diligence process consists of reviewing the basic proposal presented in this overview. With the assistance of Brokers handling initial

Q&A activity and a decision that the overall concept is of interest, a conference call meeting with Revenue Asset Services will be arranged. Further in-depth Q&A will serve to validate your decision to move forward.

After initial discussions, you will formulate the vision for the enterprise you would like to build and make some initial decisions on the Business Unit(s) that will be included.

Once your decision has been made, an Agreement stating the terms and conditions will be presented for review by you and a mutual target closing date can be chosen. Pricing will be well defined as you make your decision. There will be a specified amount due at closing with the promissory note payments clearly noted in the Agreement.

Exhibit 41

A-19-792836-C Medapeal LLC, Plaintiff(s)
vs.
David Weinstein, Defendant(s)

April 29, 2021 09:30 AM Plaintiff Motion for Summary Judgement

HEARD BY: Escobar, Adriana COURTROOM: RJC Courtroom 14C

COURT CLERK: Jacobson, Alice

RECORDER: Ray, Stacey

REPORTER:

PARTIES PRESENT:

Kevin Brown	Defendant
Kevin Hejmanowski Esq	Attorney for Defendant
Vijay Reddy	Defendant
Zachary T Ball	Attorney for Plaintiff

JOURNAL ENTRIES

Following arguments by counsel regarding the fraud scheme. Court finds that selective disclosure appeared like intention to mislead; lack of presentation and conspiracy; foreseeableness by a reasonable person and information intentionally withheld; additionally, lack of promissory note or an investment contract. Court does not find any genuine issue of facts remaining. Therefore, COURT ORDERED, motion GRANTED against all parties. Mr. Ball to prepare the order.

CLERK'S NOTE ADDED: (5/25/21)

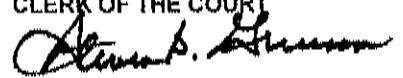
Court additionally awards:

1. Compensatory actual damages in the \$75,000, plus treble damages pursuant to NRS 207.470, for a total damages amount of \$225,000.
2. Attorney fees under NRS 207.470(1),
3. Costs under NRS 207.470(1) and NRS 18.0220(3), and
4. Pre-judgment interest under NRS 17.130.

Plaintiff is directed to file briefing with the Court informing of the requested attorney fees and costs amount and substantiating documentation.

This Court does not award punitive damages.

Exhibit 42



RTRAN

DISTRICT COURT
CLARK COUNTY, NEVADA

MEDAPPEAL LLC,
Plaintiff,
vs.
DAVID WEINSTEIN,
Defendant(s).

CASE#: A-19-792836-C

DEPT. XIV

BEFORE THE HONORABLE ADRIANA ESCOBAR, DISTRICT COURT JUDGE
THURSDAY, APRIL 29, 2021

**RECORDER'S TRANSCRIPT OF HEARING RE:
PLAINTIFF'S MOTION FOR SUMMARY JUDGEMENT**

APPEARANCES VIA VIDEOCONFERENCE:

For the Plaintiff: ZACHARY T. BALL, ESQ

For the Defendants: KEVIN HEJMANOWSKI, ESQ.

Also Present: KEVIN BROWN
Pro per

RECORDED BY: STACEY RAY, COURT RECORDER

Las Vegas, Nevada; Thursday, April 29, 2021

[Case called at 9:43 a.m.]

THE COURT: Good morning, Marshal Ragsdale, this is Judge Escobar.

THE MARSHAL: Good morning, Your Honor. Department 14 is now in session. We have page 1, 2, Your Honor.

THE COURT: Okay. Very good. And I'd like to hear who is -- let's see -- who's here for the Plaintiff, Medappeal?

MR. BALL: Good morning, Your Honor, Zack Ball for Medappeal.

THE COURT: Okay. Good morning, Mr. Ball.

And who else do I have here?

MR. HEJMANOWSKI: Good morning, Your Honor, Kevin Hejmanowski on behalf of Defendants Vijay and Margaret Reddy, Mohan Thalmarla, and Max Global. And, I believe, also on the line is Vijay Reddy.

THE COURT: Is that correct, Mr. Reddy, are you on the line? Mr. Reddy, are you on the line?

MR. REDDY: Yes, I'm here too. Just had to unmute myself.

THE COURT: Okay. Very good. So I have Mr. Reddy. You're represented by counsel. Very good.

All right. And then do I have anyone here on behalf of Defendant Thalmarla? Mohan -- oh, I'm sorry, Mr. Hejmanowski you are here. Okay.

What about Defendant Brown, Mr. Kevin Brown?

Okay. I received a text from my office that says that Mr. Brown -- oh, yes, he may call in.

Ms. Ray, please have him call in.

THE COURT RECORDER: Okay.

THE COURT: Okay. Let's wait for a moment until he's on.

Okay. And then while we're waiting for Mr. Brown, is anyone here on behalf of Visionary Business Brokers, LLC? Okay. I don't believe anyone's representing them, and I don't hear anyone present.

What about Medasset Corporation? For the record, there's no one answering for Medasset Corporation.

What about Defendant -- is anyone representing Defendant Weinstein or is he on as a self-represented litigant?

MR. BROWN: I'm here. This is Kevin Brown.

THE COURT: Mr. Brown, good morning.

MR. BROWN: Good morning. Can you hear me?

THE COURT: Yes, I can hear you well.

MR. BROWN: All right. Thank you.

THE COURT: Ms. Ray, is he -- are you able to hear him for the JAVS -- for the purposes of JAVS?

Let me just -- I'm going to mute you for a moment. I have a call coming in. Just a moment. It's from the court.

[Pause in proceedings]

THE COURT: Okay. Let's see. So I have Mr. Brown here. Is Mr. Weinstein here? Okay. For the record, I show

Mr. Weinstein is not here.

Is anyone here on behalf -- any counsel here on behalf of Medasset Corporation? No. No. Let the record reflect that there is no one here representing Medasset Corporation.

And Medappeal LLC, I believe, Mr. Ball, this is your client?

MR. BALL: It is.

THE COURT: Okay. Very good.

And let's see -- what about Liberty Consulting Management as well?

MR. BALL: That's my client as well. I believe they were dismissed out recently.

THE COURT: Right. All right. Okay. Very good.

Mr. Brown, are you available, can you hear us?

And Mr. Reddy, as well?

MR. BROWN: I can hear you.

MR. REDDY: I can hear you.

THE COURT: But wait, you have to state -- please state your name.

MR. BROWN: This is Kevin Brown.

MR. REDDY: Vijay Reddy.

THE COURT: Okay. Kevin Brown is here and the other party?

MR. REDDY: Yeah, Vijay Reddy, I'm here. I can hear you.

THE COURT: But you're here actually through -- so mister, you know, you have very competent counsel here representing you.

All right. Normally, I don't take that much time these days on these issues, but this case is extremely fact intensive, and I have reviewed this thoroughly. I think we've had -- I don't want to misspeak but maybe --

[Simultaneous speaking]

MR. BROWN: Excuse me, can I say something? I'm sorry.

THE COURT: All right.

MR. BROWN: I don't have counsel for this.

THE COURT: First of all, who is this, please?

MR. BROWN: Sorry, this is Kevin Brown.

THE COURT: Yes. I know -- you represent --

MR. BROWN: Okay. I don't have counsel representing me.

THE COURT: I understand. You can --

MR. BROWN: Okay.

THE COURT: -- you can speak for yourself, Mr. Brown, but you cannot speak for -- Visionary Business Brokers LLC is your LLC; correct, or is -- you're a member or --

MR. BROWN: Yes.

THE COURT: Okay. You cannot --

MR. BROWN: Yes.

THE COURT: -- speak on behalf of the LLC, because --

MR. BROWN: Oh, okay.

THE COURT: -- they have to be represented by counsel as an entity in Nevada. Okay?

MR. BROWN: Okay.

THE COURT: I know this is a fine difference, but you need to be aware of that. You must be aware of that.

MR. BROWN: Thank you.

THE COURT: All right. So --

MR. BROWN: Thank you.

THE COURT: You're welcome, Mr. Brown.

So because this is so fact intensive -- oh, okay. I understand that Mr. Weinstein -- let's see. Let me just find out if Mr. Weinstein's trying to join us. It looks like he may be.

And actually this is, I mean, obviously we start the calendar right away. I've had a little bit of difficulty this morning getting on so we're a little bit behind. But I want to make sure that every party that's in this matter that's trying to attend, you know, is able to get on.

So, Ms. Reed, if you can hear me, will you please confirm that Mr. Weinstein is trying to get on, if so -- is trying to join us, if so, I will wait for him to join us so that he has the ability to hear everything that's happening.

And also -- Mr. Brown and Mr. Weinstein have not filed an opposition, but I think they should, you know, be able to attend since this is a hearing that concerns them.

THE COURT RECORDER: Okay. I'm not showing him on right at this moment, --

THE COURT: Okay.

THE COURT RECORDER: -- but we can wait and see if he joins on.

THE COURT: I have a message that says -- from Ms. Reed, that she just emailed Mr. Weinstein the BlueJeans information.

THE COURT RECORDER: Yes.

THE COURT: Okay. She's calling him now just to see if he can get on so we can move on and get started.

[Pause in proceedings]

THE COURT: All right. It's my understanding that my office -- Ms. Reed has actually called Mr. Weinstein and left a message but he's not answering. So we're going to continue now.

And as I indicated earlier, because this is so fact intensive, I'm going to hear full argument of counsel. Okay.

So, Mr. Ball, you have -- you filed a motion and I think we have -- I don't want to misspeak, but I think we have over 800 pages, including exhibits, and, you know, it's thorough. And I've reviewed the declarations, the opposition, everything that's pertinent to this, and I'd like you to go ahead and start. Okay?

MR. BALL: Thank you, Your Honor.

Yeah, this is --

THE COURT: If you would.

MR. BALL: Thank you.

We did -- we -- hopefully we were thorough in our motion to begin. I calculated, with exhibits, it at -- it is at 867 pages.

THE COURT: Okay.

MR. BALL: And so I want to better direct my comments this morning. And so, you know, given that lack of opposition, as the Court

cited from Mr. Weinstein, Kevin Brown, Visionary Business Brokers, and Medasset Corporation, I'd rather focus my comments specifically on the remaining claims against Mohan Thaimarla, Vijay Reddy, Margaret Reddy, and Max Global.

THE COURT: That's a good estimate.

MR. BALL: This -- I know the Court's got a busy calendar this morning. The -- this Court is well aware, like I said, it's already been stated as well, of these facts. We have -- this has been somewhat adventurous case with the federal indictments and arrests and this has really pointed to what this fraud was, a multi-year, multi-state operation. And in furtherance of the fraudulent scheme, Defendants used their relatives to hide, launder, and protect their ill-gotten gains. This included strawman purchases and unidentifiable and unexplainable transfers of large sums of money to family members or family owned operations.

I want to specifically talk about Mr. Reddy's involvement in this. Mr. Reddy has done an awful lot of work to not produce admissible and relevant documents. When asked about providing business records he responded that he purges everything from his emails, and when followed up he added that that would've been the primary source of anything.

And I'll talk more about that simple lack of evidence, that lack of opposition from those parties that, in fact, filed oppositions.

Whether serving as a broker, a trainer, marketer, that being, Brown, Weinstein, Vijay Reddy -- Vijay Reddy and Weinstein, or as marketer, Margaret Reddy, Mr. Weinstein or Vijay Reddy, or hiding

proceeds from the sale and money laundering those roles were filled by Margaret Reddy, Max Thalmarla, Max Global. These parties continuously relied on one another in furtherance of the civil conspiracy we've alleged. Their co-dependence was paramount in carrying out this multi-year, multi-million dollar scheme.

The evidence that we show is the discovery responses from Vijay Reddy and Margaret Reddy. In Margaret Reddy's response to interrogatory number 21, she admits having received \$686,950 from Weinstein within a 23 month period. That is a payment of roughly \$343,000 a year. What were the activities she provided? Making brochures, websites, and other independent contract work.

Vijay Reddy stated that he had no documents, information, or recollection as to how he made money from Weinstein during that same time period and significantly that Weinstein combined payments owed to Vijay Reddy and Margaret Reddy into a single check that only made out Margaret's name.

THE COURT: Mister --

MR. BALL: Further, Margaret --

THE COURT: Oh, wait --

MR. BALL: Yes?

THE COURT: -- one moment, please.

Mr. Ball, I've read all of this and I know all of it and I want you to make a record and I want to hear it again and I may have some questions. But I'd like you to speak a little bit slower, because I'm still taking notes, again, notes over -- on my notes. So just --

MR. BALL: Understood.

THE COURT: Okay.

MR. BALL: Understood. I will slow down, Your Honor.

THE COURT: Okay. The one thing I haven't mastered is shorthand and I should have actually. All right.

MR. BALL: Understood.

THE COURT: Okay. Go on. Thank you.

MR. BALL: Margaret additionally admits, in response to interrogatory number 10, that she transferred \$325,000 to Thalmarla and Max Global as a, quote, investment.

And within the next response she claims that Thalmarla transferred \$330,000, or \$5,000 more than that amount, to Margaret as a loan. That use of that money is claimed for Margaret and Vijay to purchase a home.

Curiously, Mr. Reddy denies the transaction took place, in his own discovery responses, stating that \$330,000 was not transferred from Margaret to Mohan, Max Global.

And as we footnoted, the bankruptcy trustee found otherwise, listing up exact dates that those transactions took place.

These Defendants worked together, like a well-oiled machine, to create the illusion of a viable business, induce interested parties, such as Medappeal, to purchase the business, and then abscond with the proceeds with a series of excuses and hollow promises.

As this Court's pointed out, this is a factually intense case, as we've set forth an awful lot of facts with our exhibits, show that these

parties are liable for each and every claim that we have set forth. Specifically, intentional misrepresentation as to Mr. Reddy, civil conspiracy to commit fraud, and deceptive trade practices act as to their other opposing parties in this matter, which would include Mr. Reddy.

Now, what evidence do we have to counter that? We submit that under the rules we have met our burden, that that burden now has shifted to Defendants. Some Defendants have not opposed, others have. But the opposing Defendants interestingly only attached three declarations to their opposition, and those three declarations I want to specifically look at Mohan's declaration, paragraphs 3 and 4 detail this investment I've referenced, the \$325,000. It's various mining and real estate projects in Africa and India, in which Mohan claims he is the stock holder of the projects. Approximately eight months later Vijay and Margaret ask me -- that being Mohan -- for a \$330,000 loan to purchase their home. It was originally intended that the returns from their \$325,000 investment would be used to satisfy the monthly mortgage payment owed to me.

Now, understanding that this is a motion for summary judgment, and understanding that the quality of the law firm involved on the other side, this is their opportunity as Defendants to come forth with all the evidence to show that they're not liable for these acts. All we have are three declarations. All we have is a claim of real estate projects in Africa and India with no paper trail. If this were \$10, \$100, we could understand that. This is 325 and \$330,000. With no documents attached.

Now, we're going to hear arguments as related to Mr. Reddy's lack of involvement in this that he provided only opinions, that he had no obligation to inform my clients -- my client, that Mr. Weinstein was a convicted felon, and that he had -- despite being sued numerous times -- never been actually found guilty of fraud.

Interestingly Mr. Reddy acted specifically as a reference. He knew at the time referencing -- acting as a reference in this matter, that Mr. Weinstein was a convicted felon for fraud. He knew Weinstein's fraud was related to his business dealings in the insurance industry, both of which were directly related to what Weinstein was selling Plaintiffs.

Mr. Reddy never told Plaintiffs that these deals ended in failures, lawsuits, and enumerable complaints. While under oath, in fact, Mr. Reddy could not identify a single satisfied customer of his or Mr. Weinstein's. Mr. Reddy has been sued at least twice for the sale of the same or similar businesses.

Going to the other parties, Margaret, Max Global, and Thalmarla, they claim that they did not profit off this particular fraud, and thus they cannot be held for conspiracy. And critically this is the exact time period, the timing of my client's -- my client entering into the contract and the fraud that took place. It's evidenced, it's further movement of money to commit fraud and deceptive trade practices. Large sums of money were transferred, as I've already discussed, from Margaret to Mohan to Max Global, and these transactions were done to hide, shield, launder the proceeds of Defendants -- all Defendants' crimes. Specifically, U.S. Bankruptcy Trustee for the Court of the

Eastern District of Michigan ordered Margaret Reddy to produce documents and testify the period -- for the period between 2015, to the present, which at that point was January 2019. The exact time period which this action took place.

And in that case, Defendants refused to provide the bankruptcy court with any of the records. Margaret Reddy wasn't even held in contempt of court for failure to comply with the court order to produce. Again, no documentation. How many legitimate transactions for hundreds of thousands of dollars have no record of taking place?

Based on that, Your Honor, we submit that we've carried our burden, we've made the legal arguments and applied all elements of the facts to those claims, and that summary judgment, as against all Defendants, is appropriate. The lack of documentation within the opposition, and within the entirety of this case filed in 2018, shows that Defendants simply cannot carry their burden.

Response, and the last thing I'll mention, is the Defendants have asked for additional time for discovery. The discovery cut off in this matter is May 10, that's less than two weeks away. That's less time to be able to notice any depositions.

Now, admittedly, Plaintiff received -- or were propounded discovery, which was responded to in a matter of two weeks. Defendants have had those discovery responses for a good amount of time now.

And, again, it's not our burden. It was a simple mechanism by which to attempt to switch that obligation for the Defendants to actually

produce documents and make a factual argument.

So based on that, Your Honor, we submit that the time is now, that the opposition fails, and that summary judgment should be granted. Thank you.

THE COURT: Mr. Hejmanowski.

MR. HEJMANOWSKI: Thank you, Your Honor.

In Plaintiff's motion and reply -- and Plaintiff's counsel did it a little bit today, but not as much -- but he -- Plaintiff continuously lumps the Defendants all together, which makes parsing out who they allege did what challenging at best. But, putting that aside, the major overarching flaw of Plaintiff's argument and has been the -- this flaw throughout the whole entirety of this case is just because they say it's so doesn't make it so.

Let me give you an example of what I'm talking about, the Plaintiff relies heavily upon this criminal complaint against 43 victims of which Plaintiff says he is one. And in that criminal complaint, I will grant you that there are very serious allegations made about relatives being involved, burner phones. I will point out that Vijay Reddy is never addressed individually, I believe just a -- sort of a catch-all term is used for him, but Mr. Brown and Mr. Weinstein definitely are.

But the flaw to Plaintiff's argument is that these are just charges. This is not conclusive proof of fraud. There has been no adjudication on the merits. Plaintiff would have this Court believe that just because there are charges that means that all of these individuals, including my clients, are guilty of fraud. That is not the case.

Another example, Plaintiff refers to the Anthony Holmes lawsuit, and he says why the facts are very similar to the facts here, and this shows that Vijay was guilty of fraud. No, it doesn't. What it shows is that there is a \$200,000 judgment against Vijay for breach of contract, not fraud. Vijay has never, never been -- there's never been an adjudication against him that he was guilty of fraud. Never. By the same token there has never ever been any judgments against Margaret or Mohan for fraud. Nothing about that.

Now, Plaintiff, in their papers, talks a lot of these complaints, oh, we have Tammy Decker complaining and we have this person complaining and that person complaining. But what Plaintiff fails to make clear to this Court is that those complaints dealt with the failed answering service business when it -- when it -- in regards to Vijay. Not in medical appeals. And, in fact, the evidence shows Vijay never ever sold medical appeals. What he was involved in was an answering service business. And as he has admitted time and time again that business turned out not to be viable.

Now, Plaintiff says that Vijay, Margaret, and Mohan sold a fraudulent business opportunity to the Plaintiff. They didn't. They didn't sell anything to Plaintiff.

Now, Plaintiff's counsel says, well, you keep talking about the fact that Vijay, Margaret, and Mohan didn't have any communications with the Plaintiff, they didn't negotiate the contract, they didn't sign the contract, but they were still involved in this, he calls it, conspiracy to commit fraud. Well, the fact that they never communicated, that they

never negotiated, and they never signed a contract is extremely important to this case because it shows that they didn't sell the Plaintiff anything. When Plaintiff lumps all these Defendants together and says they sold me a fraudulent business opportunity, our -- my people -- my clients did not.

Now, Plaintiff talks about, and spent some time today talking about Margaret, and Margaret and Mohan were involved in money laundering, he says, and they were trying to hide assets, he says. Well, what -- one of the documents that was produced in this case, and that was also part of the bankruptcy trustees' complaint, was a commission report. And this commission report shows us that the last time that Margaret received any money from David Weinstein was in April 2018. That's important because the money that was transferred from Plaintiff to Kevin Brown and David Weinstein took place in May 2018.

