

**IN THE SUPREME COURT OF THE STATE OF NEVADA**

ALEX PENLY,

Appellant,

vs.

MILTON J. WOODS AND CIRRUS  
AVIATION SERVICES, INC., A  
WASHINGTON CORPORATION,

Respondents.

Supreme Court Case No.: 84710

Electronically Filed  
Jan 26 2023 09:27 AM  
[District Court Case No.: 07-A-546250]  
Elizabeth A. Brown  
Clerk of Supreme Court

**RESPONDENTS' APPENDIX**

**VOLUME 2**

**(R0222 - R0464)**

**FOX ROTHSCHILD LLP**

MARK J. CONNOT (SBN 10010)

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*Attorney for Respondents Milton J.*

*Woods and Cirrus Aviation Services, Inc.*

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## **CERTIFICATE OF SERVICE**

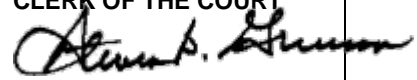
Pursuant to NRAP 25(c)(1), on this the 26<sup>th</sup> day of January 2023, a true and complete copy of the foregoing document entitled **RESPONDENTS' APPENDIX** was served on the following interested parties by United States Postal Service, postage prepaid, to the address set forth below, and by electronic means, as a courtesy, to the email address set forth below:

Alex Penly  
8529 Fox Brook Street  
Las Vegas, Nevada 89139  
Alexpenly@msn.com  
*Appellant*

DATED this 26th day of January 2023.

/s/ Mark J. Connot  
Mark J. Connot





**ARJ**  
MARK J. CONNOT (10010)  
**FOX ROTHSCHILD LLP**  
1980 Festival Plaza Drive, Suite 700  
Las Vegas, Nevada 89135  
(702) 262-6899 tel  
(702) 597-5503 fax  
mconnot@foxrothschild.com  
*Attorneys for Plaintiffs*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

MILTON J. WOODS and CIRRUS  
AVIATION SERVICES, INC., a  
Washington corporation,

Plaintiffs,

vs.

EAGLE JET AVIATION, INC., A Nevada  
corporation; ALEX PENLY; STUART M.  
WARREN; PRIVATE JET SERVICES,  
INC., a Nevada corporation; MILT'S  
EAGLE, LLC, a Nevada limited liability  
company and DOES I-X, inclusive.

Defendants.

Case No.: 07A546250  
Dept. No.: XI

**AFFIDAVIT OF RENEWAL OF  
JUDGMENT**

I, Milton J. Woods, hereby affirm the following:

1. On January 20, 2016, a Judgment was entered in the above-entitled Court in favor of Cirrus Aviation Services, Inc. and Milton J. Woods ("Plaintiffs/Judgment Creditors"), against Alex Penly, Defendant/Judgment Debtor ("Penly"), in amount of \$80,000.00 (the "Judgment"). See Judgment attached hereto as Exhibit 1 and incorporated herein. Post-judgment interest accrues on the Judgment per the terms of the Judgment itself.

2. The Judgment was recorded in the Clark County Recorder's Office on February 1, 2016, as Instrument No. 20160201-0002431. See recorded Judgment, attached hereto as Exhibit 2, and incorporated herein.

3. Penly has not made any payments on the Judgment.

R0222

1           4.     To date, Plaintiffs/Judgment Creditors have not collected any amounts from Penly  
2 in relation to the Judgment.

3           5.     There are no set-offs or counterclaims in favor of Penly.

4           6.     There is no outstanding writ of execution for enforcement of the Judgment.

5           7.     The legal interest accrued on the Judgment commencing on August 15, 2007  
6 through January 7, 2022 totals \$68,698.40, and is calculated as follows:

7           08/15/2007 - 12/31/2007 \$ 3,122.74(139 days @ \$22.47/daily @ 10.250%/year)

8           01/01/2008 - 06/30/2008 \$ 3,679.78(182 days @ \$20.22/daily @ 9.250%/year)

9           07/01/2008 - 12/31/2008 \$ 2,815.30(184 days @ \$15.30/daily @ 7.000%/year)

10          01/01/2009 - 06/30/2009 \$ 2,082.74(181 days @ \$11.51/daily @ 5.250%/year)

11          07/01/2009 - 12/31/2009 \$ 2,117.26(184 days @ \$11.51/daily @ 5.250%/year)

12          01/01/2010 - 06/30/2010 \$ 2,082.74(181 days @ \$11.51/daily @ 5.250%/year)

13          07/01/2010 - 12/31/2010 \$ 2,117.26(184 days @ \$11.51/daily @ 5.250%/year)

14          01/01/2011 - 06/30/2011 \$ 2,082.74(181 days @ \$11.51/daily @ 5.250%/year)

15          07/01/2011 - 12/31/2011 \$ 2,117.26(184 days @ \$11.51/daily @ 5.250%/year)

16          01/01/2012 - 06/30/2012 \$ 2,088.52(182 days @ \$11.48/daily @ 5.250%/year)

17          07/01/2012 - 12/31/2012 \$ 2,111.48(184 days @ \$11.48/daily @ 5.250%/year)

18          01/01/2013 - 06/30/2013 \$ 2,082.74(181 days @ \$11.51/daily @ 5.250%/year)

19          07/01/2013 - 12/31/2013 \$ 2,117.26(184 days @ \$11.51/daily @ 5.250%/year)

20          01/01/2014 - 06/30/2014 \$ 2,082.74(181 days @ \$11.51/daily @ 5.250%/year)

21          07/01/2014 - 12/31/2014 \$ 2,117.26(184 days @ \$11.51/daily @ 5.250%/year)

22          01/01/2015 - 06/30/2015 \$ 2,082.74(181 days @ \$11.51/daily @ 5.250%/year)

23          07/01/2015 - 12/31/2015 \$ 2,117.26(184 days @ \$11.51/daily @ 5.250%/year)

24          01/01/2016 - 06/30/2016 \$ 2,187.98(182 days @ \$12.02/daily @ 5.500%/year)

25          07/01/2016 - 12/31/2016 \$ 2,212.02(184 days @ \$12.02/daily @ 5.500%/year)

26          01/01/2017 - 06/30/2017 \$ 2,281.10(181 days @ \$12.60/daily @ 5.750%/year)

07/01/2017 - 12/31/2017 \$ 2,520.55(184 days @ \$13.70/daily @ 6.250%/year)

01/01/2018 - 06/30/2018 \$ 2,578.63(181 days @ \$14.25/daily @ 6.500%/year)

07/01/2018 - 12/31/2018 \$ 2,823.01(184 days @ \$15.34/daily @ 7.000%/year)

01/01/2019 - 06/30/2019 \$ 2,975.34(181 days @ \$16.44/daily @ 7.500%/year)

07/01/2019 - 12/31/2019 \$ 3,024.66(184 days @ \$16.44/daily @ 7.500%/year)

01/01/2020 - 06/30/2020 \$ 2,685.25(182 days @ \$14.75/daily @ 6.750%/year)

07/01/2020 - 12/31/2020 \$ 2,111.48(184 days @ \$11.48/daily @ 5.250%/year)

01/01/2021 - 06/30/2021 \$ 2,082.74(181 days @ \$11.51/daily @ 5.250%/year)

07/01/2021 - 12/31/2021 \$ 2,117.26(184 days @ \$11.51/daily @ 5.250%/year)

01/01/2022 – 01/07/2022 \$ 80.57(7 days @ \$11.51/daily @ 5.250%/year)

8. The sum total of the judgment currently due, inclusive of interest through January 7, 2022 is \$148,698.40.

9. Alex Penly's last known address is 1287 Rolling Sunset Street, Henderson, Nevada 89052.

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

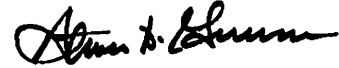
Executed this 7<sup>th</sup> day of January, 2022.

  
Milton J. Woods

(No Notary Per NRS 53.045)

# EXHIBIT 1

# EXHIBIT 1



CLERK OF THE COURT

**JUDG**  
GUS W. FLANGAS, ESQ.  
Nevada Bar No. 004989  
[gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
**FLANGAS MCMILLAN LAW GROUP**  
3275 South Jones Blvd., Suite 105  
Las Vegas, Nevada 89146  
Telephone: (702) 307-9500  
Facsimile: (702) 382-9452  
*Attorney for Plaintiffs*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

MILTON J. WOODS, and CIRRUS  
AVIATION SERVICES, INC., a Washington  
Corporation,

Plaintiffs,

vs.

EAGLE JET AVIATION, INC., a Nevada  
Corporation; ALEX PENLY, and STUART  
M. WARREN; PRIVATE JET SERVICES, INC.,  
a Nevada Corporation; MILT'S EAGLE, LLC, a  
Nevada Limited Liability Company; and  
DOES I-X, inclusive,

Defendants.

Case No.: A546250  
Dept No.: XXVII

**JUDGMENT**

THIS MATTER came on for Binding Arbitration on August 14, 15, 20, 21, 22, 28;  
September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24; and December 8, 9, 10, of 2014.  
A written Arbitration Award in this matter was rendered on January 27, 2015. The Arbitration  
Award was confirmed in a Hearing held on April 29, 2015 at 9:30 a.m., and an Order Confirming  
Arbitration Award was entered on September 18, 2015.

Thereafter, there was a Hearing before this Court on June 15, 2015, on  
Defendants/Counterclaimants' Motion to Modify or Correct Arbitration Award and Motion to  
Vacate Arbitration Award, wherein the Court denied said Motions in an Order entered on September  
18, 2015.

///

<input type="checkbox"/> Voluntary Dismissal	<input type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input checked="" type="checkbox"/> Judgment of Arbitration

1 Therefore, this matter having been fully litigated and confirmed, and the Court being fully advised  
2 in the premises,

3 **IT IS ORDERED, ADJUDGED and DECREED** that the Arbitration Award and Order  
4 Confirming Arbitration Award attached hereto as Exhibit "1", is reduced to Judgment; and

5 **IT IS FURTHER ORDERED** that the Plaintiff, MILTON J. WOODS (hereinafter "Mr.  
6 Woods"), shall have and recover from Defendant, EAGLE JET AVIATION, INC., a Judgment in  
7 the sum of One Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00) with  
8 interest thereon at the legal rate of interest as provided by law from the date of the service of the  
9 Complaint herein through the date that the Judgment is paid in full; and

10 **IT IS FURTHER ORDERED, ADJUDGED and DECREED** that the Plaintiff, CIRRUS  
11 AVIATION SERVICES, INC. (hereinafter "Cirrus") shall have and recover from Defendant, ALEX  
12 PENLY, a Judgment in the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00)  
13 with interest thereon at the legal rate of interest as provided by law from the date of the service of  
14 the Complaint herein through the date that the Judgment is paid in full; and

15 **IT IS FURTHER ORDERED, ADJUDGED and DECREED** that the Plaintiffs shall have  
16 and recover from Defendant, ALEX PENLY, a Judgment in the sum of Eighty Thousand Dollars  
17 (\$80,000.00) with interest thereon at the legal rate of interest as provided by law from the date of  
18 the service of the Complaint herein through the date that the Judgment is paid in full.

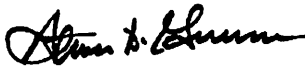
19 **DATED** this 14 day of January, 2016.

20  
21 Nancy L. Allif  
22 **DISTRICT JUDGE** EA

23 Respectfully submitted by:

24  
25 GUS W. FLANGAS, ESQ.  
26 Nevada Bar No. 004989  
27 FLANGAS DALACAS LAW GROUP  
28 gwf@fdlawlv.com  
3275 South Jones Blvd., Suite 105  
Las Vegas, Nevada 89146

# **EXHIBIT 1**



CLERK OF THE COURT

1 **ORDER**  
2 GUS W. FLANGAS, ESQ.  
3 Nevada Bar No. 004989  
4 [gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
5 **FLANGAS MCMILLAN LAW GROUP**  
6 3275 South Jones Blvd., Suite 105  
7 Las Vegas, Nevada 89146  
8 Telephone: (702) 307-9500  
9 Facsimile: (702) 382-9452  
10 *Attorney for Plaintiffs*

11 **DISTRICT COURT**  
12 **CLARK COUNTY, NEVADA**

13 MILTON J. WOODS, and CIRRUS  
14 AVIATION SERVICES, INC., a Washington  
15 Corporation,

16 Plaintiffs,

17 vs.

18 EAGLE JET AVIATION, INC., a Nevada  
19 Corporation; ALEX PENLY, and STUART  
20 M. WARREN; PRIVATE JET SERVICES, INC.,  
21 a Nevada Corporation; MILT'S EAGLE, LLC, a  
22 Nevada Limited Liability Company; and  
23 DOES I-X, inclusive,

24 Defendants.

Case No.: A546250  
Dept No.: XXVII

**ORDER CONFIRMING**  
**ARBITRATION AWARD**

25 THIS MATTER came for Hearing before this Court on April 29, 2015 at 9:00 a.m. on the  
26 Plaintiffs' "Motion to Confirm Arbitration Award." The Plaintiffs were represented by GUS W.  
27 FLANGAS, ESQ. of the FLANGAS DALACAS LAW GROUP. The Defendants, ALEX PENLY  
28 (hereinafter "Mr. Penly) and EAGLE JET SERVICES, INC. (hereinafter "Eagle Jet"), were  
represented by their attorneys, JAY W. SHAFER, ESQ. of the PREMIER LEGAL GROUP who  
appeared in person, and MARK C. FIELDS, ESQ. of the Law Offices of Mark C. Fields, APC, who  
appeared telephonically.

Having reviewed the Pleadings and Papers on file in this matter, heard arguments by counsel,

....



1 and good cause appearing;

2 **THE COURT HEREBY FINDS** that the Plaintiffs brought a complaint against the  
3 Defendants to recover monies owed the Plaintiffs for loss of shareholder interest and bonus  
4 payments, among other relief sought.

5 **THE COURT FURTHER FINDS** that the Parties mentioned herein, voluntarily agreed to  
6 submit the entire matter into Binding Arbitration. NLA

7 **THE COURT FURTHER FINDS** that the Parties agreed to have JOHN H. BAILEY, ESQ. WAS  
8 (Hereinafter "Mr. Bailey") appointed as the Arbitrator in this case.

9 **THE COURT FURTHER FINDS** that the Parties arbitrated this case before Mr. Bailey on  
10 August 14, 15, 20, 21, 22, 28; September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24;  
11 and December 8, 9, 10, of 2014, at the law offices of BAILEY KENNEDY located in Clark County,  
12 Las Vegas, Nevada.

13 **THE COURT FURTHER FINDS** that after the completion of the Binding Arbitration, Mr.  
14 Bailey rendered a written Arbitration Award (hereinafter "the Award"), dated January 27, 2015. A  
15 copy of the Award is attached hereto as Exhibit "1" and is incorporated in its entirety into this Order  
16 and is binding as though fully set forth herein.

17 **THE COURT FURTHER FINDS** that pursuant to the Award, Mr. Bailey awarded the  
18 Plaintiff, MILTON J. WOODS (hereinafter "Mr. Woods"), the amount of One Hundred Eleven  
19 Thousand Seven Hundred and Fifty dollars (\$111,750.00) against Eagle Jet.

20 **THE COURT FURTHER FINDS** that pursuant to the Award Mr. Bailey awarded the  
21 Plaintiff, CIRRUS AVIATION SERVICES, INC. (hereinafter "Cirrus") the amount of One Million  
22 Five Hundred Thousand Dollars (\$1,500,000.000) against Mr. Penly.

23 **THE COURT FURTHER FINDS** that on October 16, 2013, the Court GRANTED the  
24 Plaintiffs' previous "Motion to Confirm Arbitration Award" wherein Mr. Bailey awarded the  
25 Plaintiffs the amount of Eighty Thousand Dollars (\$80,000) against Mr. Penly for Attorneys Fees  
26 as sanctions but delayed the enforceability of the award until the Arbitration was complete  
27 (hereinafter the "Previous Award"). A copy of the Previous Award is attached hereto as Exhibit "1"  
28 and is incorporated in its entirety into this Order and binding as though fully set forth herein.

1       **THE COURT FURTHER FINDS** that pursuant to NRS 38.239, the Plaintiffs are entitled  
2 to an Order confirming the Award and the Previous Award.

3       **THEREFORE, THE COURT HEREBY ORDERS** that the Plaintiffs' "Motion to Confirm  
4 Arbitration Award" is **Granted**.

5       **THE COURT FURTHER ORDERS** that the Award to Mr. Woods in the amount of One  
6 Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00) against Eagle Jet is  
7 **Confirmed** and Mr. Woods is therefore entitled to Judgement against Eagle Jet in the amount of One  
8 Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00), plus interest in an  
9 amount allowed by law.

10       **THE COURT FURTHER ORDERS** that the Award to the Cirrus in the amount of One  
11 Million Five Hundred Thousand Dollars (\$1,500,000.000) against Mr. Penly is **Confirmed** and  
12 Cirrus is therefore entitled to Judgement against Mr. Penly in the amount of One Million Five  
13 Hundred Thousand Dollars (\$1,500,000.000), plus interest in an amount allowed by law.

14       **THE COURT FURTHER ORDERS** that the Previous Award to the Plaintiffs which was  
15 previously confirmed by the Court in the amount of \$80,000 against Mr. Penly is again **Confirmed**  
16 and the Plaintiffs are therefore entitled to Judgement against Mr. Penly in the amount of Eighty  
17 Thousand Dollars (\$80,000), plus interest in an amount allowed by law.

18       **THE COURT FURTHER ORDERS** that because the Defendants filed on the day before  
19 the Hearing, "Defendants and Counterclaimants' Motion to Modify or Correct Arbitration Award,"  
20 and "Defendants and Counterclaimants' Motion to Vacate Arbitration Award." a Hearing on the  
21 Motions shall be heard on June 15, 2015 at 10:00 a.m.

22       **THE COURT FURTHER ORDERS** that the Plaintiffs' request for additional attorney's

23 ....

24 ....

25 ....

26 ....

27 ....

28 ....

1 fees is deferred until after the Hearing on June 15, 2015.


2 **THE COURT FURTHER ORDERS** that the amounts set forth in this Order be reduced  
3 to Judgment.

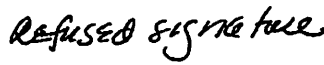
4 **IT IS SO ORDERED** this 20 day of August, 2015.

5  
6 Nancy Allen  
7 **DISTRICT JUDGE**

8 Respectfully submitted by:

Approved as to form by:

9  
10   
11 **GUS W. FLANGAS, ESQ.**  
12 Nevada Bar No. 004989  
13 [gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
14 **FLANGAS DALACAS LAW GROUP**  
15 3275 South Jones Blvd., Suite 105  
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18 Facsimile: (702) 382-9452  
19 Attorney for Plaintiffs

20   
21 **JAY A. SHAFER, ESQ.**  
22 Nevada Bar No. 009184  
23 [jshafer@premierlegalgroup.com](mailto:jshafer@premierlegalgroup.com)  
24 **PREMIER LEGAL GROUP**  
25 1333 N. Buffalo Drive, Suite 210  
26 Las Vegas, Nevada 89128  
27 Telephone: (702) 794-4411  
28 Facsimile: (702) 794-4421  
Attorney for Defendants

29 Refused Signature  
30 **MARK C. FIELDS, ESQ.**  
31 Nevada Bar No. 008453  
32 [fields@markfieldslaw.com](mailto:fields@markfieldslaw.com)  
33 **LAW OFFICES OF MARK C. FIELDS, APC**  
34 333 South Hope Street, 35<sup>th</sup> Floor  
35 Los Angeles, California  
36 Telephone: (213) 617-5225  
37 Facsimile: (213) 629-4520  
38 Attorney for Defendants

**EXHIBIT 1**

R0233

1 JOHN R. BAILEY  
Nevada Bar No. 0137  
2 BAILEY ♦ KENNEDY  
8984 Spanish Ridge Avenue  
3 Las Vegas, Nevada 89148  
Telephone: (702) 562-8820  
4 Facsimile: (702) 562-8821  
jbailey@baileykennedy.com

5 Arbitrator

6 DISTRICT COURT  
7  
8 CLARK COUNTY, NEVADA

9 MILTON J. WOODS and CIRBUS  
10 AVIATION SERVICES, INC., a Washington  
corporation,

11 Plaintiffs,

12 vs.