And, in fact, the transactions that Plaintiff keeps talking about between Margaret and Mohan took place one year prior to that. And these were not ongoing transactions. This was a one-time thing. We had an investment and then eight months later we had a loan. None of that money, those funds, are in any way connected to Plaintiff's transaction. It can't be. It's an impossibility. It's a year before. And Plaintiff wants to claim that this money somehow was laundered but that is not the case. There is nothing nefarious here.

Now, let's go to the claims against my client, we've got intentional misrepresentation. And we said in our opposition that Vijay didn't make any false statements. He essentially said, yes, you know,

I'm a reference. I've known David for a long time. We were successful with, you know, our business in the past and nothing really beyond that.

And Plaintiff says, well, you have a good faith duty. Do we? Do we have a good faith duty? I don't believe that Plaintiff has proved that there is any type of duty here.

Remember this is a 10 to 15 minute conversation, is it realistic for Vijay to be obligated to expose all of the skeletons in the closet having to do with David Weinstein to a stranger that he's never met, he's just speaking to on the phone?

And, as I pointed out in the opposition, I'd like to just mention it again briefly, is Plaintiffs are not, you know, they're sophisticated business people, these are attorneys, you could easily jump on Google. And if they would've done so, they would've seen that David Weinstein had a felony, years prior, that was about insurance fraud. It had nothing to do with the sale of medical appeals.

And so Vijay, we would argue, did not have a good faith duty. He did not suppress any information. He was not asked, you know, does your client have a -- or does Mr. Weinstein, who you're vouching for, as Plaintiff says, have any type of criminal past? If he would've been asked that, perhaps he would've answered the question. But it seems very unrealistic that Plaintiff, who is a sophisticated business person, would've completely relied on a 10 minute conversation in order to send the \$75,000 to Mr. Weinstein and Mr. Brown.

And, again, I do wish to point out that Vijay, Margaret, and Mohan did not profit off of that transaction in any manner, they had no

vested interest in that transaction in any manner.

Now, turning to conspiracy to commit fraud. Well, Plaintiff says to us, he says, well, all of these Defendants -- and he says Defendants, by the way -- were all involved in this conspiracy. And my goodness this has been going on for years and it's multi-state -- let me see what his words were, multi-year, multi-state fraud. The problem with Plaintiff's reasoning is he has forgotten one of the elements of conspiracy, which is you must prove damages from Defendants' act or acts. This Plaintiff cannot do because, again, my clients did not profit in any way off of this transaction and there's no evidence that they did.

Now, when we turn to RICO, same problem, they have to show damages, they have to show these predicate acts caused the damages. And for those very same reasons Plaintiff can't do that.

Same thing would apply to deceptive trade practices. Where's the injury? Where is the injury from the Defendants' alleged acts to Plaintiff? It's not there.

I wish to make one other point, which is Plaintiff continuously says they have destroyed all the records, and my goodness there's no business, there's no financial information, they've destroyed it all, Vijay said under oath he destroyed it all. Well, I do wish to point out to the Court that there have been thousands of pages produced in this case, including Vijay's production of 200 plus contracts, the emails -- all the emails with the Plaintiff. So for Plaintiff's counsel to say everything was destroyed, that's not true. I will agree that Plaintiff did say that some of these items were purged, but there have been a lot of documents that

have been produced.

So in short, Your Honor, Plaintiff's motion fails because there are many, many genuine issues of material fact here, and for the fact that they cannot rely upon the bankruptcy trustees' complaint and the criminal complaint and these past law suits as conclusive proof that there was fraud committed against Plaintiff by my clients.

Thank you.

THE COURT: Thank you, Mr. Hejmanowski.

All right. Mr. Ball, please.

MR. BALL: Thank you, Your Honor.

THE COURT: I may have questions for both of you after. But go ahead, please, Mr. Ball.

MR. BALL: Understood.

I want to first start off it was argued that we continue to lump these Defendants all together, it's because they are all together. As I pointed out, this was a well-oiled machine. One component simply could not work without the other components working.

The -- a lot of words were used as to what we were claiming. We don't claim much at all. We rely on documentation, sworn affidavits, and evidence. The Department of Justice called these transactions frauds. That's not -- that's not our words. There are 43 victims, as was pointed out, but there's actually 21 that are still unknown. And so this is, as I stated, a multi-state, multi-year operation that hurts an awful lot of people.

The reference to the Holmes case, we submit that the Holmes

case is tasked, and is part of the court record, it states what it states, and that our interpretation is the correct one. And the Court can -- the Court can look over that as needed.

The medical appeal versus the answering service, as we pointed out, this was a continuous changing of the components. Whether it was called medical appeals, answering services, or a number of other things, it was still the same fraud perpetrated by the same people. And that's evidenced in mister -- Dr. Ramsdell's documentation that we've already submitted.

The condition report cited to you, that's not part of the opposition, that's not in front of this Court for decision. Had that been important enough to argue with it should've been attached and submit.

And we requested financial records. We've requested an awful lot. We haven't gotten those. And we submit that that's just a new argument that has no place here.

The timing of it. We've pointed out throughout the motion, throughout the reply as to the exact timelines. I can go through those again, but specifically this is a fraud. It is, as this Court knows, hard to prove fraud, civil conspiracy, deceptive trade practices act. It's hard to prove those.

THE COURT: Yes, Mr. Ball, that's why I want you to go through the timeline again. I've read it several times, but I'd like to again, now that I have you here, I'd like -- I'd like to hear it again, please.

MR. BALL: Understood. And I'll --

THE COURT: Just so you know for -- I was able to get most

of my calendar out through orders last evening. So that --

MR. BALL: Okay.

THE COURT: -- I could dedicate time to this case today.

MR. BALL: Understood. Thank you, Your Honor.

And I'll say --

THE COURT: I show --

[Simultaneous speaking]

THE COURT: -- it's just a status check so.

MR. BALL: Understood.

THE COURT: And I'll take a pause and let them join in and let them on.

So go ahead.

MR. BALL: Understood. Thank you, Your Honor.

The whole point of the RICO and the fraud, Plaintiff's relief, is to handle this exact type of situation, to lump parties together that were involved that can claim that they were not involved, to not be able to have a smoking gun and still prevail in the case. And we submit that that's exactly what we have here.

And I want to go to the timeline as the Court's pointed out. Bear with me while I flip through some notes here.

THE COURT: I know it's detailed, but I'd like for you to take it slowly and go chronologically or however you want to present -- present it.

MR. BALL: Thank you. Thank you, Your Honor.

So we know that there's this time period in May 2018 to

mid-September 2018, which Defendants provided Medappeal with three contracts. And that was allegedly Defendants' business model.

Now, again, we have a request to the bankruptcy court, as stated in our reply, that provides this time period of 2015 -- let me get there, 2015 to 2019, a tremendous amount of time by which records were requested. None of those records were produced. That makes it, we submit, difficult to prove on the one hand. On the other hand, we would submit that that's an admission of a lack of records in this case and a lack of records that, in fact, ended up in Margaret being held in contempt of court to prove much at all with what we're doing here.

Now, we know that the -- that there was this ongoing scheme. We know that the payment and history of payments going forward to these parties was sparse records. But we do know that those records produced specifically show what we've stated. They show that this \$325,000, the \$686 -- well, the total sum makes the \$686,000 number. That was what was produced at that time. We also know that these parties -- and counsel's right there is no condition yet in the most recent case; however, there's an awful lot of smoke here. And that's where the circumstantial evidence we submit comes in.

So I know -- I know I'm struggling to put forward a detailed timeline here, and the reason is this, is that all of this took place in 2018 with my clients. Records were requested between 2015 and 2019 and not produced in one case. Records have been requested in this case and compensation, and what not, and has not been produced. It was pointed out that many pages of documents were produced. Those were

often times the documentation that ended up in front of the discovery commissioner, based upon a lack of compliance with what we were requesting. And, again, it wasn't our word saying these were destroyed, that these were discarded, that was specifically from the transcript of Mr. Reddy.

Even until 2019 Reddy's refusal to provide federal bankruptcy courts with financial records of what's happening. And since the time Defendants hid and transferred funds, up to -- the Reddy's declaration, the bankruptcy, that time period 2017 to 2018, and listing homes as a creditor and leaving off all of their victims. It's hard to get these records, but we submit that this is exactly within the timeline that we were in, 2018. 2015 to 2019 records were requested and these frauds rolled forward as a machine.

And, again, it's those damages that we submit, while circumstantial, are there. That these parties owe my clients money and that they are liable for the claims that we have set forth in our -- in our complaint -- amended complaint.

THE COURT: Mr. Ball, do you have anything to add?

MR. BALL: Nothing at this time, Your Honor.

THE COURT: Okay. I'm going to take a recess right now and review some of these issues again. Okay? I'll be right back.

MR. BALL: Thank you, Your Honor.

MR. HEJMANOWSKI: Very good, Your Honor.

[Recess taken at 10:25 a.m.]

[Proceeding resumed at 10:55 a.m.]

THE COURT: All right. Let's get back to page 1, 2. I'd like to now get back to Medapeal, LLC versus David Weinstein.

So after reviewing -- after reviewing the detail of the CDS and their response and then the reply -- or the opposition and then reply, I have some questions that are very detailed. Okay? And I think that these are the issues really with respect to these Defendants.

First of all, I'd like to talk about Defendant Vijay Reddy. Okay? Not Margaret, but Defendant Vijay Reddy [audio distortion.] If these intercept with Defendant Margaret Reddy, that's one thing, but I'd like to focus on him.

After reading everything, it's my understanding that Mr. Reddy -- but I'd like to hear from Counsel, but I'll let you know what my understanding is from what I've read. I have read his -- I've read Mr. Reddy's declaration or his affidavit and I've seen the transcripts, but my understanding that Mr. Reddy was provided by the Defendants, Defendant Weinstein, Defendant Brown, in particular, and so forth, as a reference to the business and that he did not disclose. I think it was Defendant Brown who recommended him, if I'm -- I'm trying to think. I think it was actually Defendant Brown. So he was recommended as a reference to the Plaintiffs, and he did not disclose that he had a relationship with Mr. Brown and possibly a lot of other things.

So I'd like more clarification from Plaintiff's counsel first, and then Defense counsel on Mr. Reddy, and then I'd like to discuss the others as well. Okay?

Mr. Ball, please.

MR. BALL: Thank you, Your Honor.

That's correct. We do show that he did not disclose that business relationship at -- according to the complaint that was filed against Mr. Reddy in March of 2010. He was inducing Weinstein -- introducing Weinstein as a business associate as early as February 2009. This was an ongoing relationship, multiple years and, again, multiple states.

He didn't mention the past and present lawsuits against himself. He didn't mention that those past and present lawsuits were related to the same or similar business operations. We can play the verbiage games of answering service or medical transcription, what not, but as I've stated it's -- it was all a revolving group of components to move this fraud forward. He didn't mention any of Mr. Weinstein's legal woes and lawsuits. He didn't disclose the numerous failed similar business attempts. He didn't disclose what he knew what was going on. And, in fact, when we took his deposition he could not name a single satisfied client.

So with that I hope that answers the question you had.

THE COURT: Okay. Okay. Just let me review this for a moment.

MR. BALL: And, Your Honor, if I could add one more --

[Simultaneous speaking]

THE COURT: Yes, you go ahead.

MR. BALL: -- he -- thank you.

THE COURT: Go ahead.

MR. BALL: -- he testified Mr. Reddy -- Mr. Reddy and Mr. Weinstein both testified that Mr. Reddy had in fact at times ran Medasset, that he had an integral role in it. That was not disclosed as well.

THE COURT: Okay. Thank you.

All right. Let's see. And Mr. Hejmanowski.

MR. HEJMANOWSKI: Thank you, Your Honor.

The phone call took place on May 5, 2018. My understanding is that it was -- it was David who recommended that Plaintiff call Vijay. The contents of that phone call are discussed in Vijay's declaration, as well as in the opposition.

But essentially the phone call Vijay said that he had met David back in 2007, that Vijay had bought and sold numerous businesses from David throughout the years, Vijay had done medical appeals several years ago and was successful with it, and he also warned Plaintiff not to take the medical answering service contracts or medical transcription because they were not viable businesses. And I spoke about that earlier that the answering service business -- the complaints that originated in -- with regards to Vijay, came about because of that answering service.

During the call, Plaintiff's profitability was not discussed, the number of clients that Plaintiff received was not discussed, nor any financial data. While it is correct that Vijay did not disclose that David had a felony, as I pointed out before during my argument, this was a 10 to 15 minute phone call, and, you know, Vijay -- where did the duty come that he had to lay out all of David's, you know, the skeleton that's in his

closet? Vijay had never met Plaintiff before.

And while it's true that he was a business reference, I mean, being a business reference implies that you have a relationship with the person that you're, as Plaintiff says, vouching for. So there's nothing nefarious there.

And, again, I would submit that all of the, you know, my opinion stuff, is just that, an opinion, nothing further beyond that.

And Plaintiff, or attorney, and could've easily discovered this felony. And, by the way, as I pointed out before, this felony was year and years and years ago and had nothing to do with the transaction at hand so why would Vijay disclose that?

And I hope that answers the question, if not, I'll elaborate.

THE COURT: I do have a bit more of question,
Mr. Hejmanowski, --

MR. HEJMANOWSKI: Sure.

THE COURT: -- so what was the good reference based on? Why did he misrepresent himself as a satisfied business relation? When I look at a reference, in any case, whether it's purchasing a business or it's hiring someone or anything else, you usually place someone you can paint you in a good light, correct?

MR. HEJMANOWSKI: Right.

THE COURT: Right. I don't know anyone who's ever tried to use a reference to bring them -- or eliminate the business or the position or whatever, right? So, I mean, that's just a basic, pretty simple, if we don't agree on that, we have some serious issues probably.

So what was that good reference based on? And why did he, in essence, as a reference to begin with, represent himself, or misrepresent himself as a satisfied customer or a satisfied business entity? What is there? Why did this happen?

MR. HEJMANOWSKI: Just to clarify your question, if I may, when you say a satisfied customer, are you saying that Vijay represented himself as a satisfied customer?

THE COURT: Even if he represented himself as a satisfied business representative, what, why, and where, like, what is the foundation for all of this?

MR. HEJMANOWSKI: Well, I --

THE COURT: With his knowledge -- with his -- once he steps into that role and he's, you know, known and been working with Mr. Weinstein and later with Mr. Brown and is placing himself in a situation that he didn't have to assume, and he's essentially giving a positive reference, why did he represent that he was satisfied? I mean, aren't there so many problems that have led to his not being satisfied? It's just kind of a difficult thing to believe from a practical -- to understand, I guess.

MR. HEJMANOWSKI: No, certainly. I think really when you look at, you know, what he represented to the Plaintiff, he did represent that he had been, you know, that he had known David since, I believe, it was 2007, which is accurate. And he also said that he had bought and sold numerous businesses from David throughout the years, which also is accurate. And he did say that he had done medical appeals several

years ago and was successful with it.

Now, I think, you know, he did also point out that the medical appeals business is difficult and, you know, that's stated in the declaration as well.

So I think really it was a situation where David said, hey, I want you to talk to this guy, he's known me for a long time, and Vijay said, yes, I have known him for a long time. I've done medical appeals before. It has been successful.

Now, he didn't mention the stuff about the answering service business, which is what Plaintiff keeps harping on. But that's because that's not what Plaintiff was purchasing. What Plaintiff was purchasing were medical appeals and medical credentialing, not the answering service. And, in fact, during that conversation, you know, Vijay says in his declaration that he basically said, don't get involved in that business.

So I think really he was just kind of there to say, yes, I've known David for a long time, I've been successful with businesses with him in the past, and nothing really beyond that.

THE COURT: Yes. I mean, I really think this is a very important issue.

And, Mr. Hejmanowski, why would mister -- why would Mr. Reddy give a positive reference based on his knowledge of Mr. Weinstein and his enterprises? Why didn't he disclose that info or that information?

Once he started, and he assumed a role of a reference -- I'm not -- I understand your argument. But why did he not, I mean, really, I

understand that you have a client -- attorney-client representation, you know, situation. I get it all. I've had people tell me quite a few times in the past, or several times, and I know you're a very good lawyer. But truthfully, very basically, why did Mr. Reddy give a positive reference based on his knowledge of Defendant Weinstein's situation?

I mean, it doesn't take -- I don't think that's out of the ballpark. I don't think that that's, you know, there may not be a legal duty, but, you know, he assumed this responsibility and, you know, truthfully, knowing about all these facts, why didn't he disclose the negative information? Truthfully, that's a pretty basic question.

And, you know, I understand that you're arguing that I didn't have a duty and this and that. Let's just talk about it from a real world perspective, after 30 years of practice and being on the bench for almost nine years now, and you have a tremendous amount of experience, why would you assume that and not include these significant facts, in my view, or anyone's view, right?

MR. HEJMANOWSKI: Okay.

THE COURT: Why assume that, --

MR. HEJMANOWSKI: Well, --

THE COURT: -- and why not give all of the information?

MR. HEJMANOWSKI: Sure. I think what I would say there is, first of all, you know, when you're talking about the negative information, Plaintiff is obviously trying to paint David Weinstein as this -- as this nefarious, fraudulent character. But really what we're talking --

THE COURT: Let me interrupt you, Mr. Hejmanowski, I'm not

even talking about criminal lawsuits at all. Okay? Mr. Reddy has information throughout the years -- or the present criminal lawsuit that's happening. He has information throughout the years, and --

MR. HEJMANOWSKI: Sure.

THE COURT: -- has not mentioned any of the concerning information to a perspective purchaser, right? So go on.

MR. HEJMANOWSKI: Well, I was -- well, I was just going to say that, you know, obviously, I mean, we would dispute what, you know, these negative facts that Plaintiff is trying to bring to bear, but, you know, I mean, Vijay has been successful with Mr. Weinstein in the past. There is that -- there is that -- that felony, which is the criminal thing you were talking about, but, you know, that had no connection. I mean, that was 10 or 12 years prior to when Plaintiff was involved.

And the other thing, I guess, I would say is I believe, you know, Vijay was just kind of put on the spot, like, you know, David said, call Vijay. So he didn't have a lot of time to prepare for the telephone call. In other words, he didn't have time to think about what he was going to say or what he was going to talk about or what have you. I also believe that, you know, Plaintiffs asked important information or information that he should've asked due to his due diligence. I think that Vijay answered all the questions that were asked of him.

I mean, I really don't know what else to tell you beyond that. I mean, we have Vijay here today if, you know, if the Court would like to ask him to -- if he could expound on that. But, I mean, that's, based upon my understanding, that's my answer.

THE COURT: I have another question for you, Mr. Hejmanowski, isn't selective disclosure -- doesn't that indicate intent to mislead?

MR. HEJMANOWSKI: It could.

THE COURT: If you selectively disclose things, would you not, I mean, isn't that -- doesn't that indicate an intent to mislead?

MR. HEJMANOWSKI: It could. I think, --

THE COURT: It could, right?

MR. HEJMANOWSKI: -- I mean, I think it depends upon the circumstances. You know, as I've argued here today, and argued in my papers, I mean, you're talking about a 10 or 15 minute phone call. You're not talking about, you know, hours of meeting with these people. You're talking about a telephone call.

And, you know, what -- I guess for me personally it would go to what did that information have to do -- what bearing did it have on what was being discussed in the transaction at hand, and that's why I fall back with the fact that, you know, what was disclosed and what was discussed was relevant to the transaction at hand. Whether David had a felony years prior had no bearing upon the perspective purchase because it had nothing to do with it.

THE COURT: I'm sorry, I was muted.

All right. So my question, again, is concerning -- the question to you was, isn't the lack of disclosure -- doesn't that indicate an intent to mislead? And also, Mr. Hejmanowski, wouldn't a reasonable person want to know about a felony conviction even if it's not exactly on point?

But it's, you know, a fraudulent, I believe it's pertaining to a fraud, which is concerning and -- and also wouldn't a reasonable person want to know things that Mr. Reddy was aware of -- not just that, you know, his transactions he alleges were positive, but the others that he's aware of and the other issues that he's had?

MR. HEJMANOWSKI: Well, --

THE COURT: I'm just talking about a reasonable person. I'm not --

MR. HEJMANOWSKI: No, I understand.

[Simultaneous speaking]

MR. HEJMANOWSKI: I understand.

I mean, that's sort of a rhetorical question I would say in a sense. I think --

THE COURT: No, not really. I mean, it's, you know, I mean, we're talking about a transaction and --

MR. HEJMANOWSKI: Uh-huh.