13 EAGLE JET AVIATION, INC., a Nevada  
14 corporation; ALEX PENLY; STUART M.  
WARREN; PRIVATE JET SERVICES, INC.,  
15 a Nevada corporation; MILT'S EAGLE, LLC,  
Nevada limited liability company; and  
16 DOES I-X, inclusive,

17 Defendants.

Case No. A546250  
Dept. No. XI

ARBITRATION AWARD

19 This matter came before the undersigned arbitrator for hearing on the following days in  
20 accordance with the parties' agreement and the Court's Order:  
21

- 22 • August 14, 15, 20, 21, 22, and 28, 2014;
- 23 • September 3, 12, 15, and 18, 2014;
- 24 • October 3, 15, 28, and 29, 2014;
- 25 • November 3, 4, and 24, 2014; and
- 26 • December 8, 9, and 10, 2014.
- 27
- 28

1 Plaintiffs/Counterdefendants Milton Woods and Cirrus Aviation Services, Inc. (individually  
2 "MWoods" and "Cirrus," respectively, and collectively, "Plaintiffs") were represented by their  
3 counsel, Gus W. Flangas, Esq. Defendants/Counterclaimants Eagle Jet Aviation Inc. and Alex  
4 Penly (individually "EJA" and "Penly," respectively, and collectively, "Defendants") were  
5 represented by their counsel, Mark C. Fields, Esq. and Jay A. Shafer, Esq.<sup>1</sup> Defendants  
6 submitted their Post-Closing Arbitration Brief on December 29, 2014, at which time the  
7 arbitration was closed.

8  
9 Upon considering the parties' arbitration briefs, the Stipulation As To Undisputed  
10 Facts, the testimony of the parties and witnesses, the substantial evidentiary submissions, the  
11 closing arguments of counsel, Defendants' post-closing brief, and all other matters properly  
12 submitted at arbitration, the arbitrator makes the following determinations and award.<sup>2</sup>

#### 13 I. PRELIMINARY FINDINGS

14  
15 A. Stipulation As To Undisputed Facts. At the request of the arbitrator, the parties  
16 submitted, and the arbitrator accepted and hereby incorporates, a Stipulation As To Undisputed  
17 Facts, which is attached to this Arbitration Award as Exhibit "A."

18  
19 B. Quantity and Quality of the Evidence. This matter, and specifically the parties' ability to  
20 present admissible evidence in support or defense of their respective claims and counterclaims  
21 was materially plagued by the undisputed fact that a substantial portion of EJA's business and  
22 financial records disappeared immediately after the time that MWoods departed from EJA in  
23 April 2007. While the parties were unable to provide any clear indication as to what happened  
24

25  
26 <sup>1</sup> The other parties identified in the Complaint (or Amended Complaint) and listed in the caption were either  
27 dismissed under N.R.C.P. 41(e) or had sought and obtained bankruptcy protection.

28 <sup>2</sup> Initially, the parties were unable to agree on the form of this Arbitration Award (i.e., a simple award vs. a  
reasoned award). Ultimately, they stipulated to a simple award with summary reasoning.

1 to those records, it is undisputed that Penly, under oath and in his own declarations, asserted that  
2 he is familiar with the creation of, maintenance of, and has line responsibility for the business  
3 records (including the accounting records) of each of the two companies (EJA and Private Jet  
4 Services, Inc.) for all relevant times. There was no credible evidence presented that MWoods  
5 (or anyone under his control) took or was otherwise responsible for the disappearance of EJA's  
6 business and financial records.<sup>3</sup> Therefore, in the absence of any plausible explanation for their  
7 disappearance, the responsibility to account for EJA's business and financial records falls upon  
8 Penly.  
9

10  
11 C. Credibility of Key Witnesses.

12 a. Alex Penly. It is disconcerting and material to the findings that give rise to this  
13 Arbitration Award that Penly admittedly: (i) was less than honest with the Court (Judge  
14 Gonzalez) during a hearing in this matter on July 21, 2009, when he failed to disclose that EJA's  
15 MSP payments due on its Lear 35 aircraft were current only because the finance company for  
16 the aircraft made the payments by increasing the debt on the aircraft; and (ii) intentionally  
17 misled and deceived the Court (Judge Gonzalez) during a hearing in this matter on January 21,  
18 2010, and the shareholders of EJA during a shareholders' meeting on March 11, 2010, when he  
19 failed to disclose that EJA had gone out of business; that EJA's Part 135 Certificate—issued by  
20 the Federal Aviation Administration (the "FAA")—had been surrendered in favor of a new  
21 company (*i.e.*, The Berkeley Group, LLC dba NV Jets) owned by Penly's relatives and others;  
22  
23  
24  
25

26  
27 <sup>3</sup> During discovery, Plaintiffs were awarded \$80,000.00 for attorneys' fees and costs against Penly in  
28 connection with the disappearance of EJA's business and financial records, and received a presumption at the  
arbitration hearing that Penly engaged in spoliation of EJA's (and other companies') business and financial records.  
See, Arbitration Orders dated April 9, 2013, and May 21, 2013. It should be noted that Penly was awarded  
\$2,590.75 as deposition sanctions against Plaintiffs. See, Arbitration Order dated February 26, 2014.

1 and that NV Jets was operating a business substantially similar to that which EJA had operated  
2 (i.e., a private jet charter service) by using EJA's location, phone number, and other assets.<sup>4</sup>

3 b. **Milton Woods.** Although he clearly and undeniably dislikes Penly, MWoods  
4 was generally credible. While he certainly acted in his own best interest after his departure from  
5 EJA in April 2007, it was uncontradicted that he was not under any restrictive covenants that  
6 would have prohibited him from competing directly against EJA, despite having an ownership  
7 interest in EJA (through Cirrus).  
8

9 c. **Stuart Warren.** It was uncontradicted that Mr. Warren, like MWoods (through  
10 Cirrus), lost the value of his ownership interest in EJA when EJA went out of business in 2009.  
11 While Mr. Warren's personal knowledge about all of the events that transpired among Penly,  
12 MWoods, and EJA was limited by his lack of a physical presence in Las Vegas, Nevada, his  
13 testimony about matters in which he was directly involved was very credible.  
14

15 D. **MWoods' Bonus.** It is undisputed that EJA (through its Board of Directors)  
16 unanimously granted bonuses to MWoods (in the amount of \$200,000.00), Penly (in the amount  
17 of \$100,000.00), and Stuart Warren (in the amount of \$100,000.00) on December 29, 2006.<sup>5</sup>  
18 There were no plausible explanations from any of the parties as to why these bonuses were not  
19 paid either immediately or sometime in January 2007, when EJA's bank account records  
20 indicated that such funds were available. Nonetheless, upon his separation from EJA in late  
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24

25  
26 <sup>4</sup> The Lear 35 aircraft was owned by Milt's Eagle, LLC, which was a wholly-owned subsidiary of EJA.  
27 There was no evidence showing that NV Jets ever paid EJA any consideration for the acquisition of EJA's assets.  
The transfer of such assets directly inured to the benefit of Penly and his relatives at the expense of the EJA's other  
shareholders; namely, Cirrus and Stuart Warren.

28 <sup>5</sup> While Mr. Warren's bonus was characterized as a payment of legal fees; the parties testified that each of  
the principals was essentially being awarded a bonus.



1 April 2007, MWoods took his bonus.<sup>6</sup> Then, on May 1, 2007, after MWoods' departure from  
2 EJA, the EJA Shareholders (excluding Cirrus) took action to "disapprove payment of such  
3 bonuses and/or the making of such payments to the extent not heretofore made due to the  
4 Corporation's lack of adequate funds to support its operations . . . ." At the time that MWoods  
5 took his bonus, EJA had sufficient funds to pay the bonus and such bonus had not been  
6 "disapproved." While not an ideal situation, MWoods was nonetheless entitled to his bonus  
7 from EJA at the time he took it. Accordingly, he is entitled to the \$111,750.00 of his bonus  
8 from EJA that he did not receive.<sup>7</sup>

10  
11 E. MWoods' Reimbursement of Company Expenses. Defendants assert that the  
12 reimbursement monies MWoods received from EJA greatly exceeded the actual amount he was  
13 entitled to for legitimate company expenses—an assertion MWoods adamantly disputes. Due to  
14 the lack of business and financial records of EJA and missing credit card statements for  
15 MWoods during the relevant time period, neither party was able to present evidence sufficient to  
16 either prove or defend its position on this issue. Consequently, Defendants have failed to meet  
17 their burden of proof on this counterclaim.

19 F. Penly's Breach of Fiduciary Duties. The parties (primarily, MWoods and Penly) spent a  
20 significant amount of time pointing fingers at each other and accusing one another of  
21 mismanagement.<sup>8</sup> While individual actions taken years ago, through the benefit of 20/20  
22

23  
24 <sup>6</sup> MWoods' bonus (of \$200,000.00) was subsequently the subject of an interpleader action initiated by Bank  
25 of Nevada. From all of the evidence presented, which is conflicting, it appears as though EJA received \$111,750  
26 from the interpleader action and MW (through Cirrus) received \$86,750 from the interpleader action in October  
27 2007.

28 <sup>7</sup> From the evidence, it appears as though Bank of Nevada received \$1,500.00 for attorneys' fees in  
connection with the interpleader action. Under the circumstances, neither side should be entitled to keep or recover  
the \$1,500.00.

<sup>8</sup> Much of the evidence (testimony and documents) presented, as well as arguments of counsel, were  
irrelevant to the claims/counterclaims asserted.

1 hindsight, may appear to be less than prudent, it does not appear that MWoods, during the time  
2 that he was in charge of the daily operations of EJA, intentionally took any actions designed to  
3 harm the company or any of its shareholders. On the other hand, while Penly inherited EJA at a  
4 difficult time (e.g., employees loyal to MWoods left the company, and starting a year or so later  
5 the national and local economy lapsed into a recession), he was untruthful to the Court and  
6 shareholders about material matters involving EJA. Moreover, he ultimately breached his  
7 fiduciary duties to EJA's shareholders when he failed to disclose that EJA's Part 135 Certificate  
8 had been surrendered in favor of a new company—i.e., The Berkeley Group, LLC dba NV Jets—  
9 —owned by his relatives and others, and that NV Jets was operating a business substantially  
10 similar to that which EJA had operated by using EJA's location, phone number, and other  
11 assets.<sup>9</sup>

14 G. Damages. Based on all the evidence, it is clear that Cirrus lost its investment in EJA (a  
15 30% interest) due to Penly's breaches of the fiduciary duties he owed to the company. It is  
16 difficult to determine the exact value of the Cirrus' interest in EJA because Penly's breaches  
17 occurred over a period of time (i.e., between April 2007 and early 2010) and the value of such  
18 interest decreased after April 2007 due to the onset of the national and local economic recession  
19 (which cannot be attributed to Penly). Instructive in determining the value of Cirrus' interest in  
20 EJA (and damages) is the valuation given to such interest by Stuart Warren in his e-mail  
21 communication to Penly, Greg Woods, and MWoods dated April 29, 2007, wherein he valued  
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26 <sup>9</sup> See, Section I(C)(a) and footnote 4, above. Documents from the FAA indicate that Penly was the Chief  
27 Executive Officer of The Berkeley Group, LLC. See, Plaintiffs' Exhibit 116. Further, these same documents from  
28 the FAA state: "THE BERKELEY GROUP LLC IS A NEW LLC AND CERTIFICATE, THE SAME BASIC  
GROUP OF PERSONS HOLDING EAGLE JET AVIATION, INC (EWJA 136K) HAVE APPLIED FOR THE  
NEW CERTIFICATION UNDER THE BERKELEY GROUP LLC (DBA NV JETS). CERTIFICATE ISSUED  
ON JANUARY 21, 2010." Id.

1 such interest at approximately \$2,000,000.00.<sup>10</sup> Though difficult to determine, Cirrus' damages  
2 due to Penly's breaches of his fiduciary duties can be calculated by looking at all of the  
3 admissible evidence—for example, evidence that EJA's Part 135 Certificate in and of itself had  
4 a separate market value—and applying the undersigned's knowledge, training and experience.  
5 Based on such, Cirrus suffered damages of \$1,500,000.00 in the loss of its shareholder interest  
6 in EJA due to Penly's conduct.

## 8 II. AWARD

9 After considering the pleadings, the testimony and evidence presented at the hearing, the  
10 arbitrator has decided, in full and final resolution of the claims and counterclaims submitted for  
11 determination, as follows:

12  
13 1. Defendant Eagle Jet Aviation, Inc. is liable for and shall pay Plaintiff Milton J. Woods  
14 compensatory damages in the amount of \$111,750.00.

15 2. Defendant Alex Penly is liable for and shall pay Plaintiff Cirrus Aviation Services, Inc.  
16 compensatory damages in the amount of \$1,500,000.00.

17 3. Any and all relief not specifically addressed herein, including punitive damages, is  
18 expressly denied.

19  
20 ////

21  
22 ////

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27 <sup>10</sup> See, Plaintiffs' Exhibit 66. The \$2,000,000.00 offer from Mr. Warren was for MWoods' interest in EJA  
28 and "other companies," and was contingent upon other specified conditions. It is noted that MWoods never agreed  
to accept Mr. Warren's offer. Additionally, there was testimony presented by Plaintiffs about offers that were made  
to purchase EJA in the range of \$3,000,000.00 to \$6,000,000.00; however, there was no written evidence of any  
bona fide offers.

1 Each party shall bear its own fees and costs, including attorneys' fees, relating to this  
2 Arbitration.

3 DATED this 27<sup>th</sup> day of January, 2015.

4 BAILEY ♦ KENNEDY

5  
6 By:   
7 JOHN R. BAILEY  
8 Nevada Bar No. 0137  
9 8984 Spanish Ridge Avenue  
10 Las Vegas, Nevada 89148

11 *Arbitrator*  
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**CERTIFICATE OF SERVICE**

I hereby certify that on the 28th day of January, 2015, a copy of the foregoing  
ARBITRATION AWARD was served by sending a copy via electronic mail and by depositing a  
true and correct copy in the U.S. Mail, first class postage prepaid, and addressed to the following  
at their last known addresses:

Gus W. Flangas, Esq.  
(E-mail: [GWF@fdlawlv.com](mailto:GWF@fdlawlv.com))  
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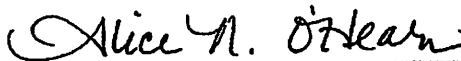
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Eagle Jet Aviation Inc. and Alex Penly



Alice N. O'Hearn, an Employee of  
BAILEY ♦ KENNEDY

# Exhibit A

1 **STIP**

2 **JAY A. SHAFER, ESQ.**

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10 Attorneys for Defendant ALEX PENLY

11 and EAGLE JET AVIATION, INC.

12 **PRIVATE BINDING ARBITRATION**

13 **MILTON WOODS; CIRRUS AVIATION**  
14 **SERVICES INC., a Washington Corporation,**

15 Plaintiffs,

16 v.

17 **EAGLE JET AVIATION INC., a Nevada**  
18 **Corporation; ALEX PENLY; STUART M.**  
19 **WARREN; PRIVATE JET SERVICES INC., a**  
20 **Nevada Corporation; MILT'S EAGLE LLC, a**  
21 **Nevada Limited Liability Company; DOES I**  
22 **through x, Inclusive,**

23 Defendants.

24 **EAGLE JET AVIATION INC., a Nevada**  
25 **Company; ALEX PENLY, an Individual,**

26 Counterclaimants,

27 v.

28 **MILTON WOODS, an Individual; CIRRUS**  
29 **AVIATION SERVICES INC., a Washington**  
30 **Corporation; DOES I through X, Inclusive,**

31 Counterdefendants.

Case No.: A-07-546250-B

Dept. No.: XXVII

32 **STIPULATION AS TO UNDISPUTED**  
33 **FACTS**

34 **IT IS HEREBY STIPULATED AND AGREED by and between Defendants ALEX**  
35 **PENLY and EAGLE JET AVIATION, INC., being represented by Jay A. Shafer, Esq. of the law**  
36 **firm of Premier Legal Group, and Plaintiffs MILTON WOODS and CIRRUS AVIATION**  
37  
38

1 SERVICES, INC., being represented by their counsel Gus D. Flangas, Esq., and the law offices  
2 of Flangas McMillan Law Group, that the following facts are stipulated to as undisputed:

- 3 1. The Plaintiff, MILTON J. WOODS (hereinafter referred to as "Mr. Woods"), is a United  
4 States citizen residing and working in Las Vegas, Nevada. He is an aircraft pilot with an  
5 Airline Transport Pilot ("ATP") rating and he has 48 years of experience as a pilot. He  
6 has lived in Las Vegas for over ten years. Mr. Woods became a United States Citizen in  
7 2009.
- 8 2. The Plaintiff, CIRRUS AVIATION SERVICES (hereinafter referred to as "Cirrus"), is a  
9 Washington corporation with its principal place of business in Clark County, Nevada.  
10 Mr. Woods, along with his two sons, are the shareholders of Cirrus. Mr. Woods presently  
11 owns Ten Percent (10%) of the shares in Cirrus and his sons Mark Woods and Greg  
12 Woods each own Forty Five Percent (45%) of the shares.
- 13 3. The Defendant, EAGLE JET AVIATION, INC. (hereinafter referred to as "Eagle Jet"),  
14 was a Nevada corporation with its principal place of business in Clark County, Nevada.
- 15 4. Eagle Jet was an aviation company that offered the general public the ability to charter  
16 private aircraft. Eagle Jet had a FAR Part 135 Certificate (hereinafter referred to as the  
17 "Operating Certificate") from the Federal Aviation Administration (hereinafter referred  
18 to as the "FAA") to operate jet aircraft capable of carrying nine passengers or less  
19 anywhere in the United States, Canada, Mexico and the Caribbean.
- 20 5. Eagle Jet was formed on or about January 5, 1999.
- 21 6. Cirrus's shares represented a minimum Twenty Five Percent (25%) interest in Eagle Jet.
- 22 7. The Defendant, ALEXANDER PENLY (hereinafter referred to as "Mr. Penly"), is a  
23 citizen of the United Kingdom, and a resident of Las Vegas, Nevada.
- 24 8. Mr. Penly was an officer and director in Eagle Jet, and shareholder in Eagle Jet.
- 25 9. PRIVATE JET SERVICES, INC., (hereinafter referred to as "Private Jet") was and is a  
26 Nevada corporation organized under the laws of the State of Nevada with its principal  
27 place of business in Clark County, Nevada.



- 1 10. MILT'S EAGLE, LLC, (hereinafter referred to as "Milt's Eagle") was a Nevada Limited
- 2 Liability Company organized under the laws of the State of Nevada, currently in revoked
- 3 status, with its principal place of business in Clark County, Nevada.
- 4 11. Milt's Eagle was the owner of a Lear 35A Jet aircraft which is used in the operations of
- 5 Eagle Jet.
- 6 12. Milt's Eagle was owned by Eagle Jet.
- 7 13. Milt's Eagle filed bankruptcy in 2009.
- 8 14. Eagle Jet was originally formed and owned by Walter M. Frehe (hereinafter referred to as
- 9 "Mr. Frehe") and Roderick Thomson (hereinafter referred to as "Mr. Thomson").
- 10 15. Mr. Frehe and Mr. Thomson each owned a fifty percent (50%) interest in Eagle Jet.
- 11 16. After Mr. Frehe departed the company, shares in Eagle Jet were owned by his two sons,
- 12 Justin Thomson and Roland Thomson, with 49% each, and 2% being owned by Stuart
- 13 Warren. Later shares were 25% to each of Woods, Penly and Warren with the sons
- 14 splitting 25%.
- 15 17. At the time Eagle Jet was formed, Mr. Thomson was the owner of a Sabreliner Jet Model
- 16 NA265-75A (hereinafter referred to as the "Sabreliner").
- 17 18. Mr. Thomson owned the Sabreliner through a company called Lear 25, Inc. (hereinafter
- 18 referred to as "Lear 25").
- 19 19. In forming Eagle Jet, Eagle Jet entered into an agreement with Lear 25 for Eagle Jet to
- 20 manage leasing and chartering operations using the Sabreliner. Mr. Frehe was put in
- 21 charge of running Eagle Jet and the Sabreliner operations.
- 22 20. When Eagle Jet was formed, it did not have an Operating Certificate to operate the
- 23 Sabreliner so the aircraft was operated under the Operating Certificate of Scenic Airlines
- 24 (hereinafter referred to as "Scenic") and managed by a company known as Eagle Jet
- 25 Charter, Inc. (hereinafter referred to as "Eagle Charter").
- 26 21. Eagle Charter was wholly owned by Scenic.
- 27
- 28

- 1 22. Shortly after Eagle Jet was formed, Mr. Thomson created an entity known as "The Flying  
2 Hospital, Inc." (hereinafter referred to as the "The Flying Hospital"), a nonprofit  
3 corporation funded by Mr. Thomson.
- 4 23. Mr. Frehe became the president of The Flying Hospital and was responsible for its  
5 management. Around February of 2000, Mr. Woods became employed by Eagle Charter  
6 as a Captain for the Sabreliner. He was hired by the then Chief Pilot for Eagle Charter,  
7 Douglas Wright.
- 8 24. Mr. Woods and the other employees related to the Sabreliner were considered employees  
9 of Scenic.
- 10 25. Subsequent to Mr. Woods starting with Eagle Charter, Mr. Penly arrived in Las Vegas  
11 from England as a representative of Mr. Thomson, brought in to check the outflow of  
12 money from Eagle Jet to The Flying Hospital.
- 13 26. Besides checking into the Flying Hospital, Mr. Penly became involved with the  
14 operations of the Sabreliner.
- 15 27. Scenic terminated the agreement it had with Mr. Thomson that had allowed the  
16 Sabreliner to operate under Scenic's Operating Certificate. Because Scenic terminated its  
17 relationship with Eagle Jet, Eagle Jet was faced with either terminating its Sabreliner  
18 operations or acquiring its own Operating Certificate. It was decided that Eagle Jet would  
19 obtain its own Operating Certificate, and it assumed full responsibility for the Sabreliner.
- 20 28. To obtain an Operating Certificate, the FAA, as one its requirements, commands that a  
21 company conduct 25 hours of proving runs with FAA personnel present in the aircraft for  
22 each type of aircraft the company intends to operate under the Operating Certificate.
- 23 29. Because jet aircraft can cost several thousand dollars per hour to operate, conducting  
24 proving runs can be very expensive. Eagle Jet conducted the Sabreliner proving runs  
25 during July, 2002 and was issued an Operating Certificate on July 16, 2002.
- 26 30. In or about November 2001, during the time Eagle Jet was working to obtain its  
27 Operating Certificate, Mr. Frehe and Mr. Thomson had a falling out. Mr. Thomson had  
28

1           apparently been losing a great deal of money through Eagle Jet and believed Mr. Frehe  
2           was improperly siphoning money.

3           31. Mr. Frehe agreed to leave the company and tender his shares in the Sabreliner operation  
4           and in Eagle Jet to Mr. Thomson for a purchase price of \$36,000, payable at \$3,000 per  
5           month for 12 months.

6           32. This surrender of shares by Mr. Frehe left Mr. Thomson as the sole shareholder in Eagle  
7           Jet. Mr. Thomson's ownership was held by Justin Thomson (500 shares) and Roland  
8           Thomson (500 shares), while Stuart Warren (hereinafter "Mr. Warren") was issued 20  
9           shares. Upon Mr. Frehe's departure from Eagle Jet Mr. Penly acted as a representative of  
10          Mr. Thomson.

11          33. On December 21, 2001, Mr. Warren was elected as President and Mr. Penly was elected  
12          as Secretary/Treasurer of Eagle Jet.

13          34. Mr. Frehe subsequently initiated a lawsuit against Mr. Thomson because Mr. Thomson  
14          had quit paying the \$3,000 per month. Mr. Thomson countersued, alleging malfeasance  
15          on the part of Mr. Frehe and mismanagement of funds through Eagle Jet. Prior to  
16          adjudication of this action, Mr. Frehe passed away.

17          35. Around December of 2002 or January of 2003, Mr. Wright, the Chief Pilot for Eagle Jet  
18          gave his notice to Eagle Jet and resigned. Mr. Penly, as a representative of Mr. Thomson,  
19          approached Mr. Woods about Mr. Woods assuming the position of the Chief Pilot.

20          36. Mr. Penly essentially told Mr. Woods that without a Chief Pilot the company would have  
21          to be shut down. Mr. Woods accepted the position of Chief Pilot under the conditions that  
22          Mr. Penly stay away from the operation of Eagle Jet.

23          37. Mr. Penly agreed to accept those conditions under which Mr. Woods would assume the  
24          Chief Pilot position.

25          38. Upon becoming Chief Pilot, Mr. Woods managed the operations of Eagle Jet.

26          39. When Mr. Woods took over as Chief Pilot, Eagle Jet was operating at a loss and Mr.  
27          Thomson was infusing money into the company to keep it operating.

- 1 40. As Chief Pilot, Mr. Woods controlled and scheduled the pilots employed by Eagle Jet and  
2 he ended up running the entire Eagle Jet operation, including the chartering operations.
- 3 41. At the time Mr. Woods took over as Chief Pilot, Lear 25 was in arrears on the Sabreliner  
4 payments and it became apparent that it was going to lose the Sabreliner to the finance  
5 company holding the mortgage.
- 6 42. By law, without an aircraft, Eagle Jet could not retain its Operating Certificate.
- 7 43. Mr. Woods facilitated an agreement with the owner of D&D Aviation (hereinafter  
8 referred to as "D&D") out of Salt Lake City, Utah wherein D&D agreed to lease Eagle  
9 Jet a Lear 35 Jet Aircraft so that Eagle Jet could continue its operations and maintain its  
10 Operating Certificate.
- 11 44. Mr. Woods took delivery of the Lear 35 (hereinafter referred to as the "D&D Lear 35")  
12 from D&D on February 11, 2003.
- 13 45. Eagle Jet returned the Sabreliner to the finance company by delivery to Scottsdale,  
14 Arizona on February 16, 2003.
- 15 46. Mr. Woods used his personal credit cards to purchase fuel, parts and supplies for Eagle  
16 Jet.
- 17 47. Mr. Woods used more than one credit card account for the payment of expenses for Eagle  
18 Jet and aircraft managed or operated by Eagle Jet prior to April 26, 2007.
- 19 48. Mr. Woods directed reimbursement of the charges on his personal credit cards, and  
20 received payments from Eagle Jet for charges on his personal credit cards.
- 21 49. During the latter part of 2003, Mr. Woods asked for an ownership interest in Eagle Jet.
- 22 50. The owners of Eagle Jet approved distribution of 1,000 shares in Eagle Jet to Mr. Woods.
- 23 51. Mr. Woods directed that the 1,000 shares be issued to Cirrus.
- 24 52. At the time Woods executed the "Shareholder Buy-Sell Agreement", all other  
25 shareholders, save Justin Thomson and Roland Thomson, signed this agreement.
- 26 53. Except for his interest in Cirrus Aviation, LLC, Milton Woods has no direct ownership of  
27 Eagle Jet.
- 28

54. On or about November 3, 2003, Cirrus received 250 shares in Eagle Jet via Stock Certificate Number 9. Stock Certificate Number 9 was signed by Mr. Penly as Secretary and by Mr. Warren as President of Eagle Jet.

55. Approximately one month later, on or about December 1, 2003, Cirrus received the remaining 750 shares in Eagle Jet via Stock Certificate Number 14. Stock Certificate Number 14 was similarly signed by Mr. Penly as Secretary and by Mr. Warren as President.

56. Sometime in November 2003, Eagle Jet obtained another Lear 35 Jet Aircraft, under a more favorable lease from Robert Buck of Monterey, California.

57. Accordingly, the borrowed D&D Lear 35 was returned to D&D in Salt Lake.

58. Throughout 2003 and 2004, Eagle Jet's business continued to increase and eventually it reached a point where it became necessary to obtain a second Lear Jet.

59. Mr. Penly obtained a lease on a Lear 35 from CIT Bank (hereinafter referred to as the "CIT Lear 35").

60. The FAA requires that each company holding an Operating Certificate have both a Chief Pilot and a Director of Operations/General Manager. Sometime in 2003, the FAA required that Mr. Woods become either Chief Pilot or Director of Operations/General Manager. Mr. Woods became the Director of Operations/General Manager and a new Chief Pilot was hired.

61. In or around November of 2004, Mr. Woods found and negotiated the sale of a late serial number Lear 35 Jet Aircraft through Rolf Smith. On November 29, 2004, the Board of Directors of Eagle Jet, by unanimous written consent, authorized Eagle Jet to purchase the 1987 Gates Lear 35A Aircraft for \$2,300,000, pursuant to an Aircraft Purchase Agreement dated Sept 30, 2004 between M/G Transport Services, Inc. and Jeff Wyler Dealer Group, Inc. The Board of Directors further dictated that Eagle Jet take title to the Lear 35A in a previously formed company known as "Milt's Eagle, LLC."

- 1 62. Pursuant to the resolution, Eagle Jet's Board agreed that Eagle Jet would guarantee the  
2 obligations of Milt's Eagle with respect to the loan. The written consent document shows  
3 Mr. Penly, Mr. Woods and Mr. Warren as the Board of Directors of Eagle Jet.
- 4 63. Mr. Penly was personally handling all the financing arrangements for the purchase of the  
5 Lear 35A, and was told that a \$250,000 down payment was necessary for the purchase.  
6 Upon completion, the down payment requirement was \$350,000, with \$100,000 to come  
7 from the assets of Eagle Jet.
- 8 64. Woods arranged to pick up the Lear 35A in Oregon because there is no applicable sales  
9 tax. When Mr. Woods arrived in Oregon to take possession of the Lear 35A, the  
10 financing to purchase the Lear 35A was not immediately available. Mr. Penly worked to  
11 obtain replacement financing, which was obtained at a higher premium. To complete the  
12 purchase of the Lear 35A, the finance company JODA required a personal commitment  
13 from the Eagle Jet owners. Mr. Woods put up \$100,000, Mr. Warren agreed to put up  
14 \$60,000, Mr. Penly put up \$90,000 and Mr. Thomson elected not to participate in this  
15 transaction. Mr. Warren required that his \$60,000 contribution be considered a loan.  
16 While Mr. Woods and Mr. Penly agreed to personally guaranty the loan for the Lear 35A,  
17 Mr. Warren did not.
- 18 65. Eagle Jet, through Milt's Eagle LLC, received the Lear 35A in December of 2004  
19 (hereinafter referred to as the "Purchased Lear 35A") and discontinued leasing the Lear  
20 35 from CIT. Milt's Eagle LLC was to lease the Purchased Lear 35A to Eagle Jet. Eagle  
21 Jet made the mortgage payments directly to the finance company.
- 22 66. Mr. Penly was reimbursed for his \$90,000 contribution.
- 23 67. Mr. Warren received his \$60,000 back within approximately two years thereafter,  
24 comprised of two payments of \$30,000.
- 25 68. As of April 2007, Mr. Woods had not been reimbursed for his \$100,000 contribution.
- 26 69. About six to eight months later after obtaining the Purchased Lear 35A, Eagle Jet  
27 obtained new financing for the Purchased Lear 35A through Center Capital Corporation  
28

1 under much more favorable terms, with the monthly mortgage payments being reduced  
2 from approximately \$30,000 per month to \$20,900 per month.

3 70. Again, both Mr. Woods and Mr. Penly had to personally guarantee the loan. Mr. Warren  
4 did not commit to the guaranty.

5 71. On July 22, 2005, the Board of Directors of Eagle Jet resolved to issue 2,000 Eagle Jet  
6 shares to Messrs. Penly, Warren and Woods.

7 72. On January 6, 2006, Mr. Woods was elected as President of Eagle Jet.

8 73. Sometime in 2006, Mr. Penly obtained a hanger at the McCarran Airport from which  
9 Eagle Jet could operate.

10 74. In June of 2006, Mr. Woods found an aircraft and assisted a group of local Las Vegas  
11 businessmen in the purchase of a Lear 55 Jet Aircraft, that was added to Eagle Jet's  
12 Operating Certificate as a managed aircraft pursuant to an agreement with those  
13 businessmen (hereinafter referred to as the "Managed Lear 55 One").

14 75. This aircraft was owned by 4 Romeo Whiskey LLC, who in turn was owned by Randy  
15 Kidd, Steven Aizenburg and Mr. Ostergaard.

16 76. Mr. Woods did not charge 4 Romeo Whiskey a finder's fee for the work in acquiring a  
17 Lear 55.

18 77. Eagle Jet did not receive a finder's fee from 4 Romeo Whiskey.

19 78. Pursuant to the agreement, Eagle Jet was to receive 15% of the revenue derived from  
20 charter operations for the Managed Lear 55 One, as well as a hanger and maintenance  
21 contract for \$9,000 per month.

22 79. On December 29, 2006 the Board of Directors by Unanimous Written Consent voted to  
23 give bonuses to Mr. Woods in the amount of \$200,000 and to Mr. Penly in the amount of  
24 \$100,000 (hereinafter referred to as the "December Resolution"). In addition, the Board  
25 voted to pay \$100,000 to Warren.

26 80. The December 29, 2006 resolution was rescinded by a resolution dated May 1, 2007.

27  
28

- 1 81. In February of 2007, Eagle Jet began managing another Lear 55 owned by Jim Monaghan  
2 in Scottsdale, Arizona (hereinafter referred to as the "Managed Lear 55 Two"). The  
3 Managed Lear 55 Two was also added to Eagle Jet's Certificate as a managed aircraft  
4 pursuant to an agreement with Mr. Monaghan.
- 5 82. Mr. Woods located for Randy Kidd, Steve Aizenberg and associates a Challenger 601-  
6 3ABR (hereinafter referred to as the "Challenger") which the businessmen purchased in  
7 February of 2007.
- 8 83. At a called meeting of the Eagle Jet Board, in February of 2007 the Company elected to  
9 not participate in the purchase of this aircraft.
- 10 84. Because the Challenger had more than nine seats, Eagle Jet would have had to expand its  
11 Operating Certificate and conduct proving runs with the Challenger.
- 12 85. Eagle agreed that Advanced Air Management, Inc., a California corporation located in  
13 Van Nuys, California (hereinafter referred to as "Advanced Air") should operate the  
14 Challenger. Mr. Woods did not agree to have the Challenger operated by Advanced Air.
- 15 86. Advanced Air Management, Inc., a California corporation located in Van Nuys,  
16 California was purchased in September 2006 by Eagle Jet and Private Jet Services and  
17 shares were given to Mr. Woods (1,000 shares), Mr. Penly (1,000 shares), Mr. Warren  
18 (1,000 shares), John Kaylor (500 shares) and Scott Chikar (500 shares).
- 19 87. Advanced Air Management was purchased for \$171,500, and Eagle Jet made the  
20 purchase with an expenditure of company funds.
- 21 88. After the pre-buy inspection for the Challenger was completed in Tucson, Arizona, Eagle  
22 Jet flew the owners of the Challenger down to take possession of the Challenger. Mr.  
23 Woods was not type-rated in the Challenger.
- 24 89. Woods took pilot Bob McKenna (hereinafter referred to as "Mr. McKenna"), with him to  
25 fly the aircraft back to Las Vegas with the owners on board.
- 26 90. Mr. Woods and Mr. McKenna violated an FAA regulation which requires that prior to  
27 carrying passengers, the crew must have, within the past 90 days, completed three take-  
28



1 offs and three landings to a full stop. Although it was a private trip with only the owners  
2 onboard the aircraft; nevertheless the FAA viewed this as an infraction. Mr. Woods  
3 claims this was inadvertent.

4 91. The Challenger was never part of Eagle Jet's Certificate.

5 92. A letter signed by Mr. McKenna reports this violation to the FAA. Mr. Woods then  
6 received a letter of investigation from the FAA.

7 93. Messrs. Penly and Warren wrote a letter to Mr. Woods, dated April 23, 2007, discussing  
8 Mr. Wood's position with the company and setting forth several terms for his separation.

9 94. The proposal was conditioned on Mr. Woods not working for any Eagle Jet competitor,  
10 being supportive of Eagle Jet, and not making derogatory statements about Eagle Jet.

11 95. Mr. Woods was presented with the letter by Mr. Warren and Mr. Penly.

12  
13 96. On or about April 27, 2007, Mr. Woods issued checks to pay for the charges on Mr.  
14 Woods's personal credit cards for expenses alleged to have been incurred by Eagle Jet  
15 including \$34,000 for a Lear 55 windshield, \$23,000 for installation of the windshield,  
16 \$14,000 for training at Simuflite, miscellaneous fuel charges, ramp charges and aircraft  
17 parts.

18 97. Mr. Woods also issued a check to himself for reimbursement of the \$100,000 he loaned  
19 Eagle Jet for purchase of the Purchased Lear 35, plus \$15,000 interest.

20 98. Lastly, Mr. Woods cut check number 3304 to Cirrus for \$200,000. Mr. Woods cut the  
21 checks to Cirrus instead of himself

22 99. Shortly thereafter, Mr. Penly and Mr. Warren, owning a majority interest of Eagle Jet,  
23 told Mr. Woods they were voting him out.

24 100. At about this time Mr. Penly had the locks changed at Eagle Jet, and called to  
25 cancel Mr. Woods's security badge for airport access.

1 101. On or about April 30, 2007, Mr. Penly sent a letter to Bank of Nevada, telling the  
2 bank there was a dispute and to put a hold on all funds regarding check number 3304.

3 Bank of Nevada subsequently interpled the funds suing both Mr. Woods and Eagle Jet.

4 102. The owner of the Managed Lear 55 One took back its aircraft from Eagle Jet..

5 103. During all times he was the President, Chief Pilot and Director of Operations for  
6 Eagle Jet, Milton J. Woods was a Canadian citizen.