THE COURT: -- there's someone that's going to purchase a business. This person has volunteered at the request of either it be Mr. Brown, if not Mr. Weinstein, but Mr. Brown, was also a person who's working with the situation to be a reference. And so as a reference, wouldn't a reasonable person want to know about a felony or other problems just as they would want to hear about the good things?

MR. HEJMANOWSKI: My view might be a little bit different. But I would say not necessarily. I would say it --

THE COURT: No?

MR. HEJMANOWSKI: -- it really depends on how long ago did it happen? What was it about? Does it have any bearing on the business that I'm getting into now?

THE COURT: Okay. What's the -- the previous transaction or the previous conviction had to do with a different business or it was concerning insurance, I guess. But it had to do -- I believe the conviction was for fraud, is that correct?

MR. HEJMANOWSKI: Yes.

THE COURT: Okay.

MR. HEJMANOWSKI: It was --

[Simultaneous speaking]

THE COURT: So we're talking about something that, you know, is a concerning thing, because it's possible that a conviction where I have to be convicted criminally is a higher standard, beyond a reasonable doubt, and it has to do with his veracity in general. Even if it's not a -- on point, you know, maybe that one was for insurance fraud and this is something different, but veracity is a constant, right? And fraud is a much higher -- well, we all know the law, you know, it's a -- you have --

MR. HEJMANOWSKI: Yes.

THE COURT: -- you have to make a much greater showing evidentiary so.

MR. HEJMANOWSKI: Well, yes, I mean, I would agree with you that it does go to the veracity of the person.

THE COURT: Right.

Okay. Let's see. I have a couple of other questions. Just give me a moment; make sure I have everything answered. Even if it takes a little bit longer, because I think I can make my ruling today depending on the rest of the questions and answers.

[Pause in proceedings]

THE COURT: All right. I have another question, Mr. Hejmanowski. So Mr. Reddy had no duty to serve as a reference. Mr. Reddy assumed the duty to serve as a reference. Once he assumed that, or volunteered that, isn't it reasonable that -- to disclose the -- for a trier of fact, or a jury, wouldn't they be -- let's say, isn't it reasonable to infer that your client intended to mislead Plaintiff -- mislead the Plaintiff by -- based on his selective disclosures?

For instance, because fraud was 12 years old, but it is something that has to do with Mr. Weinstein's veracity, and wouldn't it be, I mean, I think that a reasonable -- or it just seems to me that if that was disclosed, but the Plaintiff still disregarded it, it's old, it wasn't on point, we still want to go forward, that's one thing. But isn't he assuming a responsibility to a third party?

It doesn't matter to me what their background is. There are a lot of people that practice or don't practice. I have friends that graduated from law school that haven't practiced a day in their lives or focus on totally different issues. I'm not related to this person, but I would hire an attorney if I had a case. You know, I don't want to be my own lawyer. That's just the way I've always looked at things, right?

So once he decided to be a reference, don't you think that a

jury of -- in a jury trial, could reasonably infer that Mr. Reddy, with all of the knowledge that he had, was selectively by, you know, selectively deciding what information to give them only the positive things to Plaintiffs. And isn't -- wouldn't they reasonably be able to infer that your client intended to mislead Plaintiff based on his selective disclosures?

MR. HEJMANOWSKI: Well, Your Honor, what I would --

[Simultaneous speaking]

THE COURT: The trier of fact, I mean, seriously.

MR. HEJMANOWSKI: Yes. What I would say there is --

THE COURT: And this is not a criminal trial.

MR. HEJMANOWSKI: I would say, yes, if -- if there was evidence that Vijay had a vested interest in the transaction, if he was somehow benefiting or profiting from the transaction. In other words, you know, if he had some connection to it, then I would agree with you.

THE COURT: Okay. So just so you know, just like I'm not taking into consideration Plaintiffs -- all of his discussion by the Department of Justice as evidence because there's no conviction. Okay? I also -- I'm surprised that you've decided -- one thing that I wrote down when you first spoke was the Defendant didn't benefit or is not -- this is not relevant. It's not an element of conspiracy.

If Mr. Reddy was a part of -- before or during the transaction, if he was a part of a scheme of a RICO, or if he, you know, if he was a member before or during, then he doesn't have to -- there's no element that to prove conspiracy he has to benefit from this transaction in a RICO conspiracy. You know that but yet you said he did not benefit.

That's irrelevant just like the Department of Justice information is. And that's not an element of RICO conspiracy. And you know that, Mr. Hejmanowski.

MR. HEJMANOWSKI: Yes.

THE COURT: I'm surprised that you mentioned that. I'm calling you on that, because you saw me when I first started and we're in this nine years later, right? But I think in that case and those -- some of those cases, those were pretty strong holdings as well. All right.

So I just want to know why you would mention that. But I'm not just going to focus on that.

MR. HEJMANOWSKI: Your Honor, I would like to --

THE COURT: Why is this evidence -- I'd like to ask you this before you -- before we go on. Why is this evidence not a material issue of fact, or the lack of presentation that exists, is not material issue of fact with respect to conspiracy, a RICO conspiracy, or the other issue -- the other causes of action?

And, by the way, I've gone through the complaint and I've been able to parcel out -- the complaint was done by a different attorney, not mister -- excuse me just a moment.

MR. HEJMANOWSKI: It was Mr. Freedman.

THE COURT: It was Mr. Freedman, correct. It's a -- so it's not Mr. Ball.

But, you know, I've gone page by page, and it's very clear which Defendants are the causes of action for contracts. Then we have the cause of action for fraud. I mean, they're all -- it was an organized

complaint. And it says, which one, third cause of action for conspiracy to commit fraud against all Defendants, deceptive trade, all defendants. The first two were not against all the Defendants.

So, you know, I think that the conspiracy issues have been discussed pretty thoroughly by Plaintiff. And I want to know -- this Court would like to know -- and I'm trying to be, you know, I need to get all the information, why is this evidence, or lack of this evidence, the selective information, when he's volunteered to serve as a reference for this transaction to induce the Plaintiff, because a reference is there to say good things about the -- even if he'd talked about the other two issues, why would that omission not be a material issue of fact in this case? I just -- I want to understand that.

MR. HEJMANOWSKI: Well, omission --

THE COURT: Yes.

MR. HEJMANOWSKI: -- if you look at the transaction, is about purchasing medical appeals claims. It is not purchasing insurance. Now, I understand it goes to the veracity, --

THE COURT: Yes, it does.

MR. HEJMANOWSKI: -- but -- but it is far removed in time by many years from 2018 when Vijay had this phone call. So to my mind, it -- while it does go to the veracity, it's had no bearing upon what Plaintiff actually purchased and what the purpose of the phone call was for Vijay to say, I've known David this many years. I've had -- I've done business with him for this long. We've been successful before. I mean, it's clear, you know, that he didn't talk about the felony. I mean, he didn't make

any mention of it. He's never said otherwise. And the reasoning I think that he didn't, I mean, certainly I'm not him, but my understanding is that it was far removed in time, and he did not believe that it was relevant to the current situation.

And, Your Honor, I would like to point out one other thing if I -- if I may just so that it's clear what my position was. When I was talking about the fact that, you know, Vijay didn't benefit or profit from the transaction, I wasn't -- just to be clear, if I wasn't before, I wasn't necessarily talking about the conspiracy. What I was saying was that Plaintiff has to prove that Defendants' actions injured Plaintiff, and my argument there would be that his actions did not injure the Plaintiff.

THE COURT: Well, that, frankly, Mr. Hejmanowski, I've actually written down exactly what you said and that's not what -- you said that the Defendant did not benefit and from the -- from his role in this transaction, essentially. And --

MR. HEJMANOWSKI: Yes, I did.

THE COURT: -- his benefiting -- that's exactly what you said and we have it on JAVS, and I've written it down in quotes so. And you know very well the difference between what the elements are and they're not. Okay?

MR. HEJMANOWSKI: Of course. And if I said otherwise, I misspoke, and I apologize for that, Your Honor.

THE COURT: Okay. All right.

So let's see. Mr. Ball, do you have anything else to discuss?

Let me -- let me ask you this again, Mr. Hejmanowski, in your

view, would a reasonably prudent person who's entering into -- if you or a -- not you. If a reasonably prudent person was considering entering into a business relationship or a contract, would that person want to know that there is a 12 year old conviction that had to do with fraud, or the person that he or she or their entity was considering going into business with, that they had a fraud, which had -- convicted of fraud criminally, which has to do with veracity, wouldn't a reasonable person want to know that from a reference?

MR. HEJMANOWSKI: Yes, a reasonable person would probably want to know that.

THE COURT: And I think that that's foreseeable. I think that it's foreseeable that a reasonable person would want to know that. What do you think?

MR. HEJMANOWSKI: Yes.

THE COURT: Okay. All right. Very good.

All right. Let's move onto the other Defendants, please. The questions are -- they're going to be very similar as far as -- hold on. I've made notes here. So I want to make sure that we stay on point. I know this is long, but this is a very fact intensive case.

So with respect to the Defendants that are -- I have a list here so I don't get -- all right. With respect to Defendants, this question is to you, Mr. Ball. Mister --

MR. BALL: Yes.

THE COURT: -- I'm sorry, yes. Okay. Defendant Margaret Reddy, Mohan Thaimarla, Max Global, Inc., I believe those are the ones

that are -- have responded. Okay? With respect to those Defendants, what specific evidence, aside from the DOJ complaint, which I understand -- I understand your reasoning, but that's not evidence for this case. And I say that with respect because there's no conviction and so I'm not even going to, you know, it's indicative of something, but it's not evidence that -- they haven't been convicted. Okay?

But to what -- so what specific evidence do you have that Defendants, the ones I've just named, were a part of this conspiracy at the time and that they were civilly -- before -- were part of this conspiracy before this transaction and maybe -- and during, that they are civilly liable regardless of their involvement in this specific action? What other information do you have? What other evidence do you have, aside from the Department of Justice's evidence?

MR. BALL: Yeah, Your Honor, within the documentation, the answers to interrogatories, both Margaret and Mr. Reddy, their own admissions that those transactions actually took place. In addition, I think it's very telling as to exactly the categories that the Reddys were asked to produce documentation of and didn't. They were asked to produce documentation of a statement of commissions from Tanenborn and Molasky, that's Mr. Weinstein's business, for the period of March 1st, 2016. They were asked to provide payment history and accounting, accounts of payments made to Mr. Mohan -- or, I'm sorry, his first name Mohan. And a number of other personal financial information was requested. Why else would they not produce that unless they had a criminal enterprise going that would result in issues to them bigger than

the contempt of court they were ultimately -- ultimately held in?

Also, -- so those components, Your Honor, a complete dearth of information, because they refused to provide it, number one. And number two, that transaction that they actually owned up to, the \$325,000 and \$330,000 transaction as testified to in the opposition, that, once again, had no paperwork proving its legality.

And, if I could, I know the Court pointed to the complaint. We talked a lot about -- of damages, and it's those damages that we submit these parties -- we may not show that. And, again, those are specific to the civil conspiracy, deceptive trade, and Nevada RICO. In fact, this was an ongoing enterprise, a criminal enterprise, by which all these parties made it happen, including Mohan and his company, Max Global, and doing so allowed this to flourish. Without their participation, it wouldn't -- it would not have happened.

So that's the evidence and, I guess, a little bit of a legal analysis as well.

THE COURT: Okay. Thank you.

And, Mr. Hejmanowski, --

MR. HEJMANOWSKI: Yes.

THE COURT: -- similar line of questioning, you know, I -- I want to know why the lack of evidence and the lack of a promissory note, or the lack of an investment contract -- promissory note or investment contract with mister -- Ms. Reddy or the Reddy -- both Reddy Defendants or -- definitely Ms. Reddy and Mr. Thalmarla and/or Max Global, Inc., where is the promissory note for that contract, for that loan

that they took? Where is the investment contract for the, you know, 360,000, 350, 340, whatever it was. We're looking at over, you know, closer to the 350s than the lower 3s. Where are the -- where is that evidence?

MR. HEJMANOWSKI: Well, --

THE COURT: Where is that evidence? And --

MR. HEJMANOWSKI: -- well, after Vijay's bankruptcy case, when he thought he had been discharged, he testified during his deposition that he purged most of his records. My understanding is that all of that information probably would've been part of that. But, I mean, I can't confirm that for a fact, but I can say that he had said that he purged most of his records.

And I do want to point out, Your Honor, although I, of course, was not representing Vijay during the bankruptcy, but my understanding is that with respect to Margaret's contempt for failure to produce her records, that the bank told her to close the account, because there was a, I guess, it's a MyPayroll/HR scandal where this person was basically stealing money from the payroll clients of, I believe, they were one of those. And so they closed the account and were told to open another one, and when they did they lost the old records. Now, again, you know, I wasn't representing them then, this is just my understanding.

My understanding is further that when the trustee was able to finally get those bank records when he subpoenaed them. But, again, that's just my understanding.

But in terms of why, you know, there's a dearth of information,

and I will agree with you there certainly is, you know, Vijay had said that he purged most of his records because he didn't need them anymore.

THE COURT: Okay. What about with respect to each material issue of fact? Were -- what -- the -- miss -- what issues that Ms. Margaret Reddy -- how does her inability to show any of this -- how does that affect the -- how does that make that a material issue of fact for a jury to decide?

MR. HEJMANOWSKI: Well, --

THE COURT: Does -- let me just ask you this, do conflicting explanations of transactions create issues of fact? Is that really how you create an issue of fact? Because there's a lot of case law, which I was reviewing last night and again earlier this morning, that says, you know, and I can cite the cases for you, they're all in the Plaintiff's motion. But, you know, that say there has to be more than a scintilla or, you know, those were words that they used, of evidence.

Yes, there's an affidavit but there's a mountain of information or, you know, there's also a mountain of lack of information. And one statement that they, you know, that they made in their affidavit, which I've reviewed each one of their affidavits several times, does that really -- is that conflicting explanation of transactions really create an issue of fact for the purposes of taking this forward to a jury trial? Given the -- how the case law in motions for summary judgment has evolved, does that really create that?

MR HEJMANOWSKI: Well, --

THE COURT: I have a duty as a judge to be the gatekeeper,

right? And you see -- I think you know from the past that I'm a very fair judge, and you don't have to celebrate it or not, but I really am. Okay? And I think it's critical to be a fair judge. But also I have a duty to take a look at a case and see is there really a material issue of fact in this case, whatever it is. If it's fair, then I have a duty to place this before the trier of fact, right?

MR. HEJMANOWSKI: Right. Right.

THE COURT: But we have to get past that. And is an allegation or just an explanation of transaction or why it was lost, is that really sufficient to create a material issue of fact that I should place before the trier of fact, being fair to all parties. Okay?

MR. HEJMANOWSKI: Right.

THE COURT: But also thinking about the time, the expense, the attorney's fees, and everything, for not just the Plaintiff, but for your clients. Is this really something that should go before the trier of fact? Is this really a material issue of fact? Does this really go over that threshold?

MR. HEJMANOWSKI: Well, I would say that you have statements from Mohan, you have statements from Margaret, and you have statements from Vijay, which are -- which are sworn, declared statements that what Plaintiff is saying is incorrect. So, yes, I do think that that is sufficient to oppose a motion for summary judgment. If we just had a, you know, if we just had a statement that wasn't declared, then I would agree. But I think that we're better saying, you know, they were part of this conspiracy because of these transactions, and my

clients are saying, no, these are what these transactions were about, and, by the way, they occurred before the transaction at issue.

Yes, I think it is sufficient to withstand summary judgment.

Personally, Your Honor, --

THE COURT: I'm sorry, I was muted.

MR. HEJMANOWSKI: -- I do --

THE COURT: I was muted. So I'm sorry.

MR. HEJMANOWSKI: Oh, no problem.

THE COURT: What I was saying to you -- and I just -- I'm going to repeat it -- is that the issue of before is actually very pertinent and very important with respect to a RICO claim or a conspiracy claim. Even, you know, for the entire scheme, even if they didn't benefit from this, as we've already discussed, that's very important. So the before is critical.

And with respect to the RICO action and the conspiracy, what are the specifics of the investment and the loan and the terms? Why don't we have more information about that? Just stating that that happened, why isn't there anything under oath that goes into the details about it? Just stating that this is what happened is one thing. Why not be able to give under oath the details of this as, you know, I know what details I've gone through generally when I purchase land. You know, whether it's bigger land or it's, you know, a home or a rental property. I know the details, the basic details of the loan the banks gave me for law school. I know the --

MR. HEJMANOWSKI: Sure.

THE COURT: -- basic details of the mortgage. I, you know, why don't I have anything -- why is there nothing before this Court, anything objective that they -- under oath that gives us the details of the terms of the loan with Defendant -- by Defendant Margaret and Mr. Thalmarla and then also Max Global? Mr. Thalmarla too, I believe, is -- not that this adds to it, but I believe that Mr. Thalmarla is Mr. Reddy's uncle.

MR. HEJMANOWSKI: That's correct.

THE COURT: I think that I read that in one of the depositions.

So why is there no more proof of any of this except for their declaration that says, well, this is what -- we had a loan -- or we had an investment for 340 or 50 or whatever it was, and then after that, a few months later, they loaned us the money. Okay. So Ms. Reddy and Mr. Reddy made an investment in the mine in Africa and India, I believe that's what it was. If I'm --

MR. HEJMANOWSKI: Yes.

THE COURT: -- misstating something, please correct me. And then, after that, Mr. Reddy doesn't agree that -- with something. I can't remember exactly what it was. I'm sure that Mr. Ball knows what it was. But that Ms. Reddy does state that she -- after they made the investment then Mr. Thalmarla and Global, Inc., or his company, gave them a loan for almost the identical amount of money. A little bit different, but --

MR. HEJMANOWSKI: Right.

THE COURT: -- [audio distortion] really. Okay? That they

were using to purchase their residential home. And why aren't there details about any of that or at least something that they've tried to recreate with their memory? I mean, it's not -- it's not so, so many transactions that they're unable to at least sit down and discuss the terms or do an affidavit -- or give anything to this Court. Right now, at this time, this Court does not have anything like that.

MR. HEJMANOWSKI: That's correct. And I --

THE COURT: That's correct.

MR. HEJMANOWSKI: -- don't have an answer for you.

THE COURT: You don't have -- okay. But you see -- you see --

[Simultaneous speaking]

MR. HEJMANOWSKI: I don't have a sufficient answer for you.

THE COURT: A what? I'm sorry.

MR. HEJMANOWSKI: I don't have a -- I don't have a -- I would not have a sufficient answer for you on that.

THE COURT: Understood.

[Simultaneous speaking]

THE COURT: So you see my responsibility, Counsel.

MR. HEJMANOWSKI: Of course.

THE COURT: You see my responsibility. And I take it very seriously and, frankly, I'm going to be very sincere with you and I say this with a tremendous respect for this Court, which I always have had since the day I took my oath to the day I leave, that it will be the same.

It's just to do -- to be fair and give people their day in court or to follow -- and to always follow the law and really weigh it. Okay? I take this very seriously. I don't -- it doesn't matter what the repercussions on my career are or not. As far as I'm doing it in an ethical manner and I'm truly following the law. And I know, Mr. Hejmanowski, that you've seen me do this before in other cases. Okay?

MR. HEJMANOWSKI: Yes.

THE COURT: I just want to know if there -- why this should go to a jury. And I don't believe, at this point, that I have sufficient evidence of a material issue of fact. Yes, I have -- I agree with you I have Ms. Reddy's declaration. I read it several times. Also, Mr. Mohan Thamarla. Also, on behalf of, you know, I believe Max Global, Inc. is also represented, you know, is an entity that Mr. Thamarla I know is either a manager or the member or, you know, he has a strong connection to this. Right?

So why -- so -- so what I'm saying is I don't believe that just an allegation from -- reading the law, look at *Anderson v Liberty Lobby, Inc.* Okay?

MR. HEJMANOWSKI: Mm-hmm.

THE COURT: And a lot of the governing law in Nevada as well. And, you know, --

MR. HEJMANOWSKI: Right.

THE COURT: -- they're all cited -- they're all cited in Plaintiff's -- in Plaintiff's motion. All right? Is there really a genuine issue of fact? A fact is material if it might affect the outcome of the suit under

governing law and the dispute as to a material --

MR. HEJMANOWSKI: Sorry, Judge, you cut out there.

THE COURT: Mr. Ball, can you hear me?

MR. BALL: I can hear you but you did -- you did cut out.

THE COURT: Okay. Mr. Hejmanowski, can you hear me?