7 104. Milton J. Woods obtained US Citizenship in 2009.

8 105. Mr. Woods directed the payment of expenses for Eagle Jet prior to April 26,  
9 2007.

10 106. Milt Woods opened a bank account called 'Eagle Jet Maintenance' at Bank West  
11 of Nevada.

12 107. Mr. Woods had access to the customer lists of Eagle Jet. Mr. Woods has had  
13 contact with Randy Kidd since April 26, 2007.

14 108. Milt Woods and Greg Woods appeared at the offices of Eagle Jet on or about July  
15 24, 2009 with more than one police officer to obtain or inspect financial records of Eagle  
16 Jet.

17 DATED this 14<sup>th</sup> day of June, 2014.

DATED this 14<sup>th</sup> day of June, 2014.

18 PREMIER LEGAL GROUP

FLANGAS MCMILLAN LAW GROUP

19  
20  
21 By: 

By: 

22 Jay A. Shafer, Esq.  
23 Nevada Bar No. 9184  
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24 Telephone: (702) 794-4411  
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Attorneys for Defendants  
26 EAGLE JET AVIATION, INC.  
and ALEX PENLY

Gus D. Flangas, Esq.  
Nevada Bar No. 4989  
FLANGAS MCMILLAN LAW GROUP  
3275 S. Jones Boulevard, Suite 105  
Las Vegas, Nevada 89146  
Attorneys for Plaintiffs  
MILTON WOODS and  
CIRRUS AVIATION SERVICES

07A546250

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

**Business Court**

**COURT MINUTES**

**May 05, 2014**

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07A546250	Milton Woods, Cirrus Aviation Services Inc vs Eagle Jet Aviation Inc, Alex Penley, et al
-----------	--

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May 05, 2014	2:53 PM	Minute Order
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**HEARD BY:** Allf, Nancy

**COURTROOM:** Dist Court XXVII -  
Chambers

**COURT CLERK:** Sharon Chun

**JOURNAL ENTRIES**

**- MINUTE ORDER - NO HEARING**

COURT FINDS after review a Status Check on Arbitration was set for MOTION CALENDAR on May 7, 2014 at 9.00 a.m. COURT FURTHER FINDS after review the Court Granted a motion to Confirm Arbitration Award for Attorney Fees on October 16, 2013 however the Award would not be enforceable until arbitration was complete. At a status check on arbitration on March 5, 2014 the Court found that the parties had not yet set an arbitration date and ordered the status check continued 60 days. If the case did not move forward in the next 60 days the Court would set a Show Cause Hearing for dismissal.

COURT FURTHER FINDS after review Defendant filed a Motion to Dismiss Claims against Milt s Eagle, Private Jet Services and Stuart Warren pursuant to NRCP 41(e) on April 18, 2014 and the Motion is set for Hearing on MOTION CALENDAR on May 21, 2014 at 10.00 a.m.

COURT ORDERS for good cause appearing Status Check on arbitration VACATED.

CLERK'S NOTE: A copy of this minute order has been distributed to the following:  
Gus W. Flangas (Flangas & McMillan) FAX: 702-382-9452  
Jay A. Shafer or Robert C. Reade (Premier Legal Group)  
Email: jshafer@premierlegalgroup.com

**PRINT DATE:** 05/05/2014

**Page 1 of 1**

**Minutes Date:** May 05, 2014

R0256

07A546250

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

**Business Court**

**COURT MINUTES**

**October 16, 2013**

---

07A546250      Milton Woods, Cirrus Aviation Services Inc  
vs  
Eagle Jet Aviation Inc, Alex Penley, et al

---

October 16, 2013      9:30 AM      Motion to Confirm  
Arbitration Award

HEARD BY:    Allf, Nancy

COURTROOM:    RJC Courtroom 03A

COURT CLERK:    Nicole McDevitt

RECORDER:    Traci Rawlinson

REPORTER:

**PARTIES**

PRESENT:      Flangas, Gus    W  
                    Shafer, Jay A.

Attorney for Plaintiff  
Attorney for Defendant

**JOURNAL ENTRIES**

- Arguments by counsel regarding the arbitration award for attorney's fees and costs, whether or not award was in lieu of striking the pleadings, NRS 38.239, arguments in supplement filed by defense counsel, and further arguments. Mr. Flangas moved to strike the supplement as a fugitive document. Court stated its findings and ORDERED, Motion to Confirm Arbitration Award for Attorney Fees and Costs GRANTED IN PART as to confirmation of the award and DENIED IN PART as Court FINDS it is interlocutory and not enforceable at this time, STATUS CHECK set 3/5/2014 9:00 am. Court stated that if the arbitration is not complete in February and it hears complaints regarding dilatory tactics on behalf of the Defendant it will enforce the order.

3/5/2014 9:00 AM STATUS CHECK: ARBITRATION PROCEEDINGS

PRINT DATE:    10/22/2013

Page 1 of 1

Minutes Date:    October 16, 2013

R0257

## EVENTS &amp; ORDERS OF THE COURT

12/02/2015 All Pending Motions (9:00 AM) (Judicial Officer Cory, Kenneth)  
*PLAINTIFFS MOTION TO DISMISS ALL OF DEFENDANT HKLM'S CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM AND MOTION TO DISMISS OR IN THE ALTERNATIVE MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANTS THIRD AND FOURTH CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM FOR FRAUD AND VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT AND MOTION TO STRIKE IMMATERIAL, IMPERTINENT, IRRELEVANT AND SCANDALOUS ALLEGATIONS... DEFENDANTS' MOTION FOR SUMMARY JUDGMENT IN THEIR FAVOR AGAINST PLAINTIFFS MICHAEL D. RICHMAN AND LUZVIMINDA O. DAPAT*

Minutes

12/02/2015 9:00 AM

- PLAINTIFFS MOTION TO DISMISS ALL OF DEFENDANT HKLM'S CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM AND MOTION TO DISMISS OR IN THE ALTERNATIVE MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANTS THIRD AND FOURTH CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM FOR FRAUD AND VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT AND MOTION TO STRIKE IMMATERIAL, IMPERTINENT, IRRELEVANT AND SCANDALOUS ALLEGATIONS... DEFENDANTS' MOTION FOR SUMMARY JUDGMENT IN THEIR FAVOR AGAINST PLAINTIFFS MICHAEL D. RICHMAN AND LUZVIMINDA O. DAPAT Mr. Flangas argued the causes of action are barred by NRS 78.585 and does not think there is a stay of the statute of limitations in 2011. As to fraud, Mr. Flangas argued he does not think it was stayed. Mr. Flangas further argued the deceptive trade practice is to protect the consumer and they are not a consumer and it does not apply and there is no cause of action. Mr. Kennedy argued the motion for summary judgment should be denied as there has to be a statement of undisputed facts and what is in the counterclaim must be considered and not what is in the third amended complaint. As to the fraud, it is clear from the affidavit they discovered in 2014 and the counterclaim was filed within two years. Plaintiffs are arguing the wrong statute as to statute of limitations chapter 86 because it is a LLC and there was a stay for four nine months. Mr. Kennedy further argued as to their deceptive trade practice argument that you have to be a consumer is wrong, it is a wrongful action. Mr. Richmond used his own words and the things he claims he was awarded were bought. Defendants have had to spend a lot of money fixing his representations. Mr. Flangas argued as to the auditors findings and files not being updated. Further argued defendants were on inquiry notice. Mr. Kennedy argued the bankruptcy ruling stated this should have been disclosed in the bankruptcy, but because of the lapse in time the Bankruptcy Court was unable to re-open the estate. Mr. Kennedy further argued the two issues in the summary judgment motion have been affirmed by the Bankruptcy Court. The question now is after closure of bankruptcy are the plaintiffs going to be able to pursue the claims now for their own benefit. Mr. Kennedy argued 7th Circuit case Cannon-Stokes vs. Potter and because they did not disclose in bankruptcy they are estopped from pursuing. Mr. Flangas argued judicial estoppel and gave summary of the bankruptcy procedures. Mr. Flangas further argued Mr. Daniel Marks was representing plaintiffs in this action not the bankruptcy action and therefore it was defendants responsibility to disclose the dispute. Mr. Zach Larsen, Bankruptcy counsel, gave summary of the Chapter 13 procedures. Further arguments by counsel. Mr. Kennedy argued the Nolm case. COURT ORDERED, BOTH Motions GRANTED and each party to prepare their own Order

Parties Present

Return to Register of Actions

# EXHIBIT 2

# EXHIBIT 2

33

Inst #: 20160201-0002431  
Fees: \$49.00  
N/C Fee: \$0.00  
02/01/2016 03:39:42 PM  
Receipt #: 2673647  
Requestor:  
AMPM LEGAL SOLUTIONS  
Recorded By: RIVASR Pgs: 33  
DEBBIE CONWAY  
CLARK COUNTY RECORDER

## RECORDING COVER PAGE

(Must be typed or printed clearly in BLACK ink only  
and avoid printing in the 1" margins of document)

APN# \_\_\_\_\_

(11 digit Assessor's Parcel Number may be obtained at:  
<http://redrock.co.clark.nv.us/assrrealprop/ownr.aspx>)

## TITLE OF DOCUMENT

(DO NOT Abbreviate)

Judgment

Document Title on cover page must appear EXACTLY as the first page of the document  
to be recorded.

### RECORDING REQUESTED BY:

Kevin M. Sutehall (9437)

RETURN TO: Name Kevin M. Sutehall, Esq. (9437)

Address 1980 Festival Plaza Drive, Suite 700

City/State/Zip Las Vegas, Nevada 89135

### MAIL TAX STATEMENT TO: (Applicable to documents transferring real property)

Name \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_

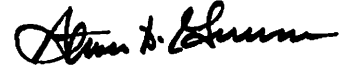
This page provides additional information required by NRS 111.312 Sections 1-2.

An additional recording fee of \$1.00 will apply.

To print this document properly, do not use page scaling.

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P:\Common\Forms & Notices\Cover Page Template Feb2014



CLERK OF THE COURT

**JUDG**  
GUS W. FLANGAS, ESQ.  
Nevada Bar No. 004989  
[gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
**FLANGAS MCMILLAN LAW GROUP**  
3275 South Jones Blvd., Suite 105  
Las Vegas, Nevada 89146  
Telephone: (702) 307-9500  
Facsimile: (702) 382-9452  
*Attorney for Plaintiffs*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

MILTON J. WOODS, and CIRRUS  
AVIATION SERVICES, INC., a Washington  
Corporation,

Plaintiffs,

vs.

EAGLE JET AVIATION, INC., a Nevada  
Corporation; ALEX PENLY, and STUART  
M. WARREN; PRIVATE JET SERVICES, INC.,  
a Nevada Corporation; MILT'S EAGLE, LLC, a  
Nevada Limited Liability Company; and  
DOES I-X, inclusive,

Defendants.

Case No.: A546250  
Dept No.: XXVII

**JUDGMENT**

THIS MATTER came on for Binding Arbitration on August 14, 15, 20, 21, 22, 28;  
September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24; and December 8, 9, 10, of 2014.  
A written Arbitration Award in this matter was rendered on January 27, 2015. The Arbitration  
Award was confirmed in a Hearing held on April 29, 2015 at 9:30 a.m., and an Order Confirming  
Arbitration Award was entered on September 18, 2015.

Thereafter, there was a Hearing before this Court on June 15, 2015, on  
Defendants/Counterclaimants' Motion to Modify or Correct Arbitration Award and Motion to  
Vacate Arbitration Award, wherein the Court denied said Motions in an Order entered on September  
18, 2015.

///

<input type="checkbox"/> Voluntary Dismissal	<input type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input checked="" type="checkbox"/> Judgment of Arbitration



1 Therefore, this matter having been fully litigated and confirmed, and the Court being fully advised  
2 in the premises,

3 **IT IS ORDERED, ADJUDGED and DECREED** that the Arbitration Award and Order  
4 Confirming Arbitration Award attached hereto as Exhibit "1", is reduced to Judgment; and

5 **IT IS FURTHER ORDERED** that the Plaintiff, MILTON J. WOODS (hereinafter "Mr.  
6 Woods"), shall have and recover from Defendant, EAGLE JET AVIATION, INC., a Judgment in  
7 the sum of One Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00) with  
8 interest thereon at the legal rate of interest as provided by law from the date of the service of the  
9 Complaint herein through the date that the Judgment is paid in full; and

10 **IT IS FURTHER ORDERED, ADJUDGED and DECREED** that the Plaintiff, CIRRUS  
11 AVIATION SERVICES, INC. (hereinafter "Cirrus") shall have and recover from Defendant, ALEX  
12 PENLY, a Judgment in the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00)  
13 with interest thereon at the legal rate of interest as provided by law from the date of the service of  
14 the Complaint herein through the date that the Judgment is paid in full; and

15 **IT IS FURTHER ORDERED, ADJUDGED and DECREED** that the Plaintiffs shall have  
16 and recover from Defendant, ALEX PENLY, a Judgment in the sum of Eighty Thousand Dollars  
17 (\$80,000.00) with interest thereon at the legal rate of interest as provided by law from the date of  
18 the service of the Complaint herein through the date that the Judgment is paid in full.


19 **DATED** this 14 day of January, 2016.

20  
21 Nancy L. Allif  
22 **DISTRICT JUDGE** EA

23 Respectfully submitted by:

24  
25 GUS W. FLANGAS, ESQ.  
26 Nevada Bar No. 004989  
27 FLANGAS DALACAS LAW GROUP  
28 gwf@fdlawlv.com  
3275 South Jones Blvd., Suite 105  
Las Vegas, Nevada 89146

# **EXHIBIT 1**



CLERK OF THE COURT

1 **ORDER**  
2 GUS W. FLANGAS, ESQ.  
3 Nevada Bar No. 004989  
4 [gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
5 **FLANGAS MCMILLAN LAW GROUP**  
6 3275 South Jones Blvd., Suite 105  
7 Las Vegas, Nevada 89146  
8 Telephone: (702) 307-9500  
9 Facsimile: (702) 382-9452  
10 *Attorney for Plaintiffs*

11 **DISTRICT COURT**  
12 **CLARK COUNTY, NEVADA**

11 MILTON J. WOODS, and CIRRUS  
12 AVIATION SERVICES, INC., a Washington  
13 Corporation,

13 Plaintiffs,

14 vs.

15 EAGLE JET AVIATION, INC., a Nevada  
16 Corporation; ALEX PENLY, and STUART  
17 M. WARREN; PRIVATE JET SERVICES, INC.,  
18 a Nevada Corporation; MILT'S EAGLE, LLC, a  
19 Nevada Limited Liability Company; and  
20 DOES I-X, inclusive,

18 Defendants.

Case No.: A546250  
Dept No.: XXVII

**ORDER CONFIRMING**  
**ARBITRATION AWARD**

20 THIS MATTER came for Hearing before this Court on April 29, 2015 at 9:00 a.m. on the  
21 Plaintiffs' "Motion to Confirm Arbitration Award." The Plaintiffs were represented by GUS W.  
22 FLANGAS, ESQ. of the FLANGAS DALACAS LAW GROUP. The Defendants, ALEX PENLY  
23 (hereinafter "Mr. Penly) and EAGLE JET SERVICES, INC. (hereinafter "Eagle Jet"), were  
24 represented by their attorneys, JAY W. SHAFER, ESQ. of the PREMIER LEGAL GROUP who  
25 appeared in person, and MARK C. FIELDS, ESQ. of the Law Offices of Mark C. Fields, APC, who  
26 appeared telephonically.

27 Having reviewed the Pleadings and Papers on file in this matter, heard arguments by counsel,

28 ....

1 and good cause appearing;

2 **THE COURT HEREBY FINDS** that the Plaintiffs brought a complaint against the  
3 Defendants to recover monies owed the Plaintiffs for loss of shareholder interest and bonus  
4 payments, among other relief sought.

5 **THE COURT FURTHER FINDS** that the Parties mentioned herein, voluntarily agreed to  
6 submit the entire matter into Binding Arbitration. NLA

7 **THE COURT FURTHER FINDS** that the Parties agreed to have JOHN H. BAILEY, ESQ. WAS  
8 (Hereinafter "Mr. Bailey") appointed as the Arbitrator in this case.

9 **THE COURT FURTHER FINDS** that the Parties arbitrated this case before Mr. Bailey on  
10 August 14, 15, 20, 21, 22, 28; September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24;  
11 and December 8, 9, 10, of 2014, at the law offices of BAILEY KENNEDY located in Clark County,  
12 Las Vegas, Nevada.

13 **THE COURT FURTHER FINDS** that after the completion of the Binding Arbitration, Mr.  
14 Bailey rendered a written Arbitration Award (hereinafter "the Award"), dated January 27, 2015. A  
15 copy of the Award is attached hereto as Exhibit "1" and is incorporated in its entirety into this Order  
16 and is binding as though fully set forth herein.

17 **THE COURT FURTHER FINDS** that pursuant to the Award, Mr. Bailey awarded the  
18 Plaintiff, MILTON J. WOODS (hereinafter "Mr. Woods"), the amount of One Hundred Eleven  
19 Thousand Seven Hundred and Fifty dollars (\$111,750.00) against Eagle Jet.

20 **THE COURT FURTHER FINDS** that pursuant to the Award Mr. Bailey awarded the  
21 Plaintiff, CIRRUS AVIATION SERVICES, INC. (hereinafter "Cirrus") the amount of One Million  
22 Five Hundred Thousand Dollars (\$1,500,000.000) against Mr. Penly.

23 **THE COURT FURTHER FINDS** that on October 16, 2013, the Court GRANTED the  
24 Plaintiffs' previous "Motion to Confirm Arbitration Award" wherein Mr. Bailey awarded the  
25 Plaintiffs the amount of Eighty Thousand Dollars (\$80,000) against Mr. Penly for Attorneys Fees  
26 as sanctions but delayed the enforceability of the award until the Arbitration was complete  
27 (hereinafter the "Previous Award"). A copy of the Previous Award is attached hereto as Exhibit "1"  
28 and is incorporated in its entirety into this Order and binding as though fully set forth herein.

1       **THE COURT FURTHER FINDS** that pursuant to NRS 38.239, the Plaintiffs are entitled  
2 to an Order confirming the Award and the Previous Award.

3       **THEREFORE, THE COURT HEREBY ORDERS** that the Plaintiffs' "Motion to Confirm  
4 Arbitration Award" is **Granted**.

5       **THE COURT FURTHER ORDERS** that the Award to Mr. Woods in the amount of One  
6 Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00) against Eagle Jet is  
7 **Confirmed** and Mr. Woods is therefore entitled to Judgement against Eagle Jet in the amount of One  
8 Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00), plus interest in an  
9 amount allowed by law.

10       **THE COURT FURTHER ORDERS** that the Award to the Cirrus in the amount of One  
11 Million Five Hundred Thousand Dollars (\$1,500,000.000) against Mr. Penly is **Confirmed** and  
12 Cirrus is therefore entitled to Judgement against Mr. Penly in the amount of One Million Five  
13 Hundred Thousand Dollars (\$1,500,000.000), plus interest in an amount allowed by law.

14       **THE COURT FURTHER ORDERS** that the Previous Award to the Plaintiffs which was  
15 previously confirmed by the Court in the amount of \$80,000 against Mr. Penly is again **Confirmed**  
16 and the Plaintiffs are therefore entitled to Judgement against Mr. Penly in the amount of Eighty  
17 Thousand Dollars (\$80,000), plus interest in an amount allowed by law.

18       **THE COURT FURTHER ORDERS** that because the Defendants filed on the day before  
19 the Hearing, "Defendants and Counterclaimants' Motion to Modify or Correct Arbitration Award,"  
20 and "Defendants and Counterclaimants' Motion to Vacate Arbitration Award." a Hearing on the  
21 Motions shall be heard on June 15, 2015 at 10:00 a.m.

22       **THE COURT FURTHER ORDERS** that the Plaintiffs' request for additional attorney's

23 ....

24 ....

25 ....

26 ....

27 ....

28 ....

1 fees is deferred until after the Hearing on June 15, 2015.


2 **THE COURT FURTHER ORDERS** that the amounts set forth in this Order be reduced  
3 to Judgment.

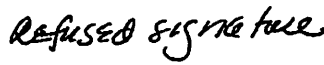
4 **IT IS SO ORDERED** this 20 day of August, 2015.

5  
6 Nancy Allen  
7 **DISTRICT JUDGE**

8 Respectfully submitted by:

Approved as to form by:

9  
10   
11 **GUS W. FLANGAS, ESQ.**  
12 Nevada Bar No. 004989  
13 [gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
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19 Attorney for Plaintiffs

20   
21 **JAY A. SHAFER, ESQ.**  
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Attorney for Defendants

16 Refused Signature  
17 **MARK C. FIELDS, ESQ.**  
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21 333 South Hope Street, 35<sup>th</sup> Floor  
22 Los Angeles, California  
23 Telephone: (213) 617-5225  
24 Facsimile: (213) 629-4520  
25 Attorney for Defendants

**EXHIBIT 1**

1 JOHN R. BAILEY  
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2 BAILEY ♦ KENNEDY  
8984 Spanish Ridge Avenue  
3 Las Vegas, Nevada 89148  
Telephone: (702) 562-8820  
4 Facsimile: (702) 562-8821  
jbailey@baileykennedy.com

5 Arbitrator

6 DISTRICT COURT  
7  
8 CLARK COUNTY, NEVADA

9 MILTON J. WOODS and CIRBUS  
10 AVIATION SERVICES, INC., a Washington  
corporation,

11 Plaintiffs,

12 vs.

13 EAGLE JET AVIATION, INC., a Nevada  
14 corporation; ALEX PENLY; STUART M.  
WARREN; PRIVATE JET SERVICES, INC.,  
15 a Nevada corporation; MILT'S EAGLE, LLC,  
Nevada limited liability company; and  
16 DOES I-X, inclusive,

17 Defendants.  
18

Case No. A546250  
Dept. No. XI

ARBITRATION AWARD

19 This matter came before the undersigned arbitrator for hearing on the following days in  
20 accordance with the parties' agreement and the Court's Order:  
21

- 22 • August 14, 15, 20, 21, 22, and 28, 2014;
- 23 • September 3, 12, 15, and 18, 2014;
- 24 • October 3, 15, 28, and 29, 2014;
- 25 • November 3, 4, and 24, 2014; and
- 26 • December 8, 9, and 10, 2014.
- 27
- 28



1 Plaintiffs/Counterdefendants Milton Woods and Cirrus Aviation Services, Inc. (individually  
2 "MWoods" and "Cirrus," respectively, and collectively, "Plaintiffs") were represented by their  
3 counsel, Gus W. Flangas, Esq. Defendants/Counterclaimants Eagle Jet Aviation Inc. and Alex  
4 Penly (individually "EJA" and "Penly," respectively, and collectively, "Defendants") were  
5 represented by their counsel, Mark C. Fields, Esq. and Jay A. Shafer, Esq.<sup>1</sup> Defendants  
6 submitted their Post-Closing Arbitration Brief on December 29, 2014, at which time the  
7 arbitration was closed.

8  
9 Upon considering the parties' arbitration briefs, the Stipulation As To Undisputed  
10 Facts, the testimony of the parties and witnesses, the substantial evidentiary submissions, the  
11 closing arguments of counsel, Defendants' post-closing brief, and all other matters properly  
12 submitted at arbitration, the arbitrator makes the following determinations and award.<sup>2</sup>

#### 13 I. PRELIMINARY FINDINGS

14  
15 A. Stipulation As To Undisputed Facts. At the request of the arbitrator, the parties  
16 submitted, and the arbitrator accepted and hereby incorporates, a Stipulation As To Undisputed  
17 Facts, which is attached to this Arbitration Award as Exhibit "A."

18  
19 B. Quantity and Quality of the Evidence. This matter, and specifically the parties' ability to  
20 present admissible evidence in support or defense of their respective claims and counterclaims  
21 was materially plagued by the undisputed fact that a substantial portion of EJA's business and  
22 financial records disappeared immediately after the time that MWoods departed from EJA in  
23 April 2007. While the parties were unable to provide any clear indication as to what happened  
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25  
26 <sup>1</sup> The other parties identified in the Complaint (or Amended Complaint) and listed in the caption were either  
27 dismissed under N.R.C.P. 41(e) or had sought and obtained bankruptcy protection.

28 <sup>2</sup> Initially, the parties were unable to agree on the form of this Arbitration Award (i.e., a simple award vs. a  
reasoned award). Ultimately, they stipulated to a simple award with summary reasoning.

1 to those records, it is undisputed that Penly, under oath and in his own declarations, asserted that  
2 he is familiar with the creation of, maintenance of, and has line responsibility for the business  
3 records (including the accounting records) of each of the two companies (EJA and Private Jet  
4 Services, Inc.) for all relevant times. There was no credible evidence presented that MWoods  
5 (or anyone under his control) took or was otherwise responsible for the disappearance of EJA's  
6 business and financial records.<sup>3</sup> Therefore, in the absence of any plausible explanation for their  
7 disappearance, the responsibility to account for EJA's business and financial records falls upon  
8 Penly.  
9

10  
11 C. Credibility of Key Witnesses.

12 a. Alex Penly. It is disconcerting and material to the findings that give rise to this  
13 Arbitration Award that Penly admittedly: (i) was less than honest with the Court (Judge  
14 Gonzalez) during a hearing in this matter on July 21, 2009, when he failed to disclose that EJA's  
15 MSP payments due on its Lear 35 aircraft were current only because the finance company for  
16 the aircraft made the payments by increasing the debt on the aircraft; and (ii) intentionally  
17 misled and deceived the Court (Judge Gonzalez) during a hearing in this matter on January 21,  
18 2010, and the shareholders of EJA during a shareholders' meeting on March 11, 2010, when he  
19 failed to disclose that EJA had gone out of business; that EJA's Part 135 Certificate—issued by  
20 the Federal Aviation Administration (the "FAA")—had been surrendered in favor of a new  
21 company (*i.e.*, The Berkeley Group, LLC dba NV Jets) owned by Penly's relatives and others;  
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23  
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26  
27 <sup>3</sup> During discovery, Plaintiffs were awarded \$80,000.00 for attorneys' fees and costs against Penly in  
28 connection with the disappearance of EJA's business and financial records, and received a presumption at the  
arbitration hearing that Penly engaged in spoliation of EJA's (and other companies') business and financial records.  
See, Arbitration Orders dated April 9, 2013, and May 21, 2013. It should be noted that Penly was awarded  
\$2,590.75 as deposition sanctions against Plaintiffs. See, Arbitration Order dated February 26, 2014.

1 and that NV Jets was operating a business substantially similar to that which EJA had operated  
2 (i.e., a private jet charter service) by using EJA's location, phone number, and other assets.<sup>4</sup>

3           b. **Milton Woods.** Although he clearly and undeniably dislikes Penly, MWoods  
4 was generally credible. While he certainly acted in his own best interest after his departure from  
5 EJA in April 2007, it was uncontradicted that he was not under any restrictive covenants that  
6 would have prohibited him from competing directly against EJA, despite having an ownership  
7 interest in EJA (through Cirrus).

8  
9           c. **Stuart Warren.** It was uncontradicted that Mr. Warren, like MWoods (through  
10 Cirrus), lost the value of his ownership interest in EJA when EJA went out of business in 2009.  
11 While Mr. Warren's personal knowledge about all of the events that transpired among Penly,  
12 MWoods, and EJA was limited by his lack of a physical presence in Las Vegas, Nevada, his  
13 testimony about matters in which he was directly involved was very credible.

14  
15           D. **MWoods' Bonus.** It is undisputed that EJA (through its Board of Directors)  
16 unanimously granted bonuses to MWoods (in the amount of \$200,000.00), Penly (in the amount  
17 of \$100,000.00), and Stuart Warren (in the amount of \$100,000.00) on December 29, 2006.<sup>5</sup>  
18 There were no plausible explanations from any of the parties as to why these bonuses were not  
19 paid either immediately or sometime in January 2007, when EJA's bank account records  
20 indicated that such funds were available. Nonetheless, upon his separation from EJA in late  
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25  
26 <sup>4</sup> The Lear 35 aircraft was owned by Milt's Eagle, LLC, which was a wholly-owned subsidiary of EJA.  
27 There was no evidence showing that NV Jets ever paid EJA any consideration for the acquisition of EJA's assets.  
The transfer of such assets directly inured to the benefit of Penly and his relatives at the expense of the EJA's other  
shareholders; namely, Cirrus and Stuart Warren.

28 <sup>5</sup> While Mr. Warren's bonus was characterized as a payment of legal fees; the parties testified that each of  
the principals was essentially being awarded a bonus.

1 April 2007, MWoods took his bonus.<sup>6</sup> Then, on May 1, 2007, after MWoods' departure from  
2 EJA, the EJA Shareholders (excluding Cirrus) took action to "disapprove payment of such  
3 bonuses and/or the making of such payments to the extent not heretofore made due to the  
4 Corporation's lack of adequate funds to support its operations . . . ." At the time that MWoods  
5 took his bonus, EJA had sufficient funds to pay the bonus and such bonus had not been  
6 "disapproved." While not an ideal situation, MWoods was nonetheless entitled to his bonus  
7 from EJA at the time he took it. Accordingly, he is entitled to the \$111,750.00 of his bonus  
8 from EJA that he did not receive.<sup>7</sup>

10  
11 E. MWoods' Reimbursement of Company Expenses. Defendants assert that the  
12 reimbursement monies MWoods received from EJA greatly exceeded the actual amount he was  
13 entitled to for legitimate company expenses—an assertion MWoods adamantly disputes. Due to  
14 the lack of business and financial records of EJA and missing credit card statements for  
15 MWoods during the relevant time period, neither party was able to present evidence sufficient to  
16 either prove or defend its position on this issue. Consequently, Defendants have failed to meet  
17 their burden of proof on this counterclaim.

19 F. Penly's Breach of Fiduciary Duties. The parties (primarily, MWoods and Penly) spent a  
20 significant amount of time pointing fingers at each other and accusing one another of  
21 mismanagement.<sup>8</sup> While individual actions taken years ago, through the benefit of 20/20  
22

23  
24 <sup>6</sup> MWoods' bonus (of \$200,000.00) was subsequently the subject of an interpleader action initiated by Bank  
25 of Nevada. From all of the evidence presented, which is conflicting, it appears as though EJA received \$111,750  
26 from the interpleader action and MW (through Cirrus) received \$86,750 from the interpleader action in October  
27 2007.

28 <sup>7</sup> From the evidence, it appears as though Bank of Nevada received \$1,500.00 for attorneys' fees in  
connection with the interpleader action. Under the circumstances, neither side should be entitled to keep or recover  
the \$1,500.00.

<sup>8</sup> Much of the evidence (testimony and documents) presented, as well as arguments of counsel, were  
irrelevant to the claims/counterclaims asserted.

1 hindsight, may appear to be less than prudent, it does not appear that MWoods, during the time  
2 that he was in charge of the daily operations of EJA, intentionally took any actions designed to  
3 harm the company or any of its shareholders. On the other hand, while Penly inherited EJA at a  
4 difficult time (e.g., employees loyal to MWoods left the company, and starting a year or so later  
5 the national and local economy lapsed into a recession), he was untruthful to the Court and  
6 shareholders about material matters involving EJA. Moreover, he ultimately breached his  
7 fiduciary duties to EJA's shareholders when he failed to disclose that EJA's Part 135 Certificate  
8 had been surrendered in favor of a new company—i.e., The Berkeley Group, LLC dba NV Jets—  
9 —owned by his relatives and others, and that NV Jets was operating a business substantially  
10 similar to that which EJA had operated by using EJA's location, phone number, and other  
11 assets.<sup>9</sup>

14 G. Damages. Based on all the evidence, it is clear that Cirrus lost its investment in EJA (a  
15 30% interest) due to Penly's breaches of the fiduciary duties he owed to the company. It is  
16 difficult to determine the exact value of the Cirrus' interest in EJA because Penly's breaches  
17 occurred over a period of time (i.e., between April 2007 and early 2010) and the value of such  
18 interest decreased after April 2007 due to the onset of the national and local economic recession  
19 (which cannot be attributed to Penly). Instructive in determining the value of Cirrus' interest in  
20 EJA (and damages) is the valuation given to such interest by Stuart Warren in his e-mail  
21 communication to Penly, Greg Woods, and MWoods dated April 29, 2007, wherein he valued  
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25

26 <sup>9</sup> See, Section I(C)(a) and footnote 4, above. Documents from the FAA indicate that Penly was the Chief  
27 Executive Officer of The Berkeley Group, LLC. See, Plaintiffs' Exhibit 116. Further, these same documents from  
28 the FAA state: "THE BERKELEY GROUP LLC IS A NEW LLC AND CERTIFICATE, THE SAME BASIC  
GROUP OF PERSONS HOLDING EAGLE JET AVIATION, INC (EWJA 136K) HAVE APPLIED FOR THE  
NEW CERTIFICATION UNDER THE BERKELEY GROUP LLC (DBA NV JETS). CERTIFICATE ISSUED  
ON JANUARY 21, 2010." Id.

1 such interest at approximately \$2,000,000.00.<sup>10</sup> Though difficult to determine, Cirrus' damages  
2 due to Penly's breaches of his fiduciary duties can be calculated by looking at all of the  
3 admissible evidence—for example, evidence that EJA's Part 135 Certificate in and of itself had  
4 a separate market value—and applying the undersigned's knowledge, training and experience.  
5 Based on such, Cirrus suffered damages of \$1,500,000.00 in the loss of its shareholder interest  
6 in EJA due to Penly's conduct.

## 8 II. AWARD

9 After considering the pleadings, the testimony and evidence presented at the hearing, the  
10 arbitrator has decided, in full and final resolution of the claims and counterclaims submitted for  
11 determination, as follows:

12  
13 1. Defendant Eagle Jet Aviation, Inc. is liable for and shall pay Plaintiff Milton J. Woods  
14 compensatory damages in the amount of \$111,750.00.

15 2. Defendant Alex Penly is liable for and shall pay Plaintiff Cirrus Aviation Services, Inc.  
16 compensatory damages in the amount of \$1,500,000.00.

17 3. Any and all relief not specifically addressed herein, including punitive damages, is  
18 expressly denied.

19  
20 ////

21  
22 ////

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27 <sup>10</sup> See, Plaintiffs' Exhibit 66. The \$2,000,000.00 offer from Mr. Warren was for MWoods' interest in EJA  
28 and "other companies," and was contingent upon other specified conditions. It is noted that MWoods never agreed  
to accept Mr. Warren's offer. Additionally, there was testimony presented by Plaintiffs about offers that were made  
to purchase EJA in the range of \$3,000,000.00 to \$6,000,000.00; however, there was no written evidence of any  
bona fide offers.

1 Each party shall bear its own fees and costs, including attorneys' fees, relating to this  
2 Arbitration.

3 DATED this 27<sup>th</sup> day of January, 2015.

4 BAILEY ♦ KENNEDY

5  
6 By:   
7 JOHN R. BAILEY  
8 Nevada Bar No. 0137  
8984 Spanish Ridge Avenue  
Las Vegas, Nevada 89148

9 Arbitrator  
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**CERTIFICATE OF SERVICE**

I hereby certify that on the 28th day of January, 2015, a copy of the foregoing  
ARBITRATION AWARD was served by sending a copy via electronic mail and by depositing a  
true and correct copy in the U.S. Mail, first class postage prepaid, and addressed to the following  
at their last known addresses:

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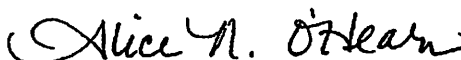
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\_\_\_\_\_  
Alice N. O'Hearn, an Employee of  
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# Exhibit A

1 **STIP**

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10 Attorneys for Defendant ALEX PENLY

11 and EAGLE JET AVIATION, INC.

12 **PRIVATE BINDING ARBITRATION**

13 MILTON WOODS; CIRRUS AVIATION  
14 SERVICES INC., a Washington Corporation,

15 Plaintiffs,

16 v.

17 EAGLE JET AVIATION INC., a Nevada  
18 Corporation; ALEX PENLY; STUART M.  
19 WARREN; PRIVATE JET SERVICES INC., a  
20 Nevada Corporation; MILT'S EAGLE LLC, a  
21 Nevada Limited Liability Company; DOES I  
22 through x, Inclusive,

23 Defendants.

24 EAGLE JET AVIATION INC., a Nevada  
25 Company; ALEX PENLY, an Individual,

26 Counterclaimants,

27 v.

28 MILTON WOODS, an Individual; CIRRUS  
AVIATION SERVICES INC., a Washington  
Corporation; DOES I through X, Inclusive,

Counterdefendants.

Case No.: A-07-546250-B

Dept. No.: XXVII

**STIPULATION AS TO UNDISPUTED  
FACTS**

IT IS HEREBY STIPULATED AND AGREED by and between Defendants ALEX  
PENLY and EAGLE JET AVIATION, INC., being represented by Jay A. Shafer, Esq. of the law  
firm of Premier Legal Group, and Plaintiffs MILTON WOODS and CIRRUS AVIATION

1 SERVICES, INC., being represented by their counsel Gus D. Flangas, Esq., and the law offices  
2 of Flangas McMillan Law Group, that the following facts are stipulated to as undisputed:

- 3 1. The Plaintiff, MILTON J. WOODS (hereinafter referred to as "Mr. Woods"), is a United  
4 States citizen residing and working in Las Vegas, Nevada. He is an aircraft pilot with an  
5 Airline Transport Pilot ("ATP") rating and he has 48 years of experience as a pilot. He  
6 has lived in Las Vegas for over ten years. Mr. Woods became a United States Citizen in  
7 2009.
- 8 2. The Plaintiff, CIRRUS AVIATION SERVICES (hereinafter referred to as "Cirrus"), is a  
9 Washington corporation with its principal place of business in Clark County, Nevada.  
10 Mr. Woods, along with his two sons, are the shareholders of Cirrus. Mr. Woods presently  
11 owns Ten Percent (10%) of the shares in Cirrus and his sons Mark Woods and Greg  
12 Woods each own Forty Five Percent (45%) of the shares.
- 13 3. The Defendant, EAGLE JET AVIATION, INC. (hereinafter referred to as "Eagle Jet"),  
14 was a Nevada corporation with its principal place of business in Clark County, Nevada.
- 15 4. Eagle Jet was an aviation company that offered the general public the ability to charter  
16 private aircraft. Eagle Jet had a FAR Part 135 Certificate (hereinafter referred to as the  
17 "Operating Certificate") from the Federal Aviation Administration (hereinafter referred  
18 to as the "FAA") to operate jet aircraft capable of carrying nine passengers or less  
19 anywhere in the United States, Canada, Mexico and the Caribbean.
- 20 5. Eagle Jet was formed on or about January 5, 1999.
- 21 6. Cirrus's shares represented a minimum Twenty Five Percent (25%) interest in Eagle Jet.
- 22 7. The Defendant, ALEXANDER PENLY (hereinafter referred to as "Mr. Penly"), is a  
23 citizen of the United Kingdom, and a resident of Las Vegas, Nevada.
- 24 8. Mr. Penly was an officer and director in Eagle Jet, and shareholder in Eagle Jet.
- 25 9. PRIVATE JET SERVICES, INC., (hereinafter referred to as "Private Jet") was and is a  
26 Nevada corporation organized under the laws of the State of Nevada with its principal  
27 place of business in Clark County, Nevada.