MR. HEJMANOWSKI: I can hear you know. You did cut out before.

THE COURT: Okay. And, Ms. Ray, can -- am I on -- how's the record going?

THE COURT RECORDER: We heard you and then you did break out for a little bit, but now we can hear you clearly.

THE COURT: Okay. So what I was saying, and I don't know where I broke up, but this is very important. I have no specific terms of the loan. I have no specific terms of the investment that I've already discussed.

Was -- you did -- did you hear that part?

MR. HEJMANOWSKI: I did not, Your Honor.

THE COURT: Okay. So what I said was I have reviewed Ms. Reddy, Mr. Reddy, Mr. Thalmarla, and the Global, Inc. issues, and I've reviewed their declarations, Mr. Hejmanowski, that you've provided for this Court. And they're -- what they're saying is that they -- that they -- they make allegations that they were not involved in any of this. Right? And --

MR. HEJMANOWSKI: Correct.

THE COURT: -- and so what they're doing is they're -- do

conflicting explanations of a transaction really create an issue of fact that should go before a jury. Okay? I have no specific terms -- can you hear me now, because this is very important.

MR. HEJMANOWSKI: I can hear you.

THE COURT: That's why I'm repeating it, because I don't know where I cut off.

Okay. I have no specific terms of the investment by Mr. and Ms. Reddy or Ms. Reddy with respect to Mr. Thalmarla's mines in India and in Africa, and -- including Max Global, Inc., his -- the company that he is a principal in. I have no -- no -- after the investment, I have no terms that they've tried to recreate under oath. I have no evidence of that specific loan or investment -- that investment.

And then on the other -- and also, in addition, I have no evidence from any of those declarations what the terms of the loans were under oath. Nothing. I just have allegations that they occurred. And are allegations -- are conflicting explanations of transactions -- they're not even giving the explanations. They're just saying that they don't have evidence without even trying to recreate or going to [audio distortion.] Is that really sufficient for a -- for this Court, who has a tremendous responsibility to place this, is that -- does that create a material fact for a jury, for reasonable persons on the jury to make a decision? There's a lot of information lacking.

I think that's where we left off, Mr. Hejmanowski, and you said you couldn't give a complete answer, I believe. I don't want to miss -- but it -- that's my -- the sense that -- of what you said. Okay?

MR. HEJMANOWSKI: Yeah, I said -- I said I could not give you a sufficient answer as to why --

THE COURT: Correct.

MR. HEJMANOWSKI: -- the --

THE COURT: Correct.

MR. HEJMANOWSKI: -- terms of the loan and the documents

--

THE COURT: Right.

MR. HEJMANOWSKI: -- that were not provided.

THE COURT: Okay. And then let's go on then with -- we've talked about Defendant Reddy, we've talked about Defendant -- Mr. Vijay Reddy -- Defendant Margaret Reddy with respect to her loans, her and her spouses or just her investment. I also believe that there were payments just made to Ms. Reddy that weren't addressed significantly.

But in any case, I'd like now to move onto Defendant Thalmarla and Max Global, Inc.

MR. HAJMANOWSKI: Okay.

THE COURT: Mr. Ball?

MR. BALL: Thank you, Your Honor.

That evidence is what I mentioned earlier, specifically that the \$325,000 and \$330,000 transactions that, as this Court's pointed out, has a real lack of validity to it based upon the general explanations. The, again, this is admitted to testimony that those transactions took place. That they were -- and we submit that they were all part of this

criminal enterprise by which these parties could move monies in and out. Notably, the timing, as we've discussed in our reply, this was just prior to Mr. Vijay Reddy's bankruptcy. So, again, that lends some surroundings to it that this was part of just yet another branch of that scheme.

THE COURT: So let me understand for certain, Mr. Ball, you're saying that with respect to Defendants -- because I'm going Defendant by Defendant, I think it's very important, this is very serious -- Mr. Mohan Thalarla and Max Global, Inc., what are you specifically saying that the evidence is? I just want to make sure I get this right.

MR. BALL: Yes.

THE COURT: Just like I'm asking Mr. Hejmanowski the questions I need to make sure I understand what evidence, aside from the Department of Justice, which is not something I'm going to consider -- will not consider as evidence in this case. And with respect, just will not. They haven't been, as far as I know since reading this pleading, they have not been convicted.

So what evidence do you have with respect to Defendant Mohan Thalarla and Max Global, Inc., specifically? I'm sorry if I'm asking this again, but, you know, once I make --

MR. BALL: No --

THE COURT: -- a decision it's very important so.

MR. BALL: No problem.

THE COURT: It's important to consider all the thoughts, everyone's.

MR. BALL: Looking at the admissions and interrogatories, I'm

also looking at the opposition, there's specific reference to this investment in 2017 by which -- I'm looking at Mohan's declaration now -- that they, Vijay Reddy and Margaret Reddy, invested \$325,000 of their money into various mining and real estate projects in Africa and India. His relation to that is he, as he states, a major shareholder in these projects. Approximately eight months later Vijay and Margaret ask me for a \$330,000 loan to purchase their home. And then that's how that went forward. So as specific to Mohan, that's what we're submitting is that the -- that that transaction ties him into this.

Now, if I could just take a quick look at my notes for the question of Max Global, if the Court will bear with me.

Within the interrogatory -- response to interrogatory number ten, Margaret admits that she transferred \$325,000 to Thalmarla and Max Global as an investment. And, again, we have that differentiation. Mr. Reddy says that's not the case and that was rebutted by the bankruptcy trustee.

So that's where Max Global comes in, based upon her own testimony and admission.

THE COURT RECORDER: Judge, are you muted?

THE COURT: I'm so sorry. Okay. I'm going to start again.

All right. I have a question for Mr. Ball, after he just discussed that mister -- that Defendant Mohan and -- Mohan Thalmarla and Max Global, Inc., the corporation that he is a -- he essentially controls.

MR. BALL: Correct.

THE COURT: The question I have for you, just like I've had

questions for mister -- I'm sorry if I mispronounce your name -- for defense counsel, is while the financial transactions that you're discussing; right, again, and investment -- the loan -- in the admissions and interrogatories that they existed, do we have evidence that, you know, while they're suspicious, and they're not adequately explained, they really are not in this Court's view, do they by themselves prove the Defendants were members of the RICO conspiracy that defrauded Plaintiff? And this is a very important question, Mr. Ball.

MR. BALL: Understood.

This is all circumstantial arguments, Your Honor, to be frank, and the difficulty here is that we're trying to weave all this together based on what we're frankly not seeing. When we've asked for various records and what not, as we've already explained today, those were simply not forthcoming and the Court's pointed that out numerous times. So, based on that, it's circumstantial, it's based on what we have seen, what was discovered prior to the filing of the lawsuit and necessitating Max Global as a party. And just what we're trying to add up here, which we submit is more than persuasive.

So, you know, it's these clues that make us -- that this evidence, these admissions from Margaret and others that lend -- lead us to these arguments. And, again, it's -- we submit has to be taken as a whole.

THE COURT: Thank you.

Mr. Hejmanowski.

MR. HEJMANOWSKI: Your Honor, I would just say that there

is no evidence that there were ongoing transactions between Margaret, Mohan, and Max Global for a number of years. These are two isolated transactions. And as the Court rightly pointed out, those two isolated transactions, in and of themselves, do not establish that they were part of some conspiracy, that evidence alone.

THE COURT: Okay. And anything else, Mr. Ball, with respect to Defendants Thalmarla and Max Global, and, I guess, in addition to Ms. Reddy?

MR. BALL: Just the last thing, and, again, somewhat more circumstantial. Looking at, as we've set it forth, the transfers of money, followed by the bankruptcy, the judgment which I think it's been argued whether that's fraudulent or not, and the timing is that -- all of that is hiding money to insulate these parties from the fraud and repercussions of that. So, you know, that's what we are seeing and what I would argue here today.

THE COURT: All right. It's 12 o'clock and we've been in -- we've been in hearings for a while, and this is what I'd like to do, I would like to be sure that we take a break for an hour so that my team, who's working very hard today, and generally, has a chance to take the break that they're allowed to take by law because I like to follow all the rules. I would move through it and I'm sure they might even volunteer to, but I want to be sure that I'm respecting their employment terms. And I have a 2 o'clock -- I have a 2 o'clock calendar. I would like to bring you back at 1:15 so that I can give you a rational decision including everything so I can sit down and take a look at it because I want to move forward on this

case and I think I have enough, more than enough to make a decision.
Okay?

And I'd like Mr. Hejmanowski and Mr. Ball to be on that one --
actually, you just need to log back into this BlueJeans at 1:15.

Are you able to do that, Mr. Ball and Mr. Hejmanowski?

MR. HEJMANOWSKI: Yes, Your Honor.

MR. BALL: Your Honor, --

THE COURT: Okay.

[Simultaneous speaking]

MR. BALL: -- Your Honor, unfortunately I have a 1 o'clock
real estate hearing with -- an ethics hearing which we're prosecuting on
behalf of a client. So I -- unfortunately I've got a conflict. I know that my
clients are very interested in what you have to say.

Is there, you know, if there's another time. I can't guarantee
that I'll be done today. I wouldn't want that conflict.

[Simultaneous speaking]

THE COURT: Well, I have a doctor's appointment that I
absolutely cannot miss across town --

MR. BALL: Okay.

THE COURT: -- at 3:45. I cannot miss it.

MR. BALL: Okay.

THE COURT: It's a significant appointment. Otherwise I
would reschedule it. And it's all the way across town during traffic, but
it's the only one that I could -- was able to get.

So I have a 2 o'clock 16.1. I could arrange for -- I don't want

to have to sit down and write an order on this, because I'm ready to rule from the bench. I just need to be able to collect myself a little bit.

Let me go -- I'm going to take a recess, and I'm going to have a discussion and see if someone else can maybe pick this up in a few minutes so that I'm not bidding anyone's time. Okay?

MR. BALL: Understood.

MR. HEJMANOWSKI: Very good, Your Honor.

THE COURT: Ready for recess right now. All right. Thank you.

MR. HEJMANOWSKI: Great. Thank you.

MR. BALL: Thank you, Your Honor.

THE MARSHAL: The court is now in recess.

[Recess taken at 12:04 p.m.]

[Proceedings resumed at 12:34 p.m.]

THE COURT: Okay. Is everyone ready? This is Judge Escobar. I took a few more minutes, but I'm ready to come back.

THE MARSHAL: Yes, Your Honor. Department 14 is back in session. The Court and everyone is present.

THE COURT: Okay. Very good.

Do I have -- madam clerk are you there and Ms. Ray --

THE COURT RECORDER: I'm here.

THE COURT: -- are you there?

THE CLERK: Yes, Judge, I'm present.

THE COURT: Okay. Very good.

And Mr. Hejmanowski and Mr. Ball, are you there?

MR. HEJMANOWSKI: This is Kevin Hejmanowski. I'm here.

THE COURT: Okay. And Mr. Ball.

MR. BALL: This is Zack Ball. I'm here.

THE COURT: Okay. Very good.

All right. So I want to make -- please let me know immediately if I go out like last time, because I want to make sure that we get through this and we can move forward after this.

All right. Let me go through the complaint and -- all right. So first and foremost, with respect to Defendants Weinstein, Medappeal -- wait, no, forgive me -- Weinstein and is it Medasset Corporation, is that correct?

MR. BALL: Correct.

THE COURT: Okay. Also Defendant Brown and Visionary Business Brokers, LLC. First and foremost, they have not opposed this motion and therefore summary judgment is granted as a matter of -- their lack of -- their failure to oppose.

And also, this Court -- in this Court's view, with respect to mister -- the Plaintiff's motion, there's more than enough evidence to show, also on the merits, that these Defendants, Mr. Weinstein, Mr. Brown, Medasset Corporation, and Visionary Business Brokers have -- there is no material issue of fact. Okay?

I've reviewed it. This is going to be -- you're going to get probably a CD of this and it goes in depth. My analysis has been ongoing too throughout this. So please include the points I've made before. And also with respect to those Defendants -- so with respect to

civil procedure, their lack of opposition, and also on the merits, I grant -- this Court grants summary judgment, those four.

All right. Now, let's talk about Defendant Vijay Reddy. Okay. Mr. Reddy had -- just to -- I know I've discussed this again, but we have it all in one area. Mr. Reddy agreed to provide a reference for mister -- to -- that Mr. Brown requested for perspective purchaser as my discussion with Mr. Hejmanowski earlier to, you know, leads -- a reference is used as something positive to induce someone to hire someone or to enter, in this case, to enter into a business. Mr. Reddy, Vijay Reddy, knew and he was in a position -- he knew and was in possession of information that a reasonable prudent investor would want to consider in determining to go forward with an investment. Okay? It's really simple.

Three, Mr. Reddy intentionally withheld, not just a felony conviction that was 12 years old for fraud, but dealt with veracity as I indicated before. He also withheld other information that he had in his possession that reflected poorly on Mr. Weinstein's business ethics and practices. That he knew -- that Mr. Reddy knew that a reasonable prudent investor would want to know about to at least consider in determining to invest in this case, let's say. Okay?

With that knowledge he focused on only discussing positive and he, in this Court's view, he intentionally omitted -- and the information that he has in his possession concerning Mr. Weinstein in order to mislead the Plaintiff into believing that there were no red flags concerning Mr. Weinstein's past behavior, that it should deter a person

that is a reasonable investor. And by doing that he encouraged the Plaintiff to move forward. That -- given all of those things I just discussed, given the long term and ongoing business relationship that he had with Mr. Weinstein. Okay? And he knew of Mr. Brown's involvement. But Mr. Weinstein, he knew that this existed. All right? So when you put those things together, this Court grants summary judgment with respect to Defendant Vijay Reddy. Okay?

Now, with respect to -- now we're talking about Margaret Reddy. We're talking about -- okay. So we're talking about Defendant Margaret Reddy, Defendant Mohan Thalmara, and Max Global, Inc. Okay. All right. These Defendants, before the bankruptcy and definitely before this transaction that Plaintiff made, at some point they joined and agreed, in essence, to launder money from a criminal enterprise possibly or to join in a conspiracy -- this is a civil case -- to launder money or conceal the money. Okay?

And as I indicated before, whether it's a criminal standard or not is not an issue because this is a civil case. But if they knew that these transactions, you know, we -- what I have from them are three statements or three -- three allegations in their declarations that say that they did not -- they are not -- that is not sufficient as I indicated before, under *Anderson v Liberty Lobby*, under many of the other Nevada cases -- of the cases in Nevada law. There has to be more than a scintilla of evidence. There has to be something that backs up those allegations and they purged it, that was up to them, you know.

I'm not -- the bottom line is this Court doesn't have anything

but allegations, and there is no material issue of fact with respect to those transactions or the allegations in their declarations which is all, really, that I have before me and anything that Mr. Hejmanowski has referred to, to send this to a jury. It would be irresponsible in this Court's view to do that. Okay? The lack of evidence -- in a transaction, what -- it doesn't -- by the way, only two transactions. It doesn't matter. It can only be one. Okay?

The lack of evidence when you're talking about a \$350,000 transaction, the fact -- and the fact that they haven't even tried to recreate it, knowing that Mr. Thalmarla is related to Mr. Reddy. So Ms. Reddy should theoretically have access to this Defendant and be able to, at least, recreate the terms of the investment for 350 or more thousand dollars in a mine in India or Africa. There's no facts. Nothing specific. You know, they -- their practice was to purge, but the problem is there's a lack of evidence here. And that type of evidence in a 350,000, whatever, or just under or just over transaction, and then a loan for that amount, there is no evidence. And a transaction like that is reasonable to expect evidence to back up their allegations. Okay?

So there is no evidence to -- with respect to those allegations -- in those declarations so that -- and there should be evidence in this type of a case. 350,000 investment in a mine in Africa and India, and/or India, it's reasonable to have evidence or that they should've tried to provide some sort of -- talk to the principal of the mine, Mr. Thalmarla, and so forth. I don't have anything. There -- this Court has nothing before it. Vague allegations in their declarations are -- do

not constitute a genuine issue of material fact. Okay?

They have to have credible evidence to support those allegations, and this Court finds there is no credible evidence, before this Court, in this motion to take -- to create a material issue of fact with respect to Defendant Margaret Reddy, Defendant Mohan Thaimarla, and/or Defendant -- and also Defendant Max Global, Inc. There is no evidence.

And I -- and that's it. That's my decision. Summary granted -- summary judgment is granted as to all of the Defendants.

And, Mr. Ball, I'd like you to prepare an extremely detailed order. I'd like Mr. Hejmanowski to take a look at it as to form and content. I want that in 14 days, please, pursuant to the rules.

MR. BALL: We will do so.

THE COURT: And I think there's more [audio distortion] of -- throughout this hearing to the point that I -- this Court is asking and sincerely trying to find out -- it's all there, it's all in black and white. There's nothing that I say in court that can't be published, because it's public policy and I don't have anything to hide as a judge. So that's the decision.

And I hope you have a great day, Mr. Ball and Mr. Hejmanowski, and all the others that are on the line.

Thank you to my team, you know, in court.

Thank you everyone for helping me with your schedules, and I'm going to sign off, and I'll see you at 2 o'clock. Okay?

MR. HEJMANOWSKI: Thank you, Your Honor.

MR. BALL: Thank you, Your Honor.

THE COURT RECORDER: Thank you.

[Proceedings concluded at 12:45 p.m.]

* * * * *

ATTEST: I do hereby certify that I have truly and correctly transcribed the audio/video proceedings in the above-entitled case to the best of my ability. Please note: Technical glitches in the BlueJeans system resulting in audio/video distortion and/or audio cutting out completely were experienced and are reflected in the transcript.



Stacey Ray
Court Recorder/Transcriber

Exhibit 43



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10 *Liberty Consulting & Management*
11 *Services, LLC*

7
8 **DISTRICT COURT**
9 **CLARK COUNTY, NEVADA**

10 MEDAPPEAL, LLC, An Illinois Limited
11 Liability Company,

12 Plaintiffs,

13 vs.

14 DAVID WEINSTEIN, VIJAY REDDY,
15 MARGARET REDDY, MOHAN
16 THALMARLA, KEVIN BROWN, MAX
17 GLOBAL, INC., VISIONARY BUSINESS
18 BROKERS LLC, MEDASSET
19 CORPORATION, and DOES 1-50,

20 Defendants.

21 MEDASSET CORPORATION, a Nevada
22 Corporation,

23 Counterclaimant,

24 v.

25 MEDAPPEAL, LLC, an Illinois Limited
26 Liability Company,

27 Counter-Defendant.
28

Case No.: A-19-792836-C

Dept. No.: 14

**NOTICE OF ENTRY OF ORDER
REGARDING FINDING OF FACT
AND CONCLUSIONS OF LAW
GRANTING PLAINTIFF
MEDAPPEAL, LLC'S, MOTION FOR
SUMMARY JUDGEMENT**

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11 *Services, LLC*

12
13 **DISTRICT COURT**
14
15 **CLARK COUNTY, NEVADA**
16

17 MEDAPPEAL, LLC, An Illinois Limited
18 Liability Company,

19 Plaintiffs,

20 vs.

21 DAVID WEINSTEIN, VIJAY REDDY,
22 MARGARET REDDY, MOHAN
23 THALMARLA, KEVIN BROWN, MAX
24 GLOBAL, INC., VISIONARY BUSINESS
25 BROKERS LLC, MEDASSET
26 CORPORATION, and DOES 1-50,

27 Defendants.
28

Case No.: A-19-792836-C

Dept. No.: 14

**NOTICE OF ENTRY OF ORDER
REGARDING FINDING OF FACT
AND CONCLUSIONS OF LAW
GRANTING PLAINTIFF
MEDAPPEAL, LLC'S, MOTION FOR
SUMMARY JUDGEMENT**

1 MEDASSET CORPORATION, a Nevada
2 Corporation,

3 Counterclaimant,

4 v.

5 MEDAPPEAL, LLC, an Illinois Limited
6 Liability Company,

7 Counter-Defendant.
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MEDASSET CORPORATION, a Nevada
Corporation,

Third-Party Plaintiff,

v.

LIBERTY CONSULTING &
MANAGEMENT SERVICES, LLC, an
Illinois Limited Liability Company,

Third-Party Defendant.

TO: ALL PARTIES and their ATTORNEYS.

PLEASE TAKE NOTICE of the following Findings of Fact and Conclusions of Law
Granting Plaintiff Medappeal, LLC's Motion for Summary Judgment. A copy of said Order is
attached hereto.

DATED this 18th day of June, 2021.