- 1 10. MILT'S EAGLE, LLC, (hereinafter referred to as "Milt's Eagle") was a Nevada Limited
- 2 Liability Company organized under the laws of the State of Nevada, currently in revoked
- 3 status, with its principal place of business in Clark County, Nevada.
- 4 11. Milt's Eagle was the owner of a Lear 35A Jet aircraft which is used in the operations of
- 5 Eagle Jet.
- 6 12. Milt's Eagle was owned by Eagle Jet.
- 7 13. Milt's Eagle filed bankruptcy in 2009.
- 8 14. Eagle Jet was originally formed and owned by Walter M. Frehe (hereinafter referred to as
- 9 "Mr. Frehe") and Roderick Thomson (hereinafter referred to as "Mr. Thomson").
- 10 15. Mr. Frehe and Mr. Thomson each owned a fifty percent (50%) interest in Eagle Jet.
- 11 16. After Mr. Frehe departed the company, shares in Eagle Jet were owned by his two sons,
- 12 Justin Thomson and Roland Thomson, with 49% each, and 2% being owned by Stuart
- 13 Warren. Later shares were 25% to each of Woods, Penly and Warren with the sons
- 14 splitting 25%.
- 15 17. At the time Eagle Jet was formed, Mr. Thomson was the owner of a Sabreliner Jet Model
- 16 NA265-75A (hereinafter referred to as the "Sabreliner").
- 17 18. Mr. Thomson owned the Sabreliner through a company called Lear 25, Inc. (hereinafter
- 18 referred to as "Lear 25").
- 19 19. In forming Eagle Jet, Eagle Jet entered into an agreement with Lear 25 for Eagle Jet to
- 20 manage leasing and chartering operations using the Sabreliner. Mr. Frehe was put in
- 21 charge of running Eagle Jet and the Sabreliner operations.
- 22 20. When Eagle Jet was formed, it did not have an Operating Certificate to operate the
- 23 Sabreliner so the aircraft was operated under the Operating Certificate of Scenic Airlines
- 24 (hereinafter referred to as "Scenic") and managed by a company known as Eagle Jet
- 25 Charter, Inc. (hereinafter referred to as "Eagle Charter").
- 26 21. Eagle Charter was wholly owned by Scenic.
- 27
- 28

- 1 22. Shortly after Eagle Jet was formed, Mr. Thomson created an entity known as "The Flying  
2 Hospital, Inc." (hereinafter referred to as the "The Flying Hospital"), a nonprofit  
3 corporation funded by Mr. Thomson.
- 4 23. Mr. Frehe became the president of The Flying Hospital and was responsible for its  
5 management. Around February of 2000, Mr. Woods became employed by Eagle Charter  
6 as a Captain for the Sabreliner. He was hired by the then Chief Pilot for Eagle Charter,  
7 Douglas Wright.
- 8 24. Mr. Woods and the other employees related to the Sabreliner were considered employees  
9 of Scenic.
- 10 25. Subsequent to Mr. Woods starting with Eagle Charter, Mr. Penly arrived in Las Vegas  
11 from England as a representative of Mr. Thomson, brought in to check the outflow of  
12 money from Eagle Jet to The Flying Hospital.
- 13 26. Besides checking into the Flying Hospital, Mr. Penly became involved with the  
14 operations of the Sabreliner.
- 15 27. Scenic terminated the agreement it had with Mr. Thomson that had allowed the  
16 Sabreliner to operate under Scenic's Operating Certificate. Because Scenic terminated its  
17 relationship with Eagle Jet, Eagle Jet was faced with either terminating its Sabreliner  
18 operations or acquiring its own Operating Certificate. It was decided that Eagle Jet would  
19 obtain its own Operating Certificate, and it assumed full responsibility for the Sabreliner.
- 20 28. To obtain an Operating Certificate, the FAA, as one its requirements, commands that a  
21 company conduct 25 hours of proving runs with FAA personnel present in the aircraft for  
22 each type of aircraft the company intends to operate under the Operating Certificate.
- 23 29. Because jet aircraft can cost several thousand dollars per hour to operate, conducting  
24 proving runs can be very expensive. Eagle Jet conducted the Sabreliner proving runs  
25 during July, 2002 and was issued an Operating Certificate on July 16, 2002.
- 26 30. In or about November 2001, during the time Eagle Jet was working to obtain its  
27 Operating Certificate, Mr. Frehe and Mr. Thomson had a falling out. Mr. Thomson had  
28

1           apparently been losing a great deal of money through Eagle Jet and believed Mr. Frehe  
2           was improperly siphoning money.

3           31. Mr. Frehe agreed to leave the company and tender his shares in the Sabreliner operation  
4           and in Eagle Jet to Mr. Thomson for a purchase price of \$36,000, payable at \$3,000 per  
5           month for 12 months.

6           32. This surrender of shares by Mr. Frehe left Mr. Thomson as the sole shareholder in Eagle  
7           Jet. Mr. Thomson's ownership was held by Justin Thomson (500 shares) and Roland  
8           Thomson (500 shares), while Stuart Warren (hereinafter "Mr. Warren") was issued 20  
9           shares. Upon Mr. Frehe's departure from Eagle Jet Mr. Penly acted as a representative of  
10          Mr. Thomson.

11          33. On December 21, 2001, Mr. Warren was elected as President and Mr. Penly was elected  
12          as Secretary/Treasurer of Eagle Jet.

13          34. Mr. Frehe subsequently initiated a lawsuit against Mr. Thomson because Mr. Thomson  
14          had quit paying the \$3,000 per month. Mr. Thomson countersued, alleging malfeasance  
15          on the part of Mr. Frehe and mismanagement of funds through Eagle Jet. Prior to  
16          adjudication of this action, Mr. Frehe passed away.

17          35. Around December of 2002 or January of 2003, Mr. Wright, the Chief Pilot for Eagle Jet  
18          gave his notice to Eagle Jet and resigned. Mr. Penly, as a representative of Mr. Thomson,  
19          approached Mr. Woods about Mr. Woods assuming the position of the Chief Pilot.

20          36. Mr. Penly essentially told Mr. Woods that without a Chief Pilot the company would have  
21          to be shut down. Mr. Woods accepted the position of Chief Pilot under the conditions that  
22          Mr. Penly stay away from the operation of Eagle Jet.

23          37. Mr. Penly agreed to accept those conditions under which Mr. Woods would assume the  
24          Chief Pilot position.

25          38. Upon becoming Chief Pilot, Mr. Woods managed the operations of Eagle Jet.

26          39. When Mr. Woods took over as Chief Pilot, Eagle Jet was operating at a loss and Mr.  
27          Thomson was infusing money into the company to keep it operating.

1 40. As Chief Pilot, Mr. Woods controlled and scheduled the pilots employed by Eagle Jet and  
2 he ended up running the entire Eagle Jet operation, including the chartering operations.  
3 41. At the time Mr. Woods took over as Chief Pilot, Lear 25 was in arrears on the Sabreliner  
4 payments and it became apparent that it was going to lose the Sabreliner to the finance  
5 company holding the mortgage.  
6 42. By law, without an aircraft, Eagle Jet could not retain its Operating Certificate.  
7 43. Mr. Woods facilitated an agreement with the owner of D&D Aviation (hereinafter  
8 referred to as "D&D") out of Salt Lake City, Utah wherein D&D agreed to lease Eagle  
9 Jet a Lear 35 Jet Aircraft so that Eagle Jet could continue its operations and maintain its  
10 Operating Certificate.  
11 44. Mr. Woods took delivery of the Lear 35 (hereinafter referred to as the "D&D Lear 35")  
12 from D&D on February 11, 2003.  
13 45. Eagle Jet returned the Sabreliner to the finance company by delivery to Scottsdale,  
14 Arizona on February 16, 2003.  
15 46. Mr. Woods used his personal credit cards to purchase fuel, parts and supplies for Eagle  
16 Jet.  
17 47. Mr. Woods used more than one credit card account for the payment of expenses for Eagle  
18 Jet and aircraft managed or operated by Eagle Jet prior to April 26, 2007.  
19 48. Mr. Woods directed reimbursement of the charges on his personal credit cards, and  
20 received payments from Eagle Jet for charges on his personal credit cards.  
21 49. During the latter part of 2003, Mr. Woods asked for an ownership interest in Eagle Jet.  
22 50. The owners of Eagle Jet approved distribution of 1,000 shares in Eagle Jet to Mr. Woods.  
23 51. Mr. Woods directed that the 1,000 shares be issued to Cirrus.  
24 52. At the time Woods executed the "Shareholder Buy-Sell Agreement", all other  
25 shareholders, save Justin Thomson and Roland Thomson, signed this agreement.  
26 53. Except for his interest in Cirrus Aviation, LLC, Milton Woods has no direct ownership of  
27 Eagle Jet.  
28

54. On or about November 3, 2003, Cirrus received 250 shares in Eagle Jet via Stock Certificate Number 9. Stock Certificate Number 9 was signed by Mr. Penly as Secretary and by Mr. Warren as President of Eagle Jet.

55. Approximately one month later, on or about December 1, 2003, Cirrus received the remaining 750 shares in Eagle Jet via Stock Certificate Number 14. Stock Certificate Number 14 was similarly signed by Mr. Penly as Secretary and by Mr. Warren as President.

56. Sometime in November 2003, Eagle Jet obtained another Lear 35 Jet Aircraft, under a more favorable lease from Robert Buck of Monterey, California.

57. Accordingly, the borrowed D&D Lear 35 was returned to D&D in Salt Lake.

58. Throughout 2003 and 2004, Eagle Jet's business continued to increase and eventually it reached a point where it became necessary to obtain a second Lear Jet.

59. Mr. Penly obtained a lease on a Lear 35 from CIT Bank (hereinafter referred to as the "CIT Lear 35").

60. The FAA requires that each company holding an Operating Certificate have both a Chief Pilot and a Director of Operations/General Manager. Sometime in 2003, the FAA required that Mr. Woods become either Chief Pilot or Director of Operations/General Manager. Mr. Woods became the Director of Operations/General Manager and a new Chief Pilot was hired.

61. In or around November of 2004, Mr. Woods found and negotiated the sale of a late serial number Lear 35 Jet Aircraft through Rolf Smith. On November 29, 2004, the Board of Directors of Eagle Jet, by unanimous written consent, authorized Eagle Jet to purchase the 1987 Gates Lear 35A Aircraft for \$2,300,000, pursuant to an Aircraft Purchase Agreement dated Sept 30, 2004 between M/G Transport Services, Inc. and Jeff Wyler Dealer Group, Inc. The Board of Directors further dictated that Eagle Jet take title to the Lear 35A in a previously formed company known as "Milt's Eagle, LLC."



- 1 62. Pursuant to the resolution, Eagle Jet's Board agreed that Eagle Jet would guarantee the  
2 obligations of Milt's Eagle with respect to the loan. The written consent document shows  
3 Mr. Penly, Mr. Woods and Mr. Warren as the Board of Directors of Eagle Jet.
- 4 63. Mr. Penly was personally handling all the financing arrangements for the purchase of the  
5 Lear 35A, and was told that a \$250,000 down payment was necessary for the purchase.  
6 Upon completion, the down payment requirement was \$350,000, with \$100,000 to come  
7 from the assets of Eagle Jet.
- 8 64. Woods arranged to pick up the Lear 35A in Oregon because there is no applicable sales  
9 tax. When Mr. Woods arrived in Oregon to take possession of the Lear 35A, the  
10 financing to purchase the Lear 35A was not immediately available. Mr. Penly worked to  
11 obtain replacement financing, which was obtained at a higher premium. To complete the  
12 purchase of the Lear 35A, the finance company JODA required a personal commitment  
13 from the Eagle Jet owners. Mr. Woods put up \$100,000, Mr. Warren agreed to put up  
14 \$60,000, Mr. Penly put up \$90,000 and Mr. Thomson elected not to participate in this  
15 transaction. Mr. Warren required that his \$60,000 contribution be considered a loan.  
16 While Mr. Woods and Mr. Penly agreed to personally guaranty the loan for the Lear 35A,  
17 Mr. Warren did not.
- 18 65. Eagle Jet, through Milt's Eagle LLC, received the Lear 35A in December of 2004  
19 (hereinafter referred to as the "Purchased Lear 35A") and discontinued leasing the Lear  
20 35 from CIT. Milt's Eagle LLC was to lease the Purchased Lear 35A to Eagle Jet. Eagle  
21 Jet made the mortgage payments directly to the finance company.
- 22 66. Mr. Penly was reimbursed for his \$90,000 contribution.
- 23 67. Mr. Warren received his \$60,000 back within approximately two years thereafter,  
24 comprised of two payments of \$30,000.
- 25 68. As of April 2007, Mr. Woods had not been reimbursed for his \$100,000 contribution.
- 26 69. About six to eight months later after obtaining the Purchased Lear 35A, Eagle Jet  
27 obtained new financing for the Purchased Lear 35A through Center Capital Corporation  
28

1 under much more favorable terms, with the monthly mortgage payments being reduced  
2 from approximately \$30,000 per month to \$20,900 per month.

3 70. Again, both Mr. Woods and Mr. Penly had to personally guarantee the loan. Mr. Warren  
4 did not commit to the guaranty.

5 71. On July 22, 2005, the Board of Directors of Eagle Jet resolved to issue 2,000 Eagle Jet  
6 shares to Messrs. Penly, Warren and Woods.

7 72. On January 6, 2006, Mr. Woods was elected as President of Eagle Jet.

8 73. Sometime in 2006, Mr. Penly obtained a hanger at the McCarran Airport from which  
9 Eagle Jet could operate.

10 74. In June of 2006, Mr. Woods found an aircraft and assisted a group of local Las Vegas  
11 businessmen in the purchase of a Lear 55 Jet Aircraft, that was added to Eagle Jet's  
12 Operating Certificate as a managed aircraft pursuant to an agreement with those  
13 businessmen (hereinafter referred to as the "Managed Lear 55 One").

14 75. This aircraft was owned by 4 Romeo Whiskey LLC, who in turn was owned by Randy  
15 Kidd, Steven Aizenburg and Mr. Ostergaard.

16 76. Mr. Woods did not charge 4 Romeo Whiskey a finder's fee for the work in acquiring a  
17 Lear 55.

18 77. Eagle Jet did not receive a finder's fee from 4 Romeo Whiskey.

19 78. Pursuant to the agreement, Eagle Jet was to receive 15% of the revenue derived from  
20 charter operations for the Managed Lear 55 One, as well as a hanger and maintenance  
21 contract for \$9,000 per month.

22 79. On December 29, 2006 the Board of Directors by Unanimous Written Consent voted to  
23 give bonuses to Mr. Woods in the amount of \$200,000 and to Mr. Penly in the amount of  
24 \$100,000 (hereinafter referred to as the "December Resolution"). In addition, the Board  
25 voted to pay \$100,000 to Warren.

26 80. The December 29, 2006 resolution was rescinded by a resolution dated May 1, 2007.

27  
28

- 1 81. In February of 2007, Eagle Jet began managing another Lear 55 owned by Jim Monaghan  
2 in Scottsdale, Arizona (hereinafter referred to as the "Managed Lear 55 Two"). The  
3 Managed Lear 55 Two was also added to Eagle Jet's Certificate as a managed aircraft  
4 pursuant to an agreement with Mr. Monaghan.
- 5 82. Mr. Woods located for Randy Kidd, Steve Aizenberg and associates a Challenger 601-  
6 3ABR (hereinafter referred to as the "Challenger") which the businessmen purchased in  
7 February of 2007.
- 8 83. At a called meeting of the Eagle Jet Board, in February of 2007 the Company elected to  
9 not participate in the purchase of this aircraft.
- 10 84. Because the Challenger had more than nine seats, Eagle Jet would have had to expand its  
11 Operating Certificate and conduct proving runs with the Challenger.
- 12 85. Eagle agreed that Advanced Air Management, Inc., a California corporation located in  
13 Van Nuys, California (hereinafter referred to as "Advanced Air") should operate the  
14 Challenger. Mr. Woods did not agree to have the Challenger operated by Advanced Air.
- 15 86. Advanced Air Management, Inc., a California corporation located in Van Nuys,  
16 California was purchased in September 2006 by Eagle Jet and Private Jet Services and  
17 shares were given to Mr. Woods (1,000 shares), Mr. Penly (1,000 shares), Mr. Warren  
18 (1,000 shares), John Kaylor (500 shares) and Scott Chikar (500 shares).
- 19 87. Advanced Air Management was purchased for \$171,500, and Eagle Jet made the  
20 purchase with an expenditure of company funds.
- 21 88. After the pre-buy inspection for the Challenger was completed in Tucson, Arizona, Eagle  
22 Jet flew the owners of the Challenger down to take possession of the Challenger. Mr.  
23 Woods was not type-rated in the Challenger.
- 24 89. Woods took pilot Bob McKenna (hereinafter referred to as "Mr. McKenna"), with him to  
25 fly the aircraft back to Las Vegas with the owners on board.
- 26 90. Mr. Woods and Mr. McKenna violated an FAA regulation which requires that prior to  
27 carrying passengers, the crew must have, within the past 90 days, completed three take-  
28

1 offs and three landings to a full stop. Although it was a private trip with only the owners  
2 onboard the aircraft; nevertheless the FAA viewed this as an infraction. Mr. Woods  
3 claims this was inadvertent.

4 91. The Challenger was never part of Eagle Jet's Certificate.

5 92. A letter signed by Mr. McKenna reports this violation to the FAA. Mr. Woods then  
6 received a letter of investigation from the FAA.

7 93. Messrs. Penly and Warren wrote a letter to Mr. Woods, dated April 23, 2007, discussing  
8 Mr. Wood's position with the company and setting forth several terms for his separation.

9 94. The proposal was conditioned on Mr. Woods not working for any Eagle Jet competitor,  
10 being supportive of Eagle Jet, and not making derogatory statements about Eagle Jet.

11 95. Mr. Woods was presented with the letter by Mr. Warren and Mr. Penly.

12  
13 96. On or about April 27, 2007, Mr. Woods issued checks to pay for the charges on Mr.  
14 Woods's personal credit cards for expenses alleged to have been incurred by Eagle Jet  
15 including \$34,000 for a Lear 55 windshield, \$23,000 for installation of the windshield,  
16 \$14,000 for training at Simuflite, miscellaneous fuel charges, ramp charges and aircraft  
17 parts.

18 97. Mr. Woods also issued a check to himself for reimbursement of the \$100,000 he loaned  
19 Eagle Jet for purchase of the Purchased Lear 35, plus \$15,000 interest.

20 98. Lastly, Mr. Woods cut check number 3304 to Cirrus for \$200,000. Mr. Woods cut the  
21 checks to Cirrus instead of himself

22 99. Shortly thereafter, Mr. Penly and Mr. Warren, owning a majority interest of Eagle Jet,  
23 told Mr. Woods they were voting him out.

24 100. At about this time Mr. Penly had the locks changed at Eagle Jet, and called to  
25 cancel Mr. Woods's security badge for airport access.

1 101. On or about April 30, 2007, Mr. Penly sent a letter to Bank of Nevada, telling the  
2 bank there was a dispute and to put a hold on all funds regarding check number 3304.

3 Bank of Nevada subsequently interpled the funds suing both Mr. Woods and Eagle Jet.

4 102. The owner of the Managed Lear 55 One took back its aircraft from Eagle Jet..

5 103. During all times he was the President, Chief Pilot and Director of Operations for  
6 Eagle Jet, Milton J. Woods was a Canadian citizen.

7 104. Milton J. Woods obtained US Citizenship in 2009.

8 105. Mr. Woods directed the payment of expenses for Eagle Jet prior to April 26,  
9 2007.

10 106. Milt Woods opened a bank account called 'Eagle Jet Maintenance' at Bank West  
11 of Nevada.

12 107. Mr. Woods had access to the customer lists of Eagle Jet. Mr. Woods has had  
13 contact with Randy Kidd since April 26, 2007.

14 108. Milt Woods and Greg Woods appeared at the offices of Eagle Jet on or about July  
15 24, 2009 with more than one police officer to obtain or inspect financial records of Eagle  
16 Jet.

17 DATED this 14<sup>th</sup> day of June, 2014.

DATED this 14<sup>th</sup> day of June, 2014.

18 PREMIER LEGAL GROUP

FLANGAS MCMILLAN LAW GROUP

19  
20  
21 By: 

By: 

22 Jay A. Shafer, Esq.  
23 Nevada Bar No. 9184  
1333 North Buffalo Drive, Suite 210  
Las Vegas, Nevada 89128  
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Attorneys for Defendants  
26 EAGLE JET AVIATION, INC.  
and ALEX PENLY

Gus D. Flangas, Esq.  
Nevada Bar No. 4989  
FLANGAS MCMILLAN LAW GROUP  
3275 S. Jones Boulevard, Suite 105  
Las Vegas, Nevada 89146  
Attorneys for Plaintiffs  
MILTON WOODS and  
CIRRUS AVIATION SERVICES

07A546250

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

**Business Court**

**COURT MINUTES**

**May 05, 2014**

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07A546250	Milton Woods, Cirrus Aviation Services Inc vs Eagle Jet Aviation Inc, Alex Penley, et al
-----------	--

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May 05, 2014	2:53 PM	Minute Order
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**HEARD BY:** Allf, Nancy

**COURTROOM:** Dist Court XXVII -  
Chambers

**COURT CLERK:** Sharon Chun

**JOURNAL ENTRIES**

**- MINUTE ORDER - NO HEARING**

COURT FINDS after review a Status Check on Arbitration was set for MOTION CALENDAR on May 7, 2014 at 9.00 a.m. COURT FURTHER FINDS after review the Court Granted a motion to Confirm Arbitration Award for Attorney Fees on October 16, 2013 however the Award would not be enforceable until arbitration was complete. At a status check on arbitration on March 5, 2014 the Court found that the parties had not yet set an arbitration date and ordered the status check continued 60 days. If the case did not move forward in the next 60 days the Court would set a Show Cause Hearing for dismissal.

COURT FURTHER FINDS after review Defendant filed a Motion to Dismiss Claims against Milt s Eagle, Private Jet Services and Stuart Warren pursuant to NRCP 41(e) on April 18, 2014 and the Motion is set for Hearing on MOTION CALENDAR on May 21, 2014 at 10.00 a.m.

COURT ORDERS for good cause appearing Status Check on arbitration VACATED.

CLERK'S NOTE: A copy of this minute order has been distributed to the following:  
Gus W. Flangas (Flangas & McMillan) FAX: 702-382-9452  
Jay A. Shafer or Robert C. Reade (Premier Legal Group)  
Email: jshafer@premierlegalgroup.com

**PRINT DATE:** 05/05/2014

**Page 1 of 1**

**Minutes Date:** May 05, 2014

R0291

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

## Business Court

## COURT MINUTES

**October 16, 2013**

07A546250

**Milton Woods, Cirrus Aviation Services Inc  
vs  
Eagle Jet Aviation Inc, Alex Penley, et al**

**October 16, 2013**

**9:30 AM**

## Motion to Confirm Arbitration Award

HEARD BY: Alf, Nancy

**COURTROOM:** RJC Courtroom 03A

**COURT CLERK:** Nicole McDevitt

**RECORDER:** Traci Rawlinson

**REPORTER:**

## PARTIES

**PRESENT:** Flangas, Gus W  
Shafer, Jay A.

Attorney for Plaintiff  
Attorney for Defendant

## JOURNAL ENTRIES

- Arguments by counsel regarding the arbitration award for attorney's fees and costs, whether or not award was in lieu of striking the pleadings, NRS 38.239, arguments in supplement filed by defense counsel, and further arguments. Mr. Flangas moved to strike the supplement as a fugitive document. Court stated its findings and ORDERED, Motion to Confirm Arbitration Award for Attorney Fees and Costs GRANTED IN PART as to confirmation of the award and DENIED IN PART as Court FINDS it is interlocutory and not enforceable at this time, STATUS CHECK set 3/5/2014 9:00 am. Court stated that if the arbitration is not complete in February and it hears complaints regarding dilatory tactics on behalf of the Defendant it will enforce the order.

3/5/2014 9:00 AM STATUS CHECK: ARBITRATION PROCEEDINGS

PRINT DATE: 10/22/2013

Page 1 of 1

Minutes Date: October 16, 2013

R0292

## EVENTS &amp; ORDERS OF THE COURT

12/02/2015 All Pending Motions (9:00 AM) (Judicial Officer Cory, Kenneth)  
*PLAINTIFFS MOTION TO DISMISS ALL OF DEFENDANT HKLM'S CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM AND MOTION TO DISMISS OR IN THE ALTERNATIVE MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANTS THIRD AND FOURTH CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM FOR FRAUD AND VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT AND MOTION TO STRIKE IMMATERIAL, IMPERTINENT, IRRELEVANT AND SCANDALOUS ALLEGATIONS... DEFENDANTS' MOTION FOR SUMMARY JUDGMENT IN THEIR FAVOR AGAINST PLAINTIFFS MICHAEL D. RICHMAN AND LUZVIMINDA O. DAPAT*

## Minutes

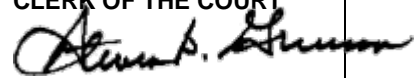
12/02/2015 9:00 AM

- PLAINTIFFS MOTION TO DISMISS ALL OF DEFENDANT HKLM'S CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM AND MOTION TO DISMISS OR IN THE ALTERNATIVE MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANTS THIRD AND FOURTH CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM FOR FRAUD AND VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT AND MOTION TO STRIKE IMMATERIAL, IMPERTINENT, IRRELEVANT AND SCANDALOUS ALLEGATIONS... DEFENDANTS' MOTION FOR SUMMARY JUDGMENT IN THEIR FAVOR AGAINST PLAINTIFFS MICHAEL D. RICHMAN AND LUZVIMINDA O. DAPAT Mr. Flangas argued the causes of action are barred by NRS 78.585 and does not think there is a stay of the statute of limitations in 2011. As to fraud, Mr. Flangas argued he does not think it was stayed. Mr. Flangas further argued the deceptive trade practice is to protect the consumer and they are not a consumer and it does not apply and there is no cause of action. Mr. Kennedy argued the motion for summary judgment should be denied as there has to be a statement of undisputed facts and what is in the counterclaim must be considered and not what is in the third amended complaint. As to the fraud, it is clear from the affidavit they discovered in 2014 and the counterclaim was filed within two years. Plaintiffs are arguing the wrong statute as to statute of limitations chapter 86 because it is a LLC and there was a stay for four nine months. Mr. Kennedy further argued as to their deceptive trade practice argument that you have to be a consumer is wrong, it is a wrongful action. Mr. Richmond used his own words and the things he claims he was awarded were bought. Defendants have had to spend a lot of money fixing his representations. Mr. Flangas argued as to the auditors findings and files not being updated. Further argued defendants were on inquiry notice. Mr. Kennedy argued the bankruptcy ruling stated this should have been disclosed in the bankruptcy, but because of the lapse in time the Bankruptcy Court was unable to re-open the estate. Mr. Kennedy further argued the two issues in the summary judgment motion have been affirmed by the Bankruptcy Court. The question now is after closure of bankruptcy are the plaintiffs going to be able to pursue the claims now for their own benefit. Mr. Kennedy argued 7th Circuit case Cannon-Stokes vs. Potter and because they did not disclose in bankruptcy they are estopped from pursuing. Mr. Flangas argued judicial estoppel and gave summary of the bankruptcy procedures. Mr. Flangas further argued Mr. Daniel Marks was representing plaintiffs in this action not the bankruptcy action and therefore it was defendants responsibility to disclose the dispute. Mr. Zach Larsen, Bankruptcy counsel, gave summary of the Chapter 13 procedures. Further arguments by counsel. Mr. Kennedy argued the Nolm case. COURT ORDERED, BOTH Motions GRANTED and each party to prepare their own Order

Parties Present

Return to Register of Actions





1 **ARJ**  
2 MARK J. CONNOT (10010)  
3 **FOX ROTHSCHILD LLP**  
4 1980 Festival Plaza Drive, Suite 700  
5 Las Vegas, Nevada 89135  
6 (702) 262-6899 tel  
7 (702) 597-5503 fax  
8 mconnot@foxrothschild.com  
9 *Attorneys for Plaintiffs*

6 **DISTRICT COURT**  
7  
8 **CLARK COUNTY, NEVADA**

9 MILTON J. WOODS and CIRRUS  
10 AVIATION SERVICES, INC., a  
11 Washington corporation,

11 Plaintiffs,

12 vs.

13 EAGLE JET AVIATION, INC., A Nevada  
14 corporation; ALEX PENLY; STUART M.  
15 WARREN; PRIVATE JET SERVICES,  
16 INC., a Nevada corporation; MILT'S  
EAGLE, LLC, a Nevada limited liability  
company and DOES I-X, inclusive.

17 Defendants.

Case No.: 07A546250  
Dept. No.: XI

**AFFIDAVIT OF RENEWAL OF**  
**JUDGMENT**

18  
19 I, Milton J. Woods, hereby affirm the following:

20 1. On January 20, 2016, a Judgment was entered in the above-entitled Court in favor  
21 of Milton J. Woods ("Plaintiff/Judgment Creditor"), against Eagle Jet Aviation, Inc.,  
22 Defendant/Judgment Debtor ("Eagle Jet"), in amount of \$111,750.00 (the "Judgment"). See  
23 Judgment attached hereto as Exhibit 1 and incorporated herein. Post-judgment interest accrues  
24 on the Judgment per the terms of the Judgment itself.

25 2. The Judgment was recorded in the Clark County Recorder's Office on February  
26 1, 2016, as Instrument No. 20160201-0002431. See recorded Judgment, attached hereto as  
27 Exhibit 2, and incorporated herein.

28 3. Eagle Jet has not made any payments on the Judgment.

R0294

1           4.     To date, Plaintiff/Judgment Creditor has not collected any amounts from Eagle Jet  
2 in relation to the Judgment.

3           5.     There are no set-offs or counterclaims in favor of Eagle Jet.

4           6.     There is no outstanding writ of execution for enforcement of the Judgment.

5           7.     The legal interest accrued on the Judgment commencing on August 15, 2007  
6 through January 7, 2022 totals \$ 95,963.02, and is calculated as follows:

7           8/15/2007 - 12/31/2007 \$ 4,362.08(139 days @ \$31.38/daily @ 10.250%/year)

8           01/01/2008 - 06/30/2008 \$ 5,140.19(182 days @ \$28.24/daily @ 9.250%/year)

9           07/01/2008 - 12/31/2008 \$ 3,932.62(184 days @ \$21.37/daily @ 7.000%/year)

10          01/01/2009 - 06/30/2009 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

11          07/01/2009 - 12/31/2009 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

12          01/01/2010 - 06/30/2010 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

13          07/01/2010 - 12/31/2010 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

14          01/01/2011 - 06/30/2011 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

15          07/01/2011 - 12/31/2011 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

16          01/01/2012 - 06/30/2012 \$ 2,917.41(182 days @ \$16.03/daily @ 5.250%/year)

17          07/01/2012 - 12/31/2012 \$ 2,949.47(184 days @ \$16.03/daily @ 5.250%/year)

18          01/01/2013 - 06/30/2013 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

19          07/01/2013 - 12/31/2013 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

20          01/01/2014 - 06/30/2014 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

21          07/01/2014 - 12/31/2014 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

22          01/01/2015 - 06/30/2015 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

23          07/01/2015 - 12/31/2015 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

24          01/01/2016 - 06/30/2016 \$ 3,056.33(182 days @ \$16.79/daily @ 5.500%/year)

25          07/01/2016 - 12/31/2016 \$ 3,089.92(184 days @ \$16.79/daily @ 5.500%/year)

26          01/01/2017 - 06/30/2017 \$ 3,186.41(181 days @ \$17.60/daily @ 5.750%/year)

07/01/2017 - 12/31/2017 \$ 3,520.89(184 days @ \$19.14/daily @ 6.250%/year)

01/01/2018 - 06/30/2018 \$ 3,602.02(181 days @ \$19.90/daily @ 6.500%/year)

07/01/2018 - 12/31/2018 \$ 3,943.40(184 days @ \$21.43/daily @ 7.000%/year)

01/01/2019 - 06/30/2019 \$ 4,156.18(181 days @ \$22.96/daily @ 7.500%/year)

07/01/2019 - 12/31/2019 \$ 4,225.07(184 days @ \$22.96/daily @ 7.500%/year)

01/01/2020 - 06/30/2020 \$ 3,750.95(182 days @ \$20.61/daily @ 6.750%/year)

07/01/2020 - 12/31/2020 \$ 2,949.47(184 days @ \$16.03/daily @ 5.250%/year)

01/01/2021 - 06/30/2021 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

07/01/2021 - 12/31/2021 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)


01/01/2022 – 01/07/2022 \$ 112.49(7 days @ \$16.07/daily @ 5.250%/year)

8. The sum total of the judgment currently due, inclusive of interest through January 7, 2022 is \$207,713.02.

9. The last known address for Eagle Jet Aviation, Inc. is as follows:  
c/o Alex Penly, Director, 1287 Rolling Sunset Street, Henderson, Nevada 89052;  
c/o Alan Sklar, Registered Agent, 410 S. Rampart Blvd., Ste. 350, Las Vegas,  
Nevada 89145.

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

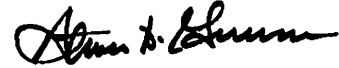
Executed this 7<sup>th</sup> day of January, 2022.

  
Milton J. Woods

(No Notary Per NRS 53.045)

# EXHIBIT 1

# EXHIBIT 1



CLERK OF THE COURT

**JUDG**  
GUS W. FLANGAS, ESQ.  
Nevada Bar No. 004989  
[gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
**FLANGAS MCMILLAN LAW GROUP**  
3275 South Jones Blvd., Suite 105  
Las Vegas, Nevada 89146  
Telephone: (702) 307-9500  
Facsimile: (702) 382-9452  
*Attorney for Plaintiffs*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

MILTON J. WOODS, and CIRRUS  
AVIATION SERVICES, INC., a Washington  
Corporation,

Plaintiffs,

vs.

EAGLE JET AVIATION, INC., a Nevada  
Corporation; ALEX PENLY, and STUART  
M. WARREN; PRIVATE JET SERVICES, INC.,  
a Nevada Corporation; MILT'S EAGLE, LLC, a  
Nevada Limited Liability Company; and  
DOES I-X, inclusive,

Defendants.

Case No.: A546250  
Dept No.: XXVII

**JUDGMENT**

THIS MATTER came on for Binding Arbitration on August 14, 15, 20, 21, 22, 28;  
September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24; and December 8, 9, 10, of 2014.  
A written Arbitration Award in this matter was rendered on January 27, 2015. The Arbitration  
Award was confirmed in a Hearing held on April 29, 2015 at 9:30 a.m., and an Order Confirming  
Arbitration Award was entered on September 18, 2015.

Thereafter, there was a Hearing before this Court on June 15, 2015, on  
Defendants/Counterclaimants' Motion to Modify or Correct Arbitration Award and Motion to  
Vacate Arbitration Award, wherein the Court denied said Motions in an Order entered on September  
18, 2015.

///

<input type="checkbox"/> Voluntary Dismissal	<input type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input checked="" type="checkbox"/> Judgment of Arbitration

1 Therefore, this matter having been fully litigated and confirmed, and the Court being fully advised  
2 in the premises,

3 **IT IS ORDERED, ADJUDGED and DECREED** that the Arbitration Award and Order  
4 Confirming Arbitration Award attached hereto as Exhibit "1", is reduced to Judgment; and

5 **IT IS FURTHER ORDERED** that the Plaintiff, MILTON J. WOODS (hereinafter "Mr.  
6 Woods"), shall have and recover from Defendant, EAGLE JET AVIATION, INC., a Judgment in  
7 the sum of One Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00) with  
8 interest thereon at the legal rate of interest as provided by law from the date of the service of the  
9 Complaint herein through the date that the Judgment is paid in full; and

10 **IT IS FURTHER ORDERED, ADJUDGED and DECREED** that the Plaintiff, CIRRUS  
11 AVIATION SERVICES, INC. (hereinafter "Cirrus") shall have and recover from Defendant, ALEX  
12 PENLY, a Judgment in the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00)  
13 with interest thereon at the legal rate of interest as provided by law from the date of the service of  
14 the Complaint herein through the date that the Judgment is paid in full; and

15 **IT IS FURTHER ORDERED, ADJUDGED and DECREED** that the Plaintiffs shall have  
16 and recover from Defendant, ALEX PENLY, a Judgment in the sum of Eighty Thousand Dollars  
17 (\$80,000.00) with interest thereon at the legal rate of interest as provided by law from the date of  
18 the service of the Complaint herein through the date that the Judgment is paid in full.

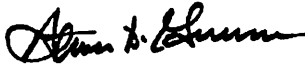
19 **DATED** this 14 day of January, 2016.

20  
21 Nancy L. Allif  
22 **DISTRICT JUDGE** EA

23 Respectfully submitted by:

24  
25 GUS W. FLANGAS, ESQ.  
26 Nevada Bar No. 004989  
27 FLANGAS DALACAS LAW GROUP  
28 gwf@fdlawlv.com  
3275 South Jones Blvd., Suite 105  
Las Vegas, Nevada 89146

# **EXHIBIT 1**



CLERK OF THE COURT

1 **ORDER**  
2 GUS W. FLANGAS, ESQ.  
3 Nevada Bar No. 004989  
4 [gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
5 **FLANGAS MCMILLAN LAW GROUP**  
6 3275 South Jones Blvd., Suite 105  
7 Las Vegas, Nevada 89146  
8 Telephone: (702) 307-9500  
9 Facsimile: (702) 382-9452  
10 *Attorney for Plaintiffs*

11 **DISTRICT COURT**  
12 **CLARK COUNTY, NEVADA**

13 MILTON J. WOODS, and CIRRUS  
14 AVIATION SERVICES, INC., a Washington  
15 Corporation,

16 Plaintiffs,

17 vs.