THE BALL LAW GROUP

/s/ Zachary T. Ball

Zachary T. Ball, Esq.

Nevada Bar No. 8364

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Attorney for *Medappeal LLC and
Liberty Consulting & Management
Services, LLC*

CERTIFICATE OF SERVICE

I hereby certify that the foregoing **NOTICE OF ENTRY OF ORDER REGARDING FINDING OF FACT AND CONCLUSIONS OF LAW GRANTING PLAINTIFF MEDAPPEAL, LLC'S, MOTION FOR SUMMARY JUDGEMENT** was electronically filed with the Eighth Judicial District Court on the 18th day of June, 2021. Electronic service of the foregoing document shall be sent by the Court via email to the addresses furnished by the registered user(s) pursuant to N.E.F.C.R. 9(b) and 13(c) and as shown below:

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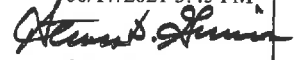
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CLERK OF THE COURT

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DISTRICT COURT

CLARK COUNTY, NEVADA

MEDAPPEAL, LLC, An Illinois Limited
Liability Company,

Plaintiff,

vs.

DAVID WEINSTEIN, VIJAY REDDY,
MARGARET REDDY, MOHAN
THALMARLA, KEVIN BROWN, MAX
GLOBAL, INC., VISIONARY BUSINESS
BROKERS LLC, MEDASSET
CORPORATION, and DOES 1-50,

Defendants.

MEDASSET CORPORATION, a Nevada
Corporation,

Counterclaimant,

v.

MEDAPPEAL, LLC, an Illinois Limited
Liability Company,

Counter-Defendant.

MEDASSET CORPORATION, a Nevada
Corporation,

Third-Party Plaintiff,

v.

LIBERTY CONSULTING &
MANAGEMENT SERVICES, LLC, an Illinois
Limited Liability Company,

Third-Party Defendant.

Case No.: A-19-792836-C

Dept. No.: 14

**FINDING OF FACT AND
CONCLUSIONS OF LAW GRANTING
PLAINTIFF MEDAPPEAL, LLC'S,
MOTION FOR SUMMARY
JUDGEMENT**

THE BALL LAW GROUP
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**FINDING OF FACT AND CONCLUSIONS OF LAW GRANTING PLAINTIFF
MEDAPPEAL, LLC'S, MOTION FOR SUMMARY JUDGEMENT**

This matter came before the Court on April 29, 2021 on Plaintiff/Counterdefendant Medappeal, LLC ("Medappeal") Motion for Summary Judgment as to all claims against and by Defendant/Counterclaimant/Third-Party Plaintiff Medasset Corporation ("Medasset") and individual defendants David Weinstein ("Weinstein"), Vijay Reddy ("V. Reddy"), Margaret Reddy ("Margaret"), Mohan Thalarla ("Thalarla"), Kevin Brown ("Brown"), and corporate entities Max Global, Inc. ("Global"), and Visionary Business Brokers LLC ("Visionary") (collectively "Defendants") (the "Motions for Summary Judgment"). The Motion for Summary Judgment having been reviewed, the Court hereby enters the following Findings of Fact and Conclusions of Law.¹

I. FINDINGS OF FACT

1. Defendants defrauded \$75,000.00 from Medappeal in an online scheme posing as business brokers, sellers and trainers, wherein Defendants sold worthless business opportunities to at least a dozen other victims before they identified Medappeal as their next victim.
2. The scheme commenced in 2018, when Defendant Brown, through Visionary, posted a listing on the website BizQuest.com offering for sale an opportunity to purchase a Medical Billing Appeal and Credentialing business (the "Accounts").
3. Medappeal responded to the advertisement, and Brown, acting as a "business broker" arranged phone conferences between Medappeal and Defendants Weinstein and Medasset.
4. After a series of calls with Brown, Weinstein, and V. Reddy, Medappeal purchased

¹ To the extent any Finding of Fact should be properly designated a Conclusion of Law, it shall be deemed a Conclusion of Law. To the extent any Conclusion of Law should properly be designated a Finding of Fact, it shall be deemed a Finding of Fact.

- 1 Defendants' "business opportunity."
- 2 5. Defendants instructed Medappeal to form a new corporation, with a name similar to
- 3 Medasset, as Defendants were to provide Medappeal with transferable client agreements,
- 4 and transferring these contracts to a company with a similar name would avoid confusion.
- 5 6. However, before Medappeal could form a new corporation, Weinstein insisted Medappeal
- 6 sign the Purchase Agreement immediately, as Weinstein claimed he had client accounts
- 7 ready to transfer.
- 8
- 9 7. As Medappeal made clear in an email to Defendants, Medappeal was hesitant to sign
- 10 Defendants' Purchase Agreement prior to forming a new corporation. Medappeal's
- 11 principal sent an email to Defendants asking if it was better to wait and sign the Agreement
- 12 after the new corporate entity was formed, or if Medappeal's principal should sign the
- 13 contract as "Liberty Consulting & Management Services, LLC (on behalf of a company to
- 14 be formed later)." Medappeal's principal clearly expressed reservations about signing the
- 15 contract this way, telling Defendants, "I'd prefer to wait and register the new company as
- 16 the real name David (Weinstein) will use, rather than register a company and then do a
- 17 DBA."
- 18
- 19 8. In response to Medappeal's concern, Brown emailed Medappeal stating, "I just checked
- 20 with David (Weinstein) and he said yes, that is exactly how to sign it." In deposition
- 21 testimony, Brown reiterated that Weinstein told him to have Medappeal sign the Purchase
- 22 Agreement knowing full well that the contract would immediately be assigned to a newly
- 23 formed entity. Brown unambiguously stated that Weinstein knew and approved of the
- 24 Purchase Agreement being signed "on behalf of a company to be formed later."
- 25
- 26 9. According to the terms of Defendants' Executive Summary with Medappeal, Defendants
- 27 agreed to provide Medappeal with "all the tools, training, support and clients necessary for
- 28

- positive cash flow” to run a Medical Billing/Appeals business.
10. The Purchase Agreement contained Defendants’ promise to provide Medappeal with client accounts via transferable contracts. Under the terms of the Agreement, Defendants promised to provide Medappeal with sixty (60) client contracts for billing/appeals work and thirty (30) client contracts for medical insurance credentialing work.
11. As payment for this “business opportunity”, Medappeal wired Defendants \$75,000.00 and signed a promissory note for \$50,000.00. According to the Purchase Agreement, the promissory note would be due *only after* “60 medical appeals clinics have been assigned and 30 medical credentialing applications have been requested.” Emphasis added.
12. The crux of the “business opportunity” sold to Medappeal was Defendants’ promise to provide a specific number of transferable client contracts. The business listing which, according to Brown was written by Weinstein, states that Defendants were selling “over 30 separate offices for Medical Credentialing” and “[o]ver 60 separate offices for Medical Appeals.” The Executive Summary (also authored by Weinstein, according to Brown’s testimony), states that “this business opportunity for sale is a book of business contracts with Health Care Providers.”
13. When Brown was asked if “what was being sold and described by yourself (Brown) and Weinstein was assignable contracts with clients and medical offices,” Brown unequivocally testified, “Yes.” Brown also testified that the sale of specific numbers of client contracts is consistent with the numerous prior deals he brokered on behalf of Weinstein and V. Reddy.
14. Medappeal signed the Purchase Agreement with Defendants on May 3, 2018.
15. From the period of May 2018 to mid-September 2018, Defendants provided Medappeal with a total of three (3) contracts for billing/appeals, zero (0) contracts for medical

1 insurance credentialing, and one (1) contract for billing, which did not conform to
2 Defendants' "business model."

3 16. Regarding the non-conforming contract, V. Reddy explicitly told Medappeal, "[i]f this
4 client doesn't work, it will simply be replaced at no penalty to you guys."

5 17. Besides the above-mentioned four contracts, no other client accounts were provided nor
6 even offered to Medappeal. The four contracts were inclusive of both medical appeals and
7 medical billing accounts, as Medappeal explicitly told Weinstein, "We are ok with doing
8 straight billing or a combination if that is an option."
9

10 18. This situation was not unique to Medappeal; V. Reddy and Weinstein also failed to fulfill
11 medical billing agreements with *at least seven* other victims (Dr. Craig Ramsdell, Dr.
12 Kalpana Dugar, Mr. Jason Pullar, Mr. Anthony Campagna, Blue Sky Med-Office, Mr.
13 Anthony Holmes, and Ms. Tammy Decker).
14

15 19. Of the three accounts received by Medappeal, only one generated any revenue totaling
16 approximately \$300.00.

17 20. Medappeal's principals tried multiple times to reach Defendants Weinstein, Reddy, and
18 Brown to discuss their lack of performance, lack of communication, and what was turning
19 out to be a totally misrepresented and nonviable "business opportunity."

20 21. Brown never returned a single phone call nor responded to Medappeal's emails after he
21 received his money. *Id.* Similarly, Weinstein never returned Medappeal's many phone calls
22 and was largely unresponsive to Medappeal's emails.
23

24 22. When Medappeal asked V. Reddy about the status of the Purchase Agreement and
25 Weinstein's lack of communication, V. Reddy provided excuses ranging from a slow-down
26 in the billing industry, summer holidays, and Weinstein being unavailable due to travel.

27 23. On September 18, 2018, Medappeal sent an email to Brown and Weinstein highlighting
28

1 their failure to perform, and providing them with an opportunity to either: (1) refund
2 Medappeal's money, or (2) provide assurances as to their willingness and ability to perform
3 as promised.

4 24. Brown testified as to: (1) receiving Medappeal's email, (2) not responding to Medappeal,
5 and (3) discussing Medappeal's email and concerns with Weinstein. In his own words,
6 Brown stated, "Well, I did not respond to the Johnsons (Medappeal's principals). I
7 contacted Weinstein and advised him to, you know, resolve it, take care of it. Whatever
8 was going on I didn't know, but reach out to them and make them whole."

9
10 25. Brown testified that his conversation with Weinstein took place over the phone, and that
11 during their discussion, Weinstein told him, "I will take care of it." Brown does not dispute
12 Medappeal's allegations that Weinstein never responded to the email nor contacted
13 Medappeal in any manner.

14 26. The Defendants do not present any information regarding their business dealings as the
15 Defendants claim to have destroyed their business records or claim they cannot recall any
16 relevant factual details pertaining to their business activities.

17
18 27. V. Reddy testified that he purged all his business records, including all emails.

19 28. Brown similarly testified to having destroyed all of his business records. Brown testified
20 that his policy was "after 90 days, I get rid of all my records. I destroy them." When asked
21 again about document retention, Brown elaborated that every month he goes through
22 business records in his possession and destroys any record more than three months old.

23
24 29. Weinstein also testified to having destroyed any relevant business records and cannot recall
25 the facts surrounding any of his business transactions. In response to Medappeal's
26 Interrogatories requesting Defendants Weinstein and Medasset identify the persons or
27 entities they sold medical billing, appeals, credentialing, and answering services to,
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1 Defendants Weinstein and Medasset responded, "Defendant no longer has the related files
2 in his custody, control, or possession and cannot recall the information requested by this
3 interrogatory."

4 30. Weinstein is a convicted felon for fraud.

5 31. Weinstein previously received Emergency Cease and Desist Orders regarding his "business
6 activities" from at least seven states.

7 32. Weinstein and the companies he founded, owned and operated were named as defendants
8 in a Complaint filed by the Department of Labor.

9 33. A Complaint filed by the Office of the United States Trustee, US DOJ, described Weinstein,
10 Brown, and V. Reddy as engaging in a multi-year, multi-state scam, and listed seven
11 victims, including Medappeal, who were defrauded by Defendants.

12 34. Weinstein and V. Reddy have been sued multiple times in other jurisdictions for the same
13 or substantially similar scam they perpetrated against Medappeal.

14 35. V. Reddy was a ready and willing conspirator with Weinstein. To induce the sale,
15 Defendants Weinstein and Brown provided Defendant Vijay Reddy as a reference.

16 36. V. Reddy was not a disinterested third-party reference, as represented by Weinstein, Brown,
17 and V. Reddy to Medappeal. Weinstein and Brown in fact had a business relationship with V.
18 Reddy that went back to at least 2009.

19 37. V. Reddy was introducing Weinstein as a business associate as early as February of 2009.

20 38. V. Reddy held himself out as merely Weinstein's customer (a successful one) and not a
21 business partner.

22 39. V. Reddy also did not mention the past and pending lawsuits against himself relating to the
23 same or similar business operations, nor did he mention all of the complaints he personally
24 received from his involvement in these transactions.

25 40. Additionally, V. Reddy did not disclose the numerous failed similar business attempts (by
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1 himself, Brown, and Weinstein), lawsuits, and the criminal background of Weinstein, which
2 he knew of at the time of his conversation with Medappeal.

3 41. Defendants had concurrent and conflicting obligations to provide client accounts to other
4 individuals at the time Defendants were to provide Medappeal with the various accounts
5 pursuant to the Purchase Agreement.

6 42. Defendants did not disclose this conflict of interest, nor did they disclose their inability to
7 fulfill these prior agreements.

8 43. Additionally, Defendant V. Reddy's bankruptcy proceeding revealed that proceeds from
9 Defendants' scam operation were laundered through Defendants Margaret Reddy, Max
10 Global, and Mohan Thalmarla.

11 44. The Bankruptcy Trustee for V. Reddy's bankruptcy specifically described the transactions
12 wherein money was laundered through Defendants Margaret Reddy, Max Global, and
13 Mohan Thalmarla as "fraudulent transfers."

14 45. Additionally, there are Federal Criminal Complaints detailing additional fraudulent activity
15 akin to that described in this matter, per sworn and attested statements by FBI Special
16 Agent James Webb and approved by Assistant U.S. Attorneys Daniel A. Friedman and
17 Diana V. Carrig.
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20 **III. CONCLUSIONS OF LAW**

21 **A. MOTION FOR SUMMARY JUDGMENT STANDARD**

22 1. Summary judgment is proper when there is no genuine issue of material fact and the
23 movant is entitled to judgment as a matter of law. NRCP 56(c); *see also Wood v.*
24 *Safeway, Inc.*, 121 Nev. 724, 730, 121 P.3d 1026, 1030 (2005). After the movant has
25 carried its burden to identify issues where there is no genuine issue of material fact, the
26 non-moving party must "set forth specific facts demonstrating the existence of a genuine
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- 1 issue for trial or have summary judgment entered against him." *Wood*, 121 Nev. at 732.
- 2 Summary judgment is particularly appropriate where issues of law are controlling and
- 3 dispositive of the case. *American Fence, Inc. v. Wham*, 95 Nev. 788, 792, 603 P.2d
- 4 274,277 (1979).
- 5 2. The parties must prove their claims and affirmative defenses by a preponderance of the
- 6 evidence. *See* Nev. J.I. 2EV.1. Under Nevada law, "[t]he term 'preponderance of the
- 7 evidence' means such evidence as, when weighed with that opposed to it, has more
- 8 convincing force, and from which it appears that the greater probability of truth lies
- 9 therein." Nev. J.I. 2EV.1; *Corbin v. State*, 111 Nev. 378, 892 P.2d 580 (1995) (regarding
- 10 entrapment, "[p]reponderance of the evidence means such evidence as, when weighed
- 11 with that opposed to it, has more convincing force and the greater probability of truth.").
- 12 3. When ruling on a motion for summary judgment, the court may take judicial notice of the
- 13 public records attached to the motion. *See, e.g., Anderson v. County of Nassau*, 297 F.
- 14 Supp. 2d 540, 544-45 (E.D.N.Y. 2004); *In re Bayside Prison Litig.*, 190 F. Supp. 2d 755,
- 15 760 (D. N.J. 2002). The recorded documents attached to Chase's Motion are referenced in
- 16 the Complaint and/or are public records of which the Court may, and did, take judicial
- 17 notice. *See* NRS 47.150; *Lemel v. Smith*, 64 Nev. 545, 566 (1947) ("Judicial notice takes
- 18 the place of proof and is of equal force.") (citation omitted). "Documents accompanied by
- 19 a certificate of acknowledgment of a notary public or officer authorized by law to take
- 20 acknowledgments are presumed to be authentic." NRS 52.165.
- 21 4. Nevada law draws no distinction between circumstantial and direct evidence. *Deveroux v.*
- 22 *State*, 96 Nev. 388, 391 (1980); Nev. J.I. 2EV.3 ("The law makes no distinction between
- 23 the weight to be given either direct or circumstantial evidence. Therefore, all of the
- 24 evidence in the case, including circumstantial evidence, should be considered...").
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B. DEFENDANTS BREACHED THE CONTRACT WITH MEDAPPEAL

5. In the absence of ambiguity or other factual complexities contract interpretation presents a question of law that the district court may decide on summary judgment. *Galardi v. Naples Polaris, LLC*, 129 Nev. 306, 309, 301 P.3d 364, 366 (2013) citing *Ellison v. Cal. State Auto. Ass'n*, 106 Nev. 601, 603, 797 P.2d 975, 977 (1990).
6. In order to prevail on a breach of contract claim, a party must prove: (1) the existence of a valid contract; (2) a breach of the contract (a failure to render performance of obligations when due); (3) that the breach, if any did not excuse performance by the other party; (4) that the alleged breach was not a result of the other party's failure to perform a condition precedent; (5) that damages were sustained; (6) the amount of damages are proved to a reasonable degree of certainty; (7) the damages were a foreseeable consequence of a particular breach. *See Dachner v. Union Lead Mining and Smelter Co.*, 65 Nev. 313, 195 P.2d 208 (1948).
7. When a contract is unambiguous and neither party is entitled to relief from the contract, summary judgment based on the contractual language is proper. *Allstate Ins. Co. v. Fackett*, 125 Nev. 132, 137, 206 P.3d 572, 575 (2009).
8. Medappeal has established each element for a breach of contract claim by way of Defendants' own admissions and discovery production. Defendants do not dispute that they had a valid contract with Plaintiff.
9. Additionally, Defendants do not dispute that Medappeal wired the \$75,000 initial payment to Defendant Visionary as required under the Agreement.
10. Defendants admit that they did not fulfill the terms of their Agreement with Medappeal; i.e., that they did not provide Medappeal with 60 assignable medical appeals/billing contracts and 30 assignable medical credentialing contracts.

11. Defendants acknowledge that Medappeal contacted V. Reddy, Weinstein, and Brown multiple times to try and discuss their significant lack of performance, and were ignored or avoided each time.

12. As a result of Defendants' failure to perform, Medappeal suffered financial harm to include loss of the initial payment, and the costs associated with starting and running a business. Medappeal also lost considerable sums of money in pursuing legal action against Defendants for their failure to perform. These damages were a natural and foreseeable consequence of Defendants' breach.

C. DEFENDANTS COMMITTED FRAUD UPON MEDAPPEAL

13. Intentional misrepresentation is established by three factors: (1) a false representation that is made with either knowledge or belief that it is false or without a sufficient foundation, (2) an intent to induce another's reliance, and (3) damages that result from this reliance. *Nelson v. Heer*, 123 Nev. 217, 225, 163 P.3d 420, 426 (2007).

14. A plaintiff must establish fraud by clear and convincing evidence. *Unruh v. Udall*, 269 F. Supp. 97, 99 (D. Nev. 1967). An essential factual issue in intentional misrepresentation is whether the action of the Defendant was with the intent to induce another's reliance. *JS Prod., Inc. v. Practical Goods Grp., Inc.*, 2010 WL 3885320, at *2 (D. Nev. 2010).

15. A measure of fraud damages allows the defrauded party to recover what he has lost out of pocket that is the difference between what he gave and what he actually received. *Collins v. Burns*, 103 Nev. 394, 398–99, 741 P.2d 819, 822 (1987).

16. Medappeal has proven Defendants fraudulent actions in abundance.

17. As a result of their Defendants' false representations, Medappeal purchased Defendants' fraudulent "business opportunity" for \$125,000.00.

18. Consequently, Medappeal lost significant sums of money, including the initial payment of \$75,000. Medappeal's allegations of fraud are supported by clear and convincing evidence, as the evidence consists of Defendants' own testimony taken from their sworn depositions.

**1. V.REDDY MISREPRESENTED WEINSTEIN TO CREATE TRUST IN
FURTHERANCE OF THE SCHEME**

19. It is not disputed that Defendants Weinstein and Brown presented V. Reddy as a business reference for Medasset to Medappeal.

20. At no time did Defendants Weinstein, V. Reddy, and Brown disclose their longstanding personal and professional relationship with one another to Medappeal.

21. Defendants also admit that they never told Medappeal about the near-universal failure of their business model and the resulting complaints and multiple lawsuits.

22. Defendants only spoke of years of success with the "business opportunity."

23. V. Reddy admitted to his fraudulent conduct during his June 26, 2020 deposition.

24. V. Reddy admits that he acted as a business reference and "vouched for David Weinstein" to Medappeal.

25. V. Reddy admits he did not disclose to Medappeal his longstanding business relationship with Defendant Brown and Defendant Weinstein, in which all parties had profited off of the sale of the same or similar "business opportunity" now being offered to Medappeal.

26. V. Reddy also admits he did not inform Plaintiff of Weinstein's status as a convicted felon for fraud, despite knowing this at that time to be true.

27. V. Reddy did not disclose to Medappeal the numerous failed business deals he and Weinstein sold (and profited off) together.

28. V. Reddy could not identify a single satisfied customer of his or Mr. Weinstein.

29. Despite being unable to identify a single happy customer, V. Reddy painted a completely positive picture of Mr. Weinstein, his track record, and his "business opportunity."

30. V. Reddy "vouched for David Weinstein."

2. BROWN FUNCTIONED AS A STRAWMAN FOR WEINSTEIN

31. Brown had no independence, qualification, education, or training to act as a business broker.

32. Brown had been Weinstein's personal trainer prior to becoming Weinstein's "business broker."

33. Brown has only sold businesses owned by V. Reddy or Weinstein during his entire career as a business broker.

34. Brown could not identify a single successful purchaser of the "business opportunities" he brokered on behalf of Weinstein and Reddy.

35. Brown admits that nearly all the broker-related tasks attributed to himself and Visionary *were actually* performed by Weinstein. Both Brown and Weinstein admit that Weinstein had access to Visionary's online business brokerage account and that Weinstein had actually created the business listing that Medapeal responded to.

36. Brown's only involvement in creating the listing was selecting the photo used in the advertisement.

37. Brown acknowledges that he took no steps to independently verify the information provided under his company name by Weinstein despite receiving numerous complaints as to the truth and veracity of the listings.

38. Brown also admits he and Visionary had no formal listing agreements or agency contracts of any type while acting as Weinstein's business broker.

39. Brown testified that the "Executive Summaries" presented to Plaintiff (and other victims) under his or Visionary name were actually drafted by Weinstein.

40. Brown had no idea as to the accuracy of the statements and financial representations made in the Executive Summaries.

41. Brown did not even know if "Medasset Management Corporation," the corporate name on the "Executive Summary" he provided to Medappeal, was the same company as "Medasset Corporation."

42. Brown was Weinstein's strawman; Brown had no idea what he was selling and zero regard as to the accuracy of the representations he made to Medappeal.

43. Brown was well aware of the numerous complaints regarding the deals he made on behalf of Weinstein and V. Reddy prior to "brokering" the current scheme to Medappeal.

44. Brown acknowledges he received numerous email complaints from multiple buyers.

45. Brown continued to sell the same or similar fraudulent "business opportunities" over and over again, a willing participant of the role he played in Weinstein's scheme.

46. Brown admits to relisting nearly the exact same business as was sold to Medappeal less than a month after receiving Medappeal's complaints.

47. Brown functioned as a co-conspirator, and completely abandoned any oversight or diligence as a "broker" in favor of advancing Weinstein's schemes.

**3. WEINSTEIN ENGAGED IN MULTIPLE CONFLICTING SALE, MADE
FRAUDULENT STATEMENTS, AND OPERATED A CORPORATE
"SHELL-GAME"**

48. Weinstein was previously convicted of fraud, and has spent nearly two decades defrauding unsuspecting victims in various schemes.

1 49. Since at least 2008, Weinstein was involved in selling "business opportunities" nearly
2 identical to that sold to Medappeal, despite having neither the intention nor the ability to
3 perform.

4 50. Weinstein profited off of this scam in many ways; either by acting as the seller, broker (as
5 owner of Tannenbaum & Milask), or as a "marketer" and subcontractor for V. Reddy.

6 51. When Medappeal contracted with Weinstein to provide 90 client contracts, Weinstein had
7 at least one other concurrent and conflicting obligation.

8 52. Weinstein acknowledges he did not disclose this conflict of interest nor his inability to
9 perform on this prior obligation.

10 53. Weinstein never disclosed to Medappeal that he was a convicted felon for fraud.
11 Additionally, Weinstein never disclosed to Medappeal the numerous complaints and
12 lawsuits filed against himself and V. Reddy for the sale of the same or substantially similar
13 "business opportunities" sold to Medappeal

14 54. Weinstein was asked about his prior success during due diligence calls with Medappeal,
15 and Weinstein never disclosed the dozens of complaints and lawsuits related to the sale of
16 the same or substantially similar "business opportunity."

17 55. Since 2015 alone, the FBI has identified 43 of the same, or similar, failed deals involving
18 Weinstein, Reddy, and Brown.

19 56. Weinstein drafted and provided Medappeal with an "Executive Summary." This Executive
20 Summary is nearly identical in form and substance to Executive Summaries he and V.
21 Reddy provided to other victims.

22 57. Based on the numerous complaints, lawsuits, failed deals, and an overall inability to
23 preform, Weinstein knew that these projections were false and unrealistic, yet continued to
24 present them to prospective buyers, including Medappeal.

1 58. Weinstein and V. Reddy have played a "shell game" involving the creation of numerous
2 companies registered in different states including: Nevada, Wyoming, Delaware,
3 Michigan, and New Jersey.

4 59. Weinstein and V. Reddy acknowledge that they registered and sold substantially similar
5 "business opportunities" under multiple different corporate entities which they opened,
6 closed, and sold at different times.

7
8 60. All of these entities and their assumed names were used to create confusion, an inability to
9 track performance and complaints, and ultimately to further the fraudulent scheme.

10 61. Weinstein acknowledges that buyers such as Medappeal did not get what they were
11 promised and for which they paid.

12 62. Moreover, an integral part of Weinstein's scam is to sell one of his many shell companies,
13 listing the contracts he has with buyers (such as Medappeal) as assets of the company, and
14 then fails to provide them with even a fraction of the promised client accounts.

15 63. Weinstein's theft is thus two-fold: he sells fraudulent "business opportunities" and then
16 turns around and sells the buyers' contracts as assets as part of the sale of one of his
17 worthless shell companies. Not only does Weinstein make additional profits off of his
18 fraud, he also gains a convenient way (at least in his mind) to evade liability for all the
19 unfulfilled agreements.
20

21 64. As another element of Weinstein's fraudulent scheme, Weinstein admits that he falsely
22 registered two entities as non-profits despite their for-profit purpose.

23
24 65. Weinstein also admits that he advertised having business operations in various states which
25 was untrue and done for "marketing purposes."
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1 66. Weinstein and V. Reddy created so many shell entities, that Weinstein acknowledged in
2 his deposition his inability to decipher which corporate entities and which deals belonged
3 to himself as opposed to V. Reddy.

4 67. The multitude of misrepresentations, clearly intentional, substantiate the "false
5 representation that is made with either knowledge or belief that it is false or without a
6 sufficient foundation" required under *Nelson v. Heer*, 123 Nev. 217, 225, 163 P.3d 420,
7 426 (2007).
8

9 68. The use of strawmen and constant references to other customers clearly shows the
10 "intent to induce another's reliance" *Id.*

11 69. The payment by Medappeal for the essentially hollow business, and the ongoing efforts to
12 recover their losses, substantiate Medappeal's "damages that result from this reliance,"
13 fulfilling the final element of *Nelson*.
14

15 **D. DEFENDANTS CONSPIRED TO COMMIT FRAUD**

16 70. An actionable civil conspiracy arises where two or more persons undertake some concerted
17 action with the intent "to accomplish an unlawful objective for the purpose of harming
18 another," and damage results. *Guilfoyle v. Olde Monmouth Stock Transfer Co.*, 130 Nev.
19 801, 813, 335 P.3d 190, 198 (2014).

20 71. To prevail in a civil conspiracy action, a plaintiff must prove an agreement between the
21 tortfeasors, whether explicit or tacit. *See Eikelberger v. Tolotti*, 96 Nev. 525, 528 n. 1, 611
22 P.2d 1086, 1088 n. 1 (1980).
23

24 72. Defendants V. Reddy, Margaret, Weinstein, and Brown all acknowledge having worked
25 together to sell, market, promote, or participate in the sale of the fraudulent business
26 opportunities.
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73. Despite their participation and acceptance of substantial sums of money, all of these defendants admit to knowing of lawsuits, complaints, and allegations regarding Weinstein and V. Reddy's continual lack of performance.

74. The various defendants served as a broker (Brown/Weinstein), trainer (V. Reddy), seller (V. Reddy/Weinstein), marketer (Margaret/Weinstein/ V. Reddy) or assisted in hiding proceeds from the sale and money laundering (Margaret /M. Thalmarla/Max Global Inc); these parties continuously relied on one another in furtherance of the civil conspiracy.

75. Defendants conspired to create the illusion of a viable business, induce interested parties, such as Medappeal, to purchase the business, and then abscond with the proceeds, after a series of excuses and hollow promises.

E. DEFENDANTS VIOLATED THE NEVADA DECEPTIVE TRADE PRACTICES ACT

76. The Nevada Deceptive Trade Practices Act (NDTPA) is a remedial statutory scheme; the court affords it liberal construction to accomplish its beneficial intent. Nev. Rev. St. §§ 598.0923 et seq; *Poole v. Nevada Auto Dealership Investments, LLC*, 135 Nev. 280, 449 P.3d 479 (Nev. App. 2019).

77. A person engages in a "deceptive trade practice" when in the course of his or her business or occupation he or she knowingly: (1) Conducts the business or occupation without all required state, county or city licenses... (2) Fails to disclose a material fact in connection with the sale or lease of goods or services. See NRS 598.0915.1-2.

78. Deceptive trade practice claims must be demonstrated by a preponderance of the evidence. See *Wild Game Ng, LLC v. IGT*, 131 Nev. 1364 (2015) citing *Betsinger v. D.R. Horton, Inc.*, 126 Nev. 162, 166, 232 P.3d 433, 436 (2010).

79. Defendants misrepresented their history of success and omitted telling Medappeal about the numerous complaints, lawsuits, and allegations made against them for the sale of the same or substantially similar "business opportunity."

80. At the time of sale Weinstein did not disclose his conflicting obligations to provide client accounts to other purchasers.

81. Defendants' inability to perform their promised obligation, to either Medappeal or other purchasers, clearly indicates their false representations regarding the underlying transaction, i.e., the failure to disclose that Medappeal would not receive the promised contracts.

F. DEFENDANTS CONDUCT VIOLATED NEVADA'S RICO STATUTES

82. Nevada's RICO statute provides that racketeering activity *means* two predicate acts of the type described in NRS 207.390 and NRS 207.360. *Siragusa v. Brown*, 114 Nev. 1384, 1398, 971 P.2d 801, 810 (1998).

83. A plaintiff pursuing a civil RICO action under Nevada statute need not demonstrate an injury separate and distinct from the harm caused by the predicate acts themselves. *Hale v. Burkhardt*, 104 Nev. 632, 764 P.2d 866 (1988).

84. Pursuant to NRS 207.400.1(a)(2), it is unlawful for a person who, with criminal intent, received any proceeds derived from racketeering activity to use or invest in the acquisition of any interest in or the establishment or operation of any enterprise. *0*

85. Pursuant to NRS 207.470.1 "Any person who is injured in his or her business or property by reason of any violation of NRS 207.400 has a cause of action against a person causing such injury for three times the actual damages sustained."

86. Defendants acknowledge to working together time and again in furtherance of the sale of "business opportunities" which they knew or should have known could not be fulfilled.

1 87. Defendants acknowledge working together to sell the same or similar "business
2 opportunities" in their depositions and responses to interrogatories.

3 88. Records from lawsuits filed dating back to 2008 through present a detailed pattern and
4 practice of criminal activity in which the same or a substantially similar scam is perpetrated
5 on unsuspecting victims time and again.

6 89. The sworn statement of Special Agent James Webb, states that since 2015 to present,
7 Defendants have taken in over \$3 million dollars through their criminal operation which
8 has been laundered through relatives and various corporate entities.
9

10 **G. DEFENDANTS ARE ALTER EGO'S AND SHOULD BE HELD**
11 **PERSONALLY LIABLE.**

12 90. Nevada law generally treats corporations as separate legal entities. *DFR Apparel Co. v.*
13 *Triple Seven Promotional Prods., Inc.* (D. Nev. 2014).

14 91. Nevada law allows alter-ego liability where the corporate form is abused and one
15 corporation is merely an alter-ego of a controlling entity. *DFR Apparel Co.* (D. Nev. 2014).

16 92. It is worth emphasizing that under Nevada law, "[t]he corporate cloak is not lightly thrown
17 aside, . . . the alter ego doctrine is *an exception* to the general rule recognizing corporate
18 independence." *DFR Apparel Co. v. Triple Seven Promotional Prods., Inc.* (D. Nev. 2014).

19 93. Defendants must prove: (1) Medasset was influenced and governed by Weinstein; (2) there
20 is such unity of interest and ownership between the companies that one is inseparable from
21 the other; and (3) adherence to the fiction of a separate entity would, under the
22 circumstances, sanction a fraud or promote injustice. *Id.*

23 94. The failure of Defendants to prove *any one of these* elements is sufficient to warrant
24 summary judgment. *Id.* (All three elements *must* be present to validly state a claim for
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alter-ego liability.) *Wilson Logistics Nevada, Inc. v. Lincoln Gen. Ins. Co.* (D. Nev. 2011)
Wilson Logistics Nevada, Inc. v. Lincoln Gen. Ins. Co. (D. Nev. 2011).

95. The purpose of the alter ego doctrine is to do justice whenever it appears that the protections provided by the corporate form are being abused. *See Polaris Industrial Corp. v. Kaplan*, 103 Nev. 598, 603, 747 P.2d 884, 888 (1987).

96. The following factors, though not conclusive, may indicate the existence of an alter ego relationship: (1) commingling of funds; (2) undercapitalization; (3) unauthorized diversion of funds; (4) treatment of corporate assets as the individual's own; and (5) failure to observe corporate formalities. *LFC Mktg. Grp., Inc. v. Loomis*, 116 Nev. 896, 904, 8 P.3d 841, 847 (2000).

97. There is no litmus test for determining when the corporate fiction should be disregarded; the result depends on the circumstances of each case. *Polaris Indus. Corp. v. Kaplan*, 103 Nev. 598, 602, 747 P.2d 884, 887 (1987).

98. Weinstein acknowledges that he is the sole owner, director, and officer of Medasset.

99. Medasset's registered address is the same address as Weinstein's place of residence.

100. According to the Secretary of State Medasset was capitalized with \$20.

101. Weinstein acknowledges that Medasset does not have liability insurance.

102. Medasset could not provide any business records, minutes, or financial statements for the company.

103. Medasset used the same contracts, business prospectuses, and offering documents as used by Weinstein in his numerous other shell companies.

104. Medasset failed to maintain a document retention policy, and when asked about documents later produced in litigation, Weinstein said he found them mixed in a box with his personal clothing.

- 1 105. The documents Weinstein provided in discovery were comingled among the various shell
2 entities he used to commit the fraudulent scheme; no distinct files, records, or production
3 relative to Medasset have been produced.
- 4 106. Weinstein admits to owning and operating other companies using the name Medasset in
5 Delaware, New Jersey, and Nevada.
- 6 107. Medasset is David Weinstein.
- 7
8 108. Allowing Weinstein protection from the shell entity "Medasset" would promote injustice
9 and allow him to further his criminal activities.

10 **H. DEFENDANTS PRODUCED NO EVIDENCE**

- 11 109. Defendants have failed to produce any evidence calling into question the evidence
12 produced by Medappeal.
- 13 110. V. Reddy claims to have destroyed all responsive documents following settlement of his
14 fraudulent bankruptcy claim.
- 15 111. Weinstein claimed to not even know what a document retention policy is, and stated that
16 he engages in document purges whenever he has the time and inclination.
- 17 112. M. Thalmarla and M. Reddy have also failed to produce any relevant evidence contrasting
18 Medappeal's evidence.
- 19 113. M. Thalmarla and M. Reddy claim to have not been a party to the contract fails to address
20 the role they played in the overarching scheme.
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ORDER AND JUDGMENT

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Medappeal's Motion for Summary Judgment is **GRANTED** as to all claims against all Defendants.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Medappeal is awarded damages of compensatory actual damages in the \$75,000.00, plus treble damages pursuant to NRS 207.470, for a total damages amount of \$225,000.00, jointly and severally against all Defendants.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Medappeal is awarded attorney fees under NRS 207.470(1), costs under NRS 207.470(1) and NRS 18.0220(3), and pre-judgment interest under NRS 17.130, jointly and severally against all Defendants.

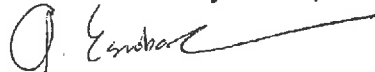
IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Plaintiff shall file briefing with the Court informing of the requested attorney fees and costs amount and substantiating documentation.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that punitive damages are not awarded.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Order constitutes a final Order and Judgment, and may be utilized as necessary, including recordation as necessary with the Clark County Recorder as necessary to effectuate this judgment.

IT IS SO ORDERED.

Dated this 9 day of June, 2021
Dated this 17th day of June, 2021



THE HON. ADRIANA ESCOBAR
DISTRICT COURT JUDGE

BF8 068 4BC7 BA62
Adriana Escobar
District Court Judge

THE BALL LAW GROUP

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(702) 303-8600

1 Respectively Submitted by:
2 THE BALL LAW GROUP

3 /s/ Zachary T. Ball, Esq.

4 Zachary T. Ball, Esq.

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8 *Attorney for Medappeal LLC and*

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10 *Services, LLC*

1 CSERV

2 DISTRICT COURT
3 CLARK COUNTY, NEVADA
4

5
6 Medapeal LLC, Plaintiff(s)

CASE NO: A-19-792836-C

7 vs.

DEPT. NO. Department 14

8 David Weinstein, Defendant(s)
9

10 **AUTOMATED CERTIFICATE OF SERVICE**

11 This automated certificate of service was generated by the Eighth Judicial District
12 Court. The foregoing Order Granting was served via the court's electronic eFile system to all
13 recipients registered for e-Service on the above entitled case as listed below:

14 Service Date: 6/17/2021

15 Leah Martin

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Exhibit 44



NOAS

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EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, STATE OF NEVADA

MEDAPPEAL, LLC, An Illinois
Limited Liability Company,

Plaintiff,

vs.

DAVID WEINSTEIN, VIJAY REDDY,
MARGARET REDDY, MOHAN THALAMARLA,
KEVIN BROWN, MAX GLOBAL, INC.,
VISIONARY BUSINESS BROKERS, LLC,
MEDASSET CORPORATION, AND DOES 1-
50.

Defendants.

Case No. A-19-792836-C
Dept No. XIV

NOTICE OF APPEAL

Notice is hereby given that MARGARET REDDY, MOHAN THALAMARLA and MAX GLOBAL, INC., hereby appeals to the Supreme Court of Nevada the following (including the dates entered or otherwise filed):

a) Order granting Plaintiff's Motion for Summary Judgment,
entered in this action on the 18th day of June, 2021

b) Order denying Motions to Dismiss, entered in this action on
the 4th day of October, 2019

c) Order setting objection to July 14, 2020 DCRR (regarding Defendant Margaret Reddy and Vijay Reddy only) for hearing on August 27, 2020, filed in this action on August 5, 2020; never entered.
DATED this 16th day of July, 2021.

THE WASIELEWSKI LAW FIRM, LTD.

/s/ Andrew Wasielewski

By: _____

ANDREW WASIELEWSKI, ESQ.
Nevada Bar #6161
8275 S. Eastern Avenue.
Suite #200-818
Las Vegas, NV 89123
Attorney for Margaret Reddy,
Mohan Thalamarla, Max
Global, Inc.

CERTIFICATE OF SERVICE

I hereby certify that service of Appellants' Notice of Appeal was served on all parties by utilizing the services of the Eighth Judicial District Court's E-service to provide electronic service to the following on July 16, 2021:

Leah A. Martin, Esq., P.C.
LEAH A. MARTIN, ESQ.
Nevada Bar No. 7982
3100 W. Sahara Ave., #202
Las Vegas, NV 89102
Attorneys for VIJAY REDDY

The Ball Law Group
ZACHARY T BALL, Esq.
Nevada Bar No. 8364
1707 Village Center Cir #140
Las Vegas, NV 89134
Attorney for Plaintiff

David Weinstein (& Medasset Corp)
c/o Michael Orenstein
4018 Sheridan Street
Hollywood, FL 33021
Defendant

David Weinstein
125 Harmon Ave. #122
Las Vegas, NV 89109
Defendant and Registered
Agent for Defendant Medasset

Kevin Brown
2006 Sylvan Park Road

Visionary Business Brokers
2006 Sylvan Park Road

Burlington, NJ 08016
Defendant

Burlington, NJ 08016
Defendant

/s/ Andrew Wasielewski

By: _____
An Employee of
THE WASIELEWSKI LAW FIRM

Exhibit 45



ASTA

ANDREW WASIELEWSKI, ESQ.
Nevada Bar No. 6161
THE WASIELEWSKI LAW FIRM, LTD.
8275 South Eastern Avenue, Suite 200-818
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Attorney for Defendants
Margaret Reddy, Mohan Thalamarla, Max Global, Inc.

EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, STATE OF NEVADA

MEDAPPEAL, LLC, An Illinois
Limited Liability Company,

Plaintiff,

vs.

DAVID WEINSTEIN, VIJAY REDDY,
MARGARET REDDY, MOHAN THALAMARLA,
KEVIN BROWN, MAX GLOBAL, INC.,
VISIONARY BUSINESS BROKERS, LLC,
MEDASSET CORPORATION, AND DOES 1-
50.

Defendants.

Case No. A-19-792836-C
Dept No. XIV

CASE APPEAL STATEMENT

Notice is hereby given that MARGARET REDDY, MOHAN THALAMARLA and MAX GLOBAL, INC, hereby file the following Case Appeal Statement to the Supreme Court of Nevada, in accordance with NRAP 3(f)(3) and Form 2 of the NRAP Appendix of Forms.

A) The names of Appellants filing this case appeal statement are MARGARET REDDY, MOHAN THALAMARLA and MAX GLOBAL, INC.

B) The Judge issuing the Judgment and Orders appealed from is the Honorable Judge Adriana Escobar, Eighth Judicial District Court Judge, Department XIV.

C) The name and address of the appellants are MARGARET REDDY, MOHAN THALAMARLA and MAX GLOBAL, INC, who can be contacted through their attorney Andrew Wasielewski, Esq. of The Wasielewski Law Firm, LTD at 8275 S. Eastern Ave., #200-818, Las Vegas, NV 89123.

D) The respondent to this appeal is MEDAPPEAL, LLC, which can be contacted through its attorney of record, Zachary T. Ball, Esq. of THE BALL LAW GROUP, 1935 Village Center Circle, Suite 120, Las Vegas, NV 89134.

E) All counsel named herein are licensed to practice law in the State of Nevada.

F) Plaintiff and some Defendants were represented by retained counsel in the proceedings in District Court. Zachary T. Ball, Esq. represented Medappeal LLC and Leah Martin, Esq. was retained and represented Defendants Vijay Reddy, Margaret Reddy, Mohan Thalamarla and Max Global, Inc. The rest of the parties were not represented at the time the Motion for Summary Judgment was entered. Appellants retained the undersigned to represent them on appeal.

G) Not applicable

H) The proceedings commenced in District Court on April 12, 2019

I) The following is a brief description of the nature of the action and the result in District Court.

Respondent filed its Complaint and then amended its Complaint against various Defendants including Appellants for various intentional causes of action.

These appellants moved to dismiss the complaint against them, alleging in declarations that Respondent had no jurisdiction over them personally and individually. Appellants allege that motion was improperly denied.

Later, a Motion to Compel was filed against Defendant Margaret Reddy. The issue was briefed and the Discovery Commissioner entered a DCRR that essentially granted the motion. Defendant Margaret timely objected and the objection was set for hearing. It does not appear the objection was ever heard, nor was it properly ruled upon, through information and belief after reviewing the Registry of Actions in this matter.

Respondent filed for Summary Judgment. The Court granted Summary Judgment and entered Judgment in favor of Respondent in the amount of \$225,000.00.

Petitioner appeals the District Court granting summary judgment against these appellants. Petitioner appeals the District Court denying these Defendants' Motion to Dismiss. Petitioner appeals the DCRR of July 14, 2020 relating to Margaret Reddy and the Order of August 5, 2020 setting an objection to this DCRR for hearing on August 27, 2020 which was never held, never heard, and never entered, through information and belief of the undersigned.

Type of judgment and orders being appealed:

a) Order granting Plaintiff's Motion for Summary Judgment,
entered in this action on the 18th day of June, 2021

b) Order denying Motions to Dismiss, entered in this action on
the 4th day of October, 2019

c) Order setting objection to July 14, 2020 DCRR (regarding
Defendant Margaret Reddy and Vijay Reddy only) for hearing on August
27, 2020, filed in this action on August 5, 2020; never entered.

J) Case is NOT currently the subject of another appeal.

K) This appeal does NOT involve child custody or visitation.

L) Appellants believe this appeal may involve a realistic
chance or possibility of settlement.

DATED this 17th day of July, 2021.

THE WASIELEWSKI LAW FIRM, LTD.

/s/ Andrew Wasielewski

By: _____

ANDREW WASIELEWSKI, ESQ.
Nevada Bar #6161
8275 S. Eastern Avenue.
Suite #200-818
Las Vegas, NV 89123
Attorney for ELISA CANO

CERTIFICATE OF SERVICE

I hereby certify that service of Appellants' Case Appeal
Statement was served on all parties by utilizing the services of the
Eighth Judicial District Court's E-service to provide electronic
service to the following on July 17, 2021:

Leah A. Martin, Esq., P.C.
LEAH A. MARTIN, ESQ.

The Ball Law Group
ZACHARY T BALL, Esq.

Nevada Bar No. 7982
3100 W. Sahara Ave., #202
Las Vegas, NV 89102
Attorneys for *VIJAY REDDY*

Nevada Bar No. 8364
1935 Village Center Cir #120
Las Vegas, NV 89134
Attorney for *Plaintiff*

David Weinstein (& Medasset Corp)
c/o Michael Orenstein
4018 Sheridan Street
Hollywood, FL 33021
Defendant

David Weinstein
125 Harmon Ave. #122
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Defendant and Registered
Agent for Defendant Medasset

Kevin Brown
2006 Sylvan Park Road
Burlington, NJ 08016
Defendant

Visionary Business Brokers
2006 Sylvan Park Road
Burlington, NJ 08016
Defendant

/s/ Andrew Wasielewski

By: _____
An Employee of
THE WASIELEWSKI LAW FIRM

Exhibit 46

Steven D. Grierson

MREL

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Email: andrew@wazlaw.com
Attorney for Defendants
Margaret Reddy, Mohan Thalamarla, Max Global, Inc.

EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, STATE OF NEVADA

MEDAPPEAL, LLC, An Illinois
Limited Liability Company,

Case No. A-19-792836-C
Dept No. XIV

Plaintiff,

vs.

DAVID WEINSTEIN, VIJAY REDDY,
MARGARET REDDY, MOHAN THALAMARLA,
KEVIN BROWN, MAX GLOBAL, INC.,
VISIONARY BUSINESS BROKERS, LLC,
MEDASSET CORPORATION, AND DOES 1-
50.

Hearing NOT Requested

Defendants.

And related counterclaim

And related third party complaint

**DEFENDANTS' MARGARET REDDY, MOHAN THALAMARLA AND MAX GLOBAL'S
HUNEYCUTT MOTION FOR RELIEF FROM JUDGMENT OR ORDER**

COMES NOW, Defendants MARGARET REDDY, MOHAN THALAMARLA and MAX
GLOBAL, through their counsel of record ANDREW WASIELEWSKI, ESQ. of
the law firm of THE WASIELEWSKI LAW FIRM, LTD., sets forth, pursuant
to NRCP 60, and *Huneycutt v Huneycutt*, 94 Nev 79 (1978), their Motion

2206

1 for Relief in the above referenced matter, for and upon all papers
2 and pleadings on file herein, all exhibits, Points and Authorities
3 and affidavits as set forth herein.

4 I. STATEMENT OF THE ISSUE

5 Defendants, MARGARET REDDY, MOHAN THALAMARLA and MAX GLOBAL move
6 this Court pursuant to NRCP Rule 60 (b) for relief from the Court's
7 Order for Summary Judgment in this case based on newly discovered
8 evidence. NRCP Rule 60 permits relief from a judgment based on newly
9 discovered evidence "which by due diligence could not have been
10 discovered in time to move for a new trial under Rule 59(b); (3) fraud
11 (whether heretofore denoted intrinsic or extrinsic), misrepresentation
12 or other misconduct of an adverse party."

14 This Court has the ability to relieve Movants from a Judgment
15 based on improper conduct of the Plaintiff. Movants will notify the
16 Supreme Court of this filing pursuant to *Huneycutt v Huneycutt* and
17 depending on the outcome, request remand to allow the Court to issue a
18 decision accordingly.
19

20 II. FACTS

21 Defendants hired the undersigned counsel over the course of 4th of
22 July holiday and it still took five days to have the substitution of
23 attorney's signed for the undersigned to be able to appear. In the
24 short few weeks that he has had this action, the undersigned realized
25 that Plaintiff is neither licensed to do business in the State of
26 Nevada nor did it ever apply to do business in the State of Nevada.
27
28

1 Furthermore, the complaint and the amended complaint do NOT aver that
2 Plaintiff is licensed to do business in the State of Nevada.

3 It appears that this issue has never been brought before this
4 court. This is solely because Plaintiff hid or otherwise obstructed
5 from Defendants its inability to do any type of business in this court.

6 Further, and in addition to the statutory penalties that must be levied
7 upon Plaintiff, there is no jurisdiction for this case to continue with
8 this Court. There is no evidence available that would serve to allow
9 Plaintiff to maintain this action.

10
11 Plaintiff filed this action without being licensed to do business
12 in the State of Nevada. Plaintiff never cured this defect. Plaintiff
13 never made that fact known to any Defendant or to this Court in any
14 pleading. Literally years of litigation occurred while so not
15 licensed, in violation of NRS 86.

16
17 In fact, as of today, July 30, 2021, Plaintiff is still not
18 licensed to do business in the State of Nevada, pursuant to the check
19 of licensed businesses through the Secretary of State portal found at:
20 <https://esos.nv.gov/EntitySearch/OnlineEntitySearch>

21 At that portal, when MEDAPPEAL is entered, there is no record for
22 any business EVER have been allowed to do business in the State of
23 Nevada for any purpose. The result, as of July 30, 2021 is attached as
24 Exhibit A. Simply, MEDAPPEAL cannot maintain this action and any
25 judgment granted to it must be immediately vacated.

26
27 As if that was not enough, there is no personal jurisdiction over
28 these clients in Nevada in any event. These Defendants both had

1 submitted declarations that they had no connection with this State and
2 no connection with this Plaintiff.

3 Defendants are not looking to relitigate the personal jurisdiction
4 portion of this case, as it has already been litigated and is the
5 subject of the appeal. However, Defendants will ask for remand from
6 the Nevada Supreme Court in the event that this Court indicates,
7 pursuant to Nevada common law and *Huneycutt v. Huneycutt* in particular,
8 of its intention to vacate its judgment, remand the case back to the
9 District Court, for procedures to begin to relieve them from this
10 Judgment. After remand, these Defendants herein intend to move to
11 dismiss Plaintiff's Complaint as soon as is practical.
12

13 Declarations were made and signed during the beginning of this
14 case which in essence, established with certainty, there was no
15 connection with the instant lawsuit and their personal lives in
16 Michigan / India.
17

18 MARGARET and MOHAN are non-resident defendants that reside over
19 1500 miles away. They had never met Medappeal employees or its
20 officers. They never had any dealings with the Plaintiff on any level.
21 They never spoke about Plaintiff to any other defendant in this case.
22

23 III. POINTS AND AUTHORITIES

24 A. DEFENDANTS PROPERLY COMPLY WITH THE HONEYCUTT PROCEDURE TO RECEIVE 25 RELIEF FROM JUDGMENT AND SUCH RELIEF IS WARRANTED PURSUANT TO 26 OPERATION OF NRS 86.548

27 As the Nevada Supreme Court stated:

28 "... filing a notice of appeal divests the district court of
jurisdiction to act and vests jurisdiction in this court."
Mack-Manley v. Manley, 122 Nev. 849, 855, 138 P.3d 525, 529

1 (2006) (quoting *Rust v. Clark Cty. School District*, 103 Nev.
2 686, 688, 747 P.2d 1380, 1382 (1987)).

3 *Huneycutt* established that despite the general rule that the
4 perfection of an appeal divests the district court of jurisdiction to
5 act except with regard to matters collateral to or independent from the
6 appealed order, the district court nevertheless retains a limited
7 jurisdiction to review motions made in accordance with this procedure.
8 *Mack-Manley*, 122 Nev. at 855-56, 138 P.3d at 529-30; *Huneycutt*, 94 Nev.
9 at 80-81, 575 P.2d at 585-86.

10 NRCP 60 states in pertinent part:

11 "(b) On motion and just terms, the court may
12 relieve a party or its legal representative from a
13 final judgment, order, or proceeding for the
14 following reasons:

15 (1) mistake, inadvertence, surprise, or excusable
16 neglect;

17 (2) newly discovered evidence that, with reasonable
18 diligence, could not have been discovered in time
19 to move for a new trial under Rule 59(b);

20 (3) fraud (whether previously called intrinsic or
21 extrinsic), misrepresentation, or misconduct by an
22 opposing party;

23 ...
24 (6) any other reason that justifies relief."
25 (emphasis added)

26 In the instant matter, Defendants have just found conclusive
27 evidence that Plaintiff could not have and cannot still maintain this
28 action. In the seminal case of *AA Primo Builders, LLC v. Wash.*, 245
P.3d 1190 (Nev. 2010), the Nevada Supreme Court rules in pertinent
part, to identify the difference between operating an LLC in a revoked
status and operating an LLC without a charter:

29 "Doing business as an LLC without filing the initial
organizational documents carries significant fines of up to
\$10,000. NRS 86.213(1). A revoked charter, by contrast,
carries no fines, only a \$75 penalty reinstatement fee. NRS
2210

1 86.272(3). As for incentivizing judgment-proof LLCs to
2 litigate with wanton abandon, NRS 86.361 provides that
3 members of an unchartered entity risk individual liability
4 unless the default is cured. See *Nichiryo Am., Inc. v. Oxford*
5 *Worldwide, LLC*, No. 03:07-CV-00335-LRH-VPC, 2008 WL 2457935
6 (D.Nev. June 16, 2008); see also *Resort at Summerlin v. Dist.*
7 *Ct.*, 118 Nev. 110, 40 P.3d 432 (2002) (interpreting NRS
8 80.210 (now NRS 80.055) to condition commencement and
9 maintenance of a lawsuit for foreign corporations on initial
10 qualification rather than continuous upkeep of its
11 qualification). The Legislature has addressed the penalties
12 for an administrative default leading to charter revocation
13 and loss of capacity to sue is not among them." *Id.*

14 Currently, NRS 86.213 requires in pertinent part:

15 "1. Every person, other than a foreign limited-liability
16 company, who is purporting to do business in this State as a
17 limited-liability company and who willfully fails or neglects
18 to file with the Secretary of State articles of organization
19 is subject to a fine of not less than \$1,000 but not more
20 than \$10,000, to be recovered in a court of competent
21 jurisdiction."

22 The analogous statute for foreign limited liability companies is
23 NRS 86.548 which has the same penalty and additionally states in
24 pertinent part:

25 "2. Every foreign limited-liability company transacting
26 business in this State which fails or neglects to register
27 with the Secretary of State in accordance with the provisions
28 of NRS 86.544 may not commence or maintain any action, suit
or proceeding in any court of this State until it has
registered with the Secretary of State."

The Nevada Supreme Court has clearly stated that the penalty for
LLCs that never register is not the same as the LLC who has registered
but let its registration lapse in revocation status. It is clear, the
curing of the willful failure to comply with the requirement to
register NEVER gives a company the right to bring or maintain an action
in this state.

1 In the instant case, the Plaintiff is a foreign LLC (licensed to
2 do business in Illinois). It has no right to do business in Nevada.
3 The fact that it has, subjects it to a fine of \$10,000.00 and any
4 liability for sanctions are passed through the LLC to its managers,
5 pursuant to *AA Primo Builders LLC*.

6 Further, Medapeal LLC cannot cure the problem by registering now.
7 It needs to dismiss this action, register and then bring it again.
8 There is simply no way for Medapeal to avail itself of this state's
9 jurisdiction until it follows the simple rules.
10

11 In the meantime, this case must be dismissed eventually.
12 Immediately, Defendants are merely asking for relief of judgment.
13 Based on how this Court rules, Defendants will petition the Supreme
14 Court for remand concurrent with the District Court's opinion for its
15 plan on how it will proceed.
16

17 IV. CONCLUSION

18 Therefore, Defendant request this Court hear Defendant's motion
19 and determine whether, if it had jurisdiction that it would be inclined
20 to grant relief to Defendants from the final summary judgment noticed
21 on or about June 18, 2021.

22 Dated this 30th day of July, 2021
23

24 THE WASIELEWSKI LAW FIRM, LTD.

25 /s/ Andrew Wasielewski
26
27
28

By: _____

ANDREW WASIELEWSKI, ESQ.
Nevada Bar #6161
8275 S. Eastern Ave #200-818
Las Vegas, NV 89123
Attorney for Defendants
Margaret Reddy, Mohan
Thalamarla and Max Global,
Inc.

CERTIFICATE OF SERVICE

I hereby certify that service of

DEFENDANTS' MARGARET REDDY, MOHAN THALAMARLA AND MAX GLOBAL'S
HONEYCUTT MOTION FOR RELIEF FROM JUDGMENT OR ORDER

was served on all parties by utilizing the services of the Eighth
Judicial District Court's E-service to provide electronic service to
the following parties on July 30, 2021:

Leah A. Martin, Esq., P.C.
LEAH A. MARTIN, ESQ.
Nevada Bar No. 7982
3100 W. Sahara Ave., #202
Las Vegas, NV 89102
Attorneys for VIJAY REDDY

The Ball Law Group
ZACHARY T BALL, Esq.
Nevada Bar No. 8364
1935 Village Center Cir #120
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Attorney for Plaintiff

David Weinstein (& Medasset Corp)
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4018 Sheridan Street
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Defendant

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Defendant and Registered
Agent for Defendant Medasset

Kevin Brown
2006 Sylvan Park Road
Burlington, NJ 08016
Defendant

Visionary Business Brokers
2006 Sylvan Park Road
Burlington, NJ 08016
Defendant

/s/ Andrew Wasielewski

By: _____

An Employee of
THE WASIELEWSKI LAW FIRM

Exhibit A

NEVADA BUSINESS SEARCH

* Includes Trademarks, Trade Names, Service Marks, Reserved Names & Business Licenses

I WOULD LIKE TO SEARCH BY:

☒ Starts With ☐ Contains ☐ Exact Match ☐ All Words

Name:

medappeal

Alert

No records found with your search criteria.

OK

BUSINESS ENTITY SEARCH CRITERIA

Entity Number:

NV Business ID Number:

Officer Name:

Registered Agent Name:

MARKS SEARCH CRITERIA**Mark Number:****Classification:**

-- Select --

Goods and Services:**Applicant Name:****ADVANCED SEARCH OPTIONS**☒ All ☐ Show Only Business Entity Information ☐ Show Only Mark Information**Type:**

-- Select --

Status:

-- Select --

Search Clear

Exhibit 47



1 **OPPM**
2 Zachary T. Ball, Esq.
3 Nevada Bar No. 8364
4 **THE BALL LAW GROUP**
5 1935 Village Center Circle, Ste. 120
6 Las Vegas, Nevada 89134
7 Telephone: (702) 303-8600
8 Email: zball@balllawgroup.com
9 Attorney for *Plaintiff*

10 **DISTRICT COURT**
11 **CLARK COUNTY, NEVADA**

12 MEDAPPEAL, LLC, An Illinois Limited
13 Liability Company,

14 **Plaintiffs,**

15 vs.

16 DAVID WEINSTEIN, VIJAY REDDY,
17 MARGARET REDDY, MOHAN
18 THALMARLA, KEVIN BROWN, MAX
19 GLOBAL, INC., VISIONARY BUSINESS
20 BROKERS LLC, MEDASSET
21 CORPORATION, and DOES 1-50,

22 **Defendants.**

23 MEDASSET CORPORATION, a Nevada
24 Corporation,

25 **Counterclaimant,**

26 v.

27 MEDAPPEAL, LLC, an Illinois Limited
28 Liability Company,

Counter-Defendant.

Case No.: A-19-792836-C

Dept. No.: 14

**PLAINTIFF'S OPPOSITION TO
DEFENDANTS' HUNEYCUTT
MOTION FOR RELIEF FROM
JUDGMENT OR ORDER**

Date of Hearing: October 12, 2021

Time of Hearing: 10:00 AM

1 MEDASSET CORPORATION, a Nevada
2 Corporation,

3 Third-Party Plaintiff,

4 v.

5 LIBERTY CONSULTING &
6 MANAGEMENT SERVICES, LLC, an
7 Illinois Limited Liability Company,

Third-Party Defendant.

8 **PLAINTIFF'S OPPOSITION TO DEFENDANTS' HUNEYCUTT MOTION FOR**
9 **RELIEF FROM JUDGMENT OR ORDER**

10 Plaintiff Medappeal, LLC, by and through its attorney of record Zachary T. Ball, serves its
11 Opposition to the *Huneycutt* Motion for Relief from Judgment or Order filed by defendants
12 Margaret Reddy, Mohan Thalmarla and Max Global, Inc.

13 **1. INTRODUCTION.**

14 Defendants' Motion for Relief should be denied based on its inherent lack of merit without any
15 need for the Court to review Plaintiff's Opposition. Defendants fail to support their Motion
16 with any facts and they do not provide the Court with any evidence. They argue, without any
17 support whatsoever, the Plaintiff committed a fraud on the Court because it filed suit without
18 first having qualified to do business in Nevada. The fundamental and fatal flaw with Defendants'
19 argument is that Plaintiff has never done business in Nevada and its only contact with the state
20 is this litigation. It is Defendants, not Plaintiff, who has made false statements to the Court
21 through their Motion for Relief and the Motion should be denied.

22 **2. PLAINTIFF HAS NEVER DONE BUSINESS IN NEVADA.**

23 Plaintiff is a limited liability company that is based in Illinois and conducts business in Illinois.
24 It has not qualified to do business in Nevada because it has never done business in Nevada.
25 Plaintiff does not have any employees in Nevada, it does not have any agents in Nevada, it does
26 not maintain an office in Nevada and it does not have any clients in Nevada. Of course,
27 Defendants know this because they were provided with the discovery responses from
28

1 defendants Weinstein and Vijay Reddy that acknowledged these facts.

2 Not surprisingly, Defendants do not even attempt to identify the business Plaintiff currently
3 conducts or previously conducted in Nevada. Defendants do not attribute any business activities
4 to Plaintiff, they do not identify any of Plaintiff's Nevada employees and they do not identify
5 any of Plaintiff's Nevada business contacts. Simply put, Defendants say nothing.

6 The Nevada Supreme Court has observed that "[t]he question of whether a foreign corporation
7 is 'doing business' and required to qualify, although guided somewhat by NRS 80.015, is often
8 a laborious, fact-intensive inquiry resolved on a case-by-case basis." (*Exec. Mgmt. v. Ticor*
9 *Title Ins. Co.*, 118 Nev. 46, 49 (2002).). In this case, however, the inquiry is extremely simple
10 because there are no facts to review. Plaintiff is not "doing business" because it has never done
11 any business in Nevada.

12 In an earlier opinion, the Nevada Supreme Court held that "the test to determine if a company
13 is doing business in a state is two pronged. Courts look first to the nature of the company's
14 business functions in the forum state, and then to the quantity of business conducted in the
15 forum state." (*Sierra Glass & Mirror v. Viking Indus., Inc.*, 107 Nev. 119, 122 (1991).) Again,
16 this test results in the inescapable conclusion that Plaintiff is not doing business in Nevada.
17 Plaintiff has no business functions in Nevada and it has conducted no business in Nevada. Zero
18 plus zero equals zero.

19 Notably, the facts of *Sierra Glass* clearly demonstrate the defects with Defendants' Motion.
20 Viking Industries was the party allegedly doing business in Nevada. The Supreme Court
21 described its "associations" with Nevada as follows:

22 Its total sales volume amounts to approximately \$ 20,000,000 in the thirty
23 states in which it conducts business. Of that amount, about \$ 3,000,000 is
24 from sales into Nevada. At the time the cause of action arose, Viking had
25 one sales representative, Linda Aronsohn, who worked in Nevada. She
26 resided in Las Vegas and spent two weeks a month calling on customers and
visiting sales prospects in Reno and Las Vegas. Viking maintained a listed
telephone in Las Vegas which operated out of Aronsohn's home. Nevada
customers would place orders through Aronsohn, who would then phone the
orders and send checks to Portland. (*Sierra Glass*, 107 Nev. at 121.)

27 Nonetheless, despite this level of activity and its finding that Viking's activities appeared to be
28

1 continuous and systematic, the Nevada Supreme Court held that Viking was not doing business
2 in Nevada because it could not say Viking "had so localized itself into the community that its
3 activities in Nevada took on an intrastate quality." (*Sierra Glass*, 107 Nev. at 125.) In this case,
4 Plaintiff's only contact with Nevada is its current lawsuit against Defendants. It has no business
5 functions in Nevada, it earns no money from Nevada and it does not have any employees in
6 Nevada. Plaintiff does not do any business in Nevada and Defendants' Motion for Relief should
7 be denied.

8 **3. PLAINTIFF WAS NOT REQUIRED TO QUALIFY.**

9 It should go without saying that because Plaintiff was not doing business in Nevada it did not
10 need to qualify to do business before filing suit. Further, while not directly relevant to
11 Defendants' Motion, several Nevada statutes indicate that Defendants' argument is meritless.
12 For example, NRS 86.5483(1)(a) provides that "maintaining, defending or settling any
13 proceeding" does not constitute transacting business in Nevada. NRS 80.015 likewise provides
14 that "maintaining, defending or settling any proceeding" does not constitute doing business in
15 Nevada. As Plaintiff's only conduct in Nevada was to file suit against Defendants, it was not
16 doing business and it was not required to qualify before filing suit.

17 Even a cursory analysis of Defendants' argument reveals that it is absurd. According to
18 Defendants, an Arizona gas station that sues a Nevada resident in Nevada for writing a bad
19 check would first have to qualify to do business in Nevada. This is clearly not the law.

20 Finally, the Court should remember that Plaintiff filed suit in Nevada only because defendants
21 Weinstein, Brown and V. Reddy filed a successful motion to dismiss in Illinois and argued that
22 the forum selection clause in the parties' agreement was binding and enforceable. *Plaintiff*
23 *cannot be faulted for filing suit in the jurisdiction demanded by the defendants and their act*
24 *of filing suit did not require them to qualify to do business.* Defendants cannot support their
25 Motion and it should be denied.

26 **4. CONCLUSION.**

27 Defendants filed a baseless Motion for Relief that exemplifies their lack of candor and their
28 history of delay and obstruction. Defendants do not identify any facts supporting their Motion,

1 they do not cite to any relevant legal authority and they do not come close to meeting their
2 burden. Plaintiff has not done any business in Nevada, it was not required to qualify to do
3 business before filing suit and Defendants' Motion for Relief should be denied.

4 DATED this 13th day of August, 2021.

THE BALL LAW GROUP

6 /s/ Zachary T. Ball
7 Zachary T. Ball, Esq.
8 Nevada Bar No. 8364
9 1935 Village Center Circle, Ste. 120
10 Las Vegas, Nevada 89134
11 Attorney for *Plaintiff*

DECLARATION OF SETH JOHNSON

I, Zachary T. Ball, declare as follows:

1. I am over the age of 18 and one of the principals of plaintiff Medappeal, LLC. If called as a witness, I would and could competently testify to the matters stated below as they are based on my own personal knowledge.

2. I submit this Declaration in support of Medappeal's Opposition to Defendants' Motion for Relief from Judgment or Order.

3. Medappeal does not do business in Nevada and has never done business in Nevada. Medappeal does not have any employees or agents in Nevada, it has never generated any sales from Nevada and it does not have any offices in Nevada.

4. Medappeal's only contact with Nevada is this lawsuit. Medappeal filed suit in Nevada because defendants Weinstein, Brown and V. Reddy filed a successful motion to dismiss in Illinois on the grounds that the forum selection clause in our agreement required Medappeal to sue in Nevada.

I declare under the penalty of perjury of the laws of the state of Nevada that the above is true and correct. Executed on August 10, 2021.


Seth Johnson

CERTIFICATE OF SERVICE

I hereby certify that on the 13th day of August, 2021, I deposited a true and correct copy of the **PLAINTIFF'S OPPOSITION TO DEFENDANTS' HUNEYCUTT MOTION FOR RELIEF FROM JUDGMENT OR ORDER** in the United States Mail at Las Vegas, Nevada, enclosed in a sealed envelope, first class mail, postage prepaid and/or Electronic service to the addresses furnished by the registered user(s) pursuant to N.E.F.C.R. 9(b) and 13(c) and as shown below:

David Weinstein
c/o Michael Orenstein
4018 Sheridan Street
Hollywood, Florida 33021
davidsunbelt@gmail.com
Pro-Se

Kevin Brown
2006 Sylvan Park Road
Burlington, New Jersey 08016
(856) 533-8173
Pro Se

The Wasielewski Law Firm, Ltd.
Andrew Wasielewski, Esq.
8275 South Eastern Avenue, Ste. 200-818
Las Vegas, Nevada 89123
Counsel for Defendant *Vijay Reddy,*
Margaret Reddy and Mohan Thalmarla
and Max Global, Inc.

Visionary Business Brokers
2006 Sylvan Park Road
Burlington, NJ 08016
(856) 533-8173
Pro Se

Medasset Corporation
c/o Registered Agent: David Weinstein
125 East Harmon Avenue, #322
Las Vegas, Nevada 89109
(702) 592-2018
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David Weinstein
125 Harmon Avenue, #322
Las Vegas, Nevada 89109

Medasset Corporation
c/o Michael Orenstein
4018 Sheridan Street
Hollywood, Florida 33021

Vijay Reddy
4269 Kingston Drive
Milan, Michigan 48160

/s/ Zachary T. Ball, Esq.
An Employee of the Ball Law Group

Exhibit 48



NOE
Zachary T. Ball, Esq.
Nevada Bar No. 8364
THE BALL LAW GROUP
1935 Village Center Circle, Suite 120
Las Vegas, Nevada 89134
Telephone: (702) 303-8600
Email: zball@balllawgroup.com
Attorney for *Medappeal LLC and*
Liberty Consulting & Management
Services, LLC

DISTRICT COURT
CLARK COUNTY, NEVADA

MEDAPPEAL, LLC, An Illinois Limited
Liability Company,

Plaintiffs,

vs.

DAVID WEINSTEIN, VIJAY REDDY,
MARGARET REDDY, MOHAN
THALMARLA, KEVIN BROWN, MAX
GLOBAL, INC., VISIONARY BUSINESS
BROKERS LLC, MEDASSET
CORPORATION, and DOES 1-50,

Defendants.

MEDASSET CORPORATION, a Nevada
Corporation,

Counterclaimant,

v.

MEDAPPEAL, LLC, an Illinois Limited
Liability Company,

Counter-Defendant.

Case No.: A-19-792836-C

Dept. No.: 14

**NOTICE OF ENTRY OF ORDER
GRANTING FINDING OF FACTS,
CONCLUSIONS OF LAW AND
ORDER DENYING DEFENDANTS'
MOTION FOR RELIEF**

MEDASSET CORPORATION, a Nevada
Corporation,

Third-Party Plaintiff,

v.

LIBERTY CONSULTING &
MANAGEMENT SERVICES, LLC, an
Illinois Limited Liability Company,

Third-Party Defendant.

TO: ALL PARTIES and their ATTORNEYS.

PLEASE TAKE NOTICE of the following Order Granting Finding of Facts, Conclusions
Of Law and Order Denying Defendants' Motion For Relief that was entered on the 25th day of
October, 2021. A copy of said Order is attached hereto.

DATED this 28th day of October, 2021.

THE BALL LAW GROUP

/s/ Zachary T. Ball

Zachary T. Ball, Esq.

Nevada Bar No. 8364

1935 Village Center Circle, Suite 120

Las Vegas, NV 89134

Attorney for *Medappeal LLC and
Liberty Consulting & Management
Services, LLC*

CERTIFICATE OF SERVICE

I hereby certify that the foregoing **NOTICE OF ENTRY OF ORDER GRANTING FINDING OF FACTS, CONCLUSIONS OF LAW AND ORDER DENYING DEFENDANTS' MOTION FOR RELIEF** was electronically filed with the Eighth Judicial District Court on the 28th day of October, 2021. Electronic service of the foregoing document shall be sent by the Court via email to the addresses furnished by the registered user(s) pursuant to N.E.F.C.R. 9(b) and 13(c) and as shown below:

David Weinstein
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davidsunbelt@gmail.com
Pro-Se

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Andrew Wasielewski, Esq.
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Counsel for Defendant *Vijay Reddy,*
Margaret Reddy and Mohan Thalmarla
and Max Global, Inc.

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/s/ Kelley A. McGhie

An Employee of the Ball Law Group

ORD

Zachary T. Ball, Esq.
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THE BALL LAW GROUP
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Las Vegas, Nevada 89134
Telephone: (702) 303-8600
Email: zball@balllawgroup.com
Attorney for *Plaintiff*

**DISTRICT COURT
CLARK COUNTY, NEVADA**

MEDAPPEAL, LLC, An Illinois Limited
Liability Company,

Plaintiffs,

vs.

DAVID WEINSTEIN, VIJAY REDDY,
MARGARET REDDY, MOHAN
THALMARLA, KEVIN BROWN, MAX
GLOBAL, INC., VISIONARY BUSINESS
BROKERS LLC, MEDASSET
CORPORATION, and DOES 1-50,

Defendants.

MEDASSET CORPORATION, a Nevada
Corporation,

Counterclaimant,

v.

MEDAPPEAL, LLC, an Illinois Limited
Liability Company,

Counter-Defendant.

Case No.: A-19-792836-C

Dept. No.: 14

**FINDING OF FACTS,
CONCLUSIONS OF LAW AND
ORDER DENYING DEFENDANTS'
MOTION FOR RELIEF**

Date of Hearing: October 11, 2021
(Chambers)

Time of Hearing: N/A

MEDASSET CORPORATION, a Nevada Corporation,

Third-Party Plaintiff,

v.

LIBERTY CONSULTING &
MANAGEMENT SERVICES, LLC, an
Illinois Limited Liability Company,

Third-Party Defendant.

The *Huneycutt* Motion for Relief from Judgment filed by defendants Margaret Reddy, Mohan Thalmarla and Max Global, Inc. was resolved through a Chambers hearing on October 11, 2021 in Department XIV of the Eighth Judicial District Court, the Honorable Adriana Escobar presiding. Upon thorough review of the pleadings, this Court issues the following order:

I. FACTUAL BACKGROUND AND PROCEDURAL HISTORY.

Plaintiff Medappeal, LLC filed suit against defendants Margaret Reddy, Mohan Thalmarla, and Max Global, Inc. (“Moving Defendants”) in 2019. Medappeal filed suit in Nevada after defendants Vijay Reddy, Kevin Brown and David Weinstein successfully dismissed the suit that Medappeal had filed in Illinois on the grounds that venue was only proper in Nevada. Medappeal alleged that Moving Defendants conspired with and assisted the other defendants in the fraud that other misconduct that occurred.

Medappeal’s Motion for Summary Judgment was granted on June 17, 2021 against all defendants. Moving Defendants filed a *Huneycutt* Motion for Relief on July 30, 2021 and specifically did not request a hearing. Moving Defendants sought relief based on newly discovered evidence which by due diligence could not have been discovered in time to move for a new trial and/or fraud. They argued that Medappeal was not entitled to sue in Nevada because it was not qualified to do business in Nevada and that it “hid or otherwise obstructed from Defendants its inability to do any type of business in this court.” (Motion for Relief at 3:4-5.)

The Court resolved Moving Defendants’ Motion in chambers as they did not request a

hearing.

II. STANDARD OF LAW.

As cited by Moving Defendants, Rule 60 of the Nevada Rules of Civil Procedure allows a party to seek relief from an order because of, among other reasons, (1) newly discovered evidence that, with reasonable diligence, could not have been discovered in time to move for a new trial under Rule 59(b) or (2) fraud (whether previously called intrinsic or extrinsic), misrepresentation, or misconduct by an opposing party.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW.

Plaintiff Medappeal, LLC was not doing business in Nevada and has never done business in Nevada.

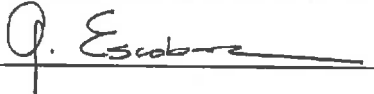
Plaintiff Medappeal, LLC was not required to qualify to do business in Nevada.

ORDER

IT IS ORDERED that the Motion for Relief filed by defendants Margaret Reddy, Mohan Thalmarla and Max Global, Inc. is denied.

IT IS SO ORDERED.

Dated this 25th day of October, 2021



**B9B 488 8FCE 3F02
Adriana Escobar
District Court Judge**

Reviewed and Approved by:

The Wasielewski Law Firm, Ltd.

RECEIVED NO RESPONSE

Andrew Wasielewski, Esq.

Nevada Bar No. 6161

8275 South Eastern Avenue, Ste. 200-818

Las Vegas, Nevada 89123

Respectfully Submitted by:

THE BALL LAW GROUP

/s/ Zachary T. Ball

Zachary T. Ball, Esq.

Nevada Bar No. 8364

1935 Village Center Circle, Suite 120

Las Vegas, NV 89134

Attorney for *Medappeal LLC and
Liberty Consulting & Management
Services, LLC*

Subject: Re: Order Denying Motion
Date: Thursday, October 21, 2021 at 9:59:29 AM Pacific Daylight Time
From: Zachary Ball <zball@balllawgroup.com>
To: Andrew Wasielewski <andrew@wazlaw.com>
CC: Hannah Hancock <reception@balllawgroup.com>
Attachments: image001.png, image002.png

WE WILL BE KEPT ADVISED OF ANY CHANGES TO THE ORDER BY THE CLOSE OF BUSINESS



THE BALL LAW GROUP
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NOTICE: This e-mail (including attachments) is covered by the Electronic Communications Privacy Act, 18 U.S.C. SS 2510-2521. The information herein is confidential, privileged and exempt from disclosure under applicable law. This e-mail (including attachments) is intended solely for the use of the addressee hereof. If you are not the intended recipient of this message, you are prohibited from reading, disclosing reproducing, distributing, disseminating, or otherwise using this transmission. The originator of this e-mail and it affiliates to not represent, warrant or guarantee that the integrity of this communication has been maintained or that this communication is free of errors, viruses or other defects. Delivery of this message or any portions herein to any person other than the intended recipient is not intended to waive any right or privilege. If you have received this message in error, please promptly notify the sender by e-mail and immediately delete this message from your system.

From: Zachary Ball <zball@balllawgroup.com>
Date: Thursday, October 14, 2021 at 2:45 PM
To: Andrew Wasielewski <andrew@wazlaw.com>
Cc: Michelle Rasmussen <reception@balllawgroup.com>
Subject: Order Denying Motion

Hi Andrew-

Please find the attached Order for your review. If you can approve, please provide me a responsive email indicating same.

Please provide your response no later than end of day on Monday, October 18, 2021.

Thank you.

Zach

THE BALL LAW GROUP

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NOTICE: This e-mail (including attachments) is covered by the Electronic Communications Privacy Act, 18 U.S.C. SS 2510-2521. The information herein is confidential, privileged and exempt from disclosure under applicable law. This e-mail (including attachments) is intended solely for the use of the addressee hereof. If you are not the intended recipient of this message, you are prohibited from reading, disclosing reproducing, distributing, disseminating, or otherwise using this transmission. The originator of this e-mail and it affiliates to not represent, warrant or guarantee that the integrity of this communication has been maintained or that this communication is free of errors, viruses or other defects. Delivery of this message or

1 CSERV

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3 DISTRICT COURT
4 CLARK COUNTY, NEVADA

5
6 Medappeal LLC, Plaintiff(s)

CASE NO: A-19-792836-C

7 vs.

DEPT. NO. Department 14

8 David Weinstein, Defendant(s)

9
10 **AUTOMATED CERTIFICATE OF SERVICE**

11 This automated certificate of service was generated by the Eighth Judicial District
12 Court. The foregoing Findings of Fact, Conclusions of Law and Order was served via the
13 court's electronic eFile system to all recipients registered for e-Service on the above entitled
case as listed below:

14 Service Date: 10/25/2021

15 Zachary Ball

zball@balllawgroup.com

16 Kelley McGhie

kmcghie@balllawgroup.com

17 Andrew Wasielewski

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