18 EAGLE JET AVIATION, INC., a Nevada  
19 Corporation; ALEX PENLY, and STUART  
20 M. WARREN; PRIVATE JET SERVICES, INC.,  
21 a Nevada Corporation; MILT'S EAGLE, LLC, a  
22 Nevada Limited Liability Company; and  
23 DOES I-X, inclusive,

24 Defendants.

Case No.: A546250  
Dept No.: XXVII

**ORDER CONFIRMING**  
**ARBITRATION AWARD**

25 THIS MATTER came for Hearing before this Court on April 29, 2015 at 9:00 a.m. on the  
26 Plaintiffs' "Motion to Confirm Arbitration Award." The Plaintiffs were represented by GUS W.  
27 FLANGAS, ESQ. of the FLANGAS DALACAS LAW GROUP. The Defendants, ALEX PENLY  
28 (hereinafter "Mr. Penly) and EAGLE JET SERVICES, INC. (hereinafter "Eagle Jet"), were  
represented by their attorneys, JAY W. SHAFER, ESQ. of the PREMIER LEGAL GROUP who  
appeared in person, and MARK C. FIELDS, ESQ. of the Law Offices of Mark C. Fields, APC, who  
appeared telephonically.

Having reviewed the Pleadings and Papers on file in this matter, heard arguments by counsel,

....



1 and good cause appearing;

2 **THE COURT HEREBY FINDS** that the Plaintiffs brought a complaint against the  
3 Defendants to recover monies owed the Plaintiffs for loss of shareholder interest and bonus  
4 payments, among other relief sought.

5 **THE COURT FURTHER FINDS** that the Parties mentioned herein, voluntarily agreed to  
6 submit the entire matter into Binding Arbitration. NLA

7 **THE COURT FURTHER FINDS** that the Parties agreed to have JOHN H. BAILEY, ESQ. WAS  
8 (Hereinafter "Mr. Bailey") appointed as the Arbitrator in this case.

9 **THE COURT FURTHER FINDS** that the Parties arbitrated this case before Mr. Bailey on  
10 August 14, 15, 20, 21, 22, 28; September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24;  
11 and December 8, 9, 10, of 2014, at the law offices of BAILEY KENNEDY located in Clark County,  
12 Las Vegas, Nevada.

13 **THE COURT FURTHER FINDS** that after the completion of the Binding Arbitration, Mr.  
14 Bailey rendered a written Arbitration Award (hereinafter "the Award"), dated January 27, 2015. A  
15 copy of the Award is attached hereto as Exhibit "1" and is incorporated in its entirety into this Order  
16 and is binding as though fully set forth herein.

17 **THE COURT FURTHER FINDS** that pursuant to the Award, Mr. Bailey awarded the  
18 Plaintiff, MILTON J. WOODS (hereinafter "Mr. Woods"), the amount of One Hundred Eleven  
19 Thousand Seven Hundred and Fifty dollars (\$111,750.00) against Eagle Jet.

20 **THE COURT FURTHER FINDS** that pursuant to the Award Mr. Bailey awarded the  
21 Plaintiff, CIRRUS AVIATION SERVICES, INC. (hereinafter "Cirrus") the amount of One Million  
22 Five Hundred Thousand Dollars (\$1,500,000.000) against Mr. Penly.

23 **THE COURT FURTHER FINDS** that on October 16, 2013, the Court GRANTED the  
24 Plaintiffs' previous "Motion to Confirm Arbitration Award" wherein Mr. Bailey awarded the  
25 Plaintiffs the amount of Eighty Thousand Dollars (\$80,000) against Mr. Penly for Attorneys Fees  
26 as sanctions but delayed the enforceability of the award until the Arbitration was complete  
27 (hereinafter the "Previous Award"). A copy of the Previous Award is attached hereto as Exhibit "1"  
28 and is incorporated in its entirety into this Order and binding as though fully set forth herein.

1       **THE COURT FURTHER FINDS** that pursuant to NRS 38.239, the Plaintiffs are entitled  
2 to an Order confirming the Award and the Previous Award.

3       **THEREFORE, THE COURT HEREBY ORDERS** that the Plaintiffs' "Motion to Confirm  
4 Arbitration Award" is **Granted**.

5       **THE COURT FURTHER ORDERS** that the Award to Mr. Woods in the amount of One  
6 Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00) against Eagle Jet is  
7 **Confirmed** and Mr. Woods is therefore entitled to Judgement against Eagle Jet in the amount of One  
8 Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00), plus interest in an  
9 amount allowed by law.

10       **THE COURT FURTHER ORDERS** that the Award to the Cirrus in the amount of One  
11 Million Five Hundred Thousand Dollars (\$1,500,000.000) against Mr. Penly is **Confirmed** and  
12 Cirrus is therefore entitled to Judgement against Mr. Penly in the amount of One Million Five  
13 Hundred Thousand Dollars (\$1,500,000.000), plus interest in an amount allowed by law.

14       **THE COURT FURTHER ORDERS** that the Previous Award to the Plaintiffs which was  
15 previously confirmed by the Court in the amount of \$80,000 against Mr. Penly is again **Confirmed**  
16 and the Plaintiffs are therefore entitled to Judgement against Mr. Penly in the amount of Eighty  
17 Thousand Dollars (\$80,000), plus interest in an amount allowed by law.

18       **THE COURT FURTHER ORDERS** that because the Defendants filed on the day before  
19 the Hearing, "Defendants and Counterclaimants' Motion to Modify or Correct Arbitration Award,"  
20 and "Defendants and Counterclaimants' Motion to Vacate Arbitration Award." a Hearing on the  
21 Motions shall be heard on June 15, 2015 at 10:00 a.m.

22       **THE COURT FURTHER ORDERS** that the Plaintiffs' request for additional attorney's  
23 ....  
24 ....  
25 ....  
26 ....  
27 ....  
28 .....

1 fees is deferred until after the Hearing on June 15, 2015.


2 **THE COURT FURTHER ORDERS** that the amounts set forth in this Order be reduced  
3 to Judgment.

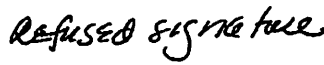
4 **IT IS SO ORDERED** this 20 day of August, 2015.

5  
6 Nancy Allen  
7 **DISTRICT JUDGE**

8 Respectfully submitted by:

Approved as to form by:

9  
10   
11 **GUS W. FLANGAS, ESQ.**  
12 Nevada Bar No. 004989  
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14 **FLANGAS DALACAS LAW GROUP**  
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Attorney for Defendants

29 Refused Signature  
30 **MARK C. FIELDS, ESQ.**  
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32 [fields@markfieldslaw.com](mailto:fields@markfieldslaw.com)  
33 **LAW OFFICES OF MARK C. FIELDS, APC**  
34 333 South Hope Street, 35<sup>th</sup> Floor  
35 Los Angeles, California  
36 Telephone: (213) 617-5225  
37 Facsimile: (213) 629-4520  
38 Attorney for Defendants

**EXHIBIT 1**

R0305

1 JOHN R. BAILEY  
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3 Las Vegas, Nevada 89148  
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jbailey@baileykennedy.com

5 Arbitrator

6 DISTRICT COURT  
7  
8 CLARK COUNTY, NEVADA

9 MILTON J. WOODS and CIRRUS  
10 AVIATION SERVICES, INC., a Washington  
corporation,

11 Plaintiffs,

12 vs.

13 EAGLE JET AVIATION, INC., a Nevada  
14 corporation; ALEX PENLY; STUART M.  
WARREN; PRIVATE JET SERVICES, INC.,  
15 a Nevada corporation; MILT'S EAGLE, LLC,  
Nevada limited liability company; and  
16 DOES I-X, inclusive,

17 Defendants.

Case No. A546250  
Dept. No. XI

ARBITRATION AWARD

19 This matter came before the undersigned arbitrator for hearing on the following days in  
20 accordance with the parties' agreement and the Court's Order:  
21

- 22 • August 14, 15, 20, 21, 22, and 28, 2014;
- 23 • September 3, 12, 15, and 18, 2014;
- 24 • October 3, 15, 28, and 29, 2014;
- 25 • November 3, 4, and 24, 2014; and
- 26 • December 8, 9, and 10, 2014.
- 27
- 28

1 Plaintiffs/Counterdefendants Milton Woods and Cirrus Aviation Services, Inc. (individually  
2 "MWoods" and "Cirrus," respectively, and collectively, "Plaintiffs") were represented by their  
3 counsel, Gus W. Flangas, Esq. Defendants/Counterclaimants Eagle Jet Aviation Inc. and Alex  
4 Penly (individually "EJA" and "Penly," respectively, and collectively, "Defendants") were  
5 represented by their counsel, Mark C. Fields, Esq. and Jay A. Shafer, Esq.<sup>1</sup> Defendants  
6 submitted their Post-Closing Arbitration Brief on December 29, 2014, at which time the  
7 arbitration was closed.

8  
9 Upon considering the parties' arbitration briefs, the Stipulation As To Undisputed  
10 Facts, the testimony of the parties and witnesses, the substantial evidentiary submissions, the  
11 closing arguments of counsel, Defendants' post-closing brief, and all other matters properly  
12 submitted at arbitration, the arbitrator makes the following determinations and award.<sup>2</sup>

#### 13 I. PRELIMINARY FINDINGS

14  
15 A. Stipulation As To Undisputed Facts. At the request of the arbitrator, the parties  
16 submitted, and the arbitrator accepted and hereby incorporates, a Stipulation As To Undisputed  
17 Facts, which is attached to this Arbitration Award as Exhibit "A."

18  
19 B. Quantity and Quality of the Evidence. This matter, and specifically the parties' ability to  
20 present admissible evidence in support or defense of their respective claims and counterclaims  
21 was materially plagued by the undisputed fact that a substantial portion of EJA's business and  
22 financial records disappeared immediately after the time that MWoods departed from EJA in  
23 April 2007. While the parties were unable to provide any clear indication as to what happened  
24

25  
26 <sup>1</sup> The other parties identified in the Complaint (or Amended Complaint) and listed in the caption were either  
27 dismissed under N.R.C.P. 41(e) or had sought and obtained bankruptcy protection.

28 <sup>2</sup> Initially, the parties were unable to agree on the form of this Arbitration Award (i.e., a simple award vs. a  
reasoned award). Ultimately, they stipulated to a simple award with summary reasoning.

1 to those records, it is undisputed that Penly, under oath and in his own declarations, asserted that  
2 he is familiar with the creation of, maintenance of, and has line responsibility for the business  
3 records (including the accounting records) of each of the two companies (EJA and Private Jet  
4 Services, Inc.) for all relevant times. There was no credible evidence presented that MWoods  
5 (or anyone under his control) took or was otherwise responsible for the disappearance of EJA's  
6 business and financial records.<sup>3</sup> Therefore, in the absence of any plausible explanation for their  
7 disappearance, the responsibility to account for EJA's business and financial records falls upon  
8 Penly.  
9

10  
11 C. Credibility of Key Witnesses.

12 a. Alex Penly. It is disconcerting and material to the findings that give rise to this  
13 Arbitration Award that Penly admittedly: (i) was less than honest with the Court (Judge  
14 Gonzalez) during a hearing in this matter on July 21, 2009, when he failed to disclose that EJA's  
15 MSP payments due on its Lear 35 aircraft were current only because the finance company for  
16 the aircraft made the payments by increasing the debt on the aircraft; and (ii) intentionally  
17 misled and deceived the Court (Judge Gonzalez) during a hearing in this matter on January 21,  
18 2010, and the shareholders of EJA during a shareholders' meeting on March 11, 2010, when he  
19 failed to disclose that EJA had gone out of business; that EJA's Part 135 Certificate—issued by  
20 the Federal Aviation Administration (the "FAA")—had been surrendered in favor of a new  
21 company (*i.e.*, The Berkeley Group, LLC dba NV Jets) owned by Penly's relatives and others;  
22  
23  
24  
25

26  
27 <sup>3</sup> During discovery, Plaintiffs were awarded \$80,000.00 for attorneys' fees and costs against Penly in  
28 connection with the disappearance of EJA's business and financial records, and received a presumption at the  
arbitration hearing that Penly engaged in spoliation of EJA's (and other companies') business and financial records.  
See, Arbitration Orders dated April 9, 2013, and May 21, 2013. It should be noted that Penly was awarded  
\$2,590.75 as deposition sanctions against Plaintiffs. See, Arbitration Order dated February 26, 2014.

1 and that NV Jets was operating a business substantially similar to that which EJA had operated  
2 (i.e., a private jet charter service) by using EJA's location, phone number, and other assets.<sup>4</sup>

3 b. **Milton Woods.** Although he clearly and undeniably dislikes Penly, MWoods  
4 was generally credible. While he certainly acted in his own best interest after his departure from  
5 EJA in April 2007, it was uncontradicted that he was not under any restrictive covenants that  
6 would have prohibited him from competing directly against EJA, despite having an ownership  
7 interest in EJA (through Cirrus).  
8

9 c. **Stuart Warren.** It was uncontradicted that Mr. Warren, like MWoods (through  
10 Cirrus), lost the value of his ownership interest in EJA when EJA went out of business in 2009.  
11 While Mr. Warren's personal knowledge about all of the events that transpired among Penly,  
12 MWoods, and EJA was limited by his lack of a physical presence in Las Vegas, Nevada, his  
13 testimony about matters in which he was directly involved was very credible.  
14

15 D. **MWoods' Bonus.** It is undisputed that EJA (through its Board of Directors)  
16 unanimously granted bonuses to MWoods (in the amount of \$200,000.00), Penly (in the amount  
17 of \$100,000.00), and Stuart Warren (in the amount of \$100,000.00) on December 29, 2006.<sup>5</sup>  
18 There were no plausible explanations from any of the parties as to why these bonuses were not  
19 paid either immediately or sometime in January 2007, when EJA's bank account records  
20 indicated that such funds were available. Nonetheless, upon his separation from EJA in late  
21  
22  
23  
24

25  
26 <sup>4</sup> The Lear 35 aircraft was owned by Milt's Eagle, LLC, which was a wholly-owned subsidiary of EJA.  
27 There was no evidence showing that NV Jets ever paid EJA any consideration for the acquisition of EJA's assets.  
The transfer of such assets directly inured to the benefit of Penly and his relatives at the expense of the EJA's other  
shareholders; namely, Cirrus and Stuart Warren.

28 <sup>5</sup> While Mr. Warren's bonus was characterized as a payment of legal fees; the parties testified that each of  
the principals was essentially being awarded a bonus.



1 April 2007, MWoods took his bonus.<sup>6</sup> Then, on May 1, 2007, after MWoods' departure from  
2 EJA, the EJA Shareholders (excluding Cirrus) took action to "disapprove payment of such  
3 bonuses and/or the making of such payments to the extent not heretofore made due to the  
4 Corporation's lack of adequate funds to support its operations . . . ." At the time that MWoods  
5 took his bonus, EJA had sufficient funds to pay the bonus and such bonus had not been  
6 "disapproved." While not an ideal situation, MWoods was nonetheless entitled to his bonus  
7 from EJA at the time he took it. Accordingly, he is entitled to the \$111,750.00 of his bonus  
8 from EJA that he did not receive.<sup>7</sup>

10  
11 E. MWoods' Reimbursement of Company Expenses. Defendants assert that the  
12 reimbursement monies MWoods received from EJA greatly exceeded the actual amount he was  
13 entitled to for legitimate company expenses—an assertion MWoods adamantly disputes. Due to  
14 the lack of business and financial records of EJA and missing credit card statements for  
15 MWoods during the relevant time period, neither party was able to present evidence sufficient to  
16 either prove or defend its position on this issue. Consequently, Defendants have failed to meet  
17 their burden of proof on this counterclaim.

19 F. Penly's Breach of Fiduciary Duties. The parties (primarily, MWoods and Penly) spent a  
20 significant amount of time pointing fingers at each other and accusing one another of  
21 mismanagement.<sup>8</sup> While individual actions taken years ago, through the benefit of 20/20  
22

23  
24 <sup>6</sup> MWoods' bonus (of \$200,000.00) was subsequently the subject of an interpleader action initiated by Bank  
25 of Nevada. From all of the evidence presented, which is conflicting, it appears as though EJA received \$111,750  
26 from the interpleader action and MW (through Cirrus) received \$86,750 from the interpleader action in October  
27 2007.

28 <sup>7</sup> From the evidence, it appears as though Bank of Nevada received \$1,500.00 for attorneys' fees in  
connection with the interpleader action. Under the circumstances, neither side should be entitled to keep or recover  
the \$1,500.00.

<sup>8</sup> Much of the evidence (testimony and documents) presented, as well as arguments of counsel, were  
irrelevant to the claims/counterclaims asserted.

1 hindsight, may appear to be less than prudent, it does not appear that MWoods, during the time  
2 that he was in charge of the daily operations of EJA, intentionally took any actions designed to  
3 harm the company or any of its shareholders. On the other hand, while Penly inherited EJA at a  
4 difficult time (e.g., employees loyal to MWoods left the company, and starting a year or so later  
5 the national and local economy lapsed into a recession), he was untruthful to the Court and  
6 shareholders about material matters involving EJA. Moreover, he ultimately breached his  
7 fiduciary duties to EJA's shareholders when he failed to disclose that EJA's Part 135 Certificate  
8 had been surrendered in favor of a new company—i.e., The Berkeley Group, LLC dba NV Jets—  
9 owned by his relatives and others, and that NV Jets was operating a business substantially  
10 similar to that which EJA had operated by using EJA's location, phone number, and other  
11 assets.<sup>9</sup>

14 G. Damages. Based on all the evidence, it is clear that Cirrus lost its investment in EJA (a  
15 30% interest) due to Penly's breaches of the fiduciary duties he owed to the company. It is  
16 difficult to determine the exact value of the Cirrus' interest in EJA because Penly's breaches  
17 occurred over a period of time (i.e., between April 2007 and early 2010) and the value of such  
18 interest decreased after April 2007 due to the onset of the national and local economic recession  
19 (which cannot be attributed to Penly). Instructive in determining the value of Cirrus' interest in  
20 EJA (and damages) is the valuation given to such interest by Stuart Warren in his e-mail  
21 communication to Penly, Greg Woods, and MWoods dated April 29, 2007, wherein he valued  
22  
23  
24  
25

26 <sup>9</sup> See, Section I(C)(a) and footnote 4, above. Documents from the FAA indicate that Penly was the Chief  
27 Executive Officer of The Berkeley Group, LLC. See, Plaintiffs' Exhibit 116. Further, these same documents from  
28 the FAA state: "THE BERKELEY GROUP LLC IS A NEW LLC AND CERTIFICATE, THE SAME BASIC  
GROUP OF PERSONS HOLDING EAGLE JET AVIATION, INC (EWJA 136K) HAVE APPLIED FOR THE  
NEW CERTIFICATION UNDER THE BERKELEY GROUP LLC (DBA NV JETS). CERTIFICATE ISSUED  
ON JANUARY 21, 2010." Id.

1 such interest at approximately \$2,000,000.00.<sup>10</sup> Though difficult to determine, Cirrus' damages  
2 due to Penly's breaches of his fiduciary duties can be calculated by looking at all of the  
3 admissible evidence—for example, evidence that EJA's Part 135 Certificate in and of itself had  
4 a separate market value—and applying the undersigned's knowledge, training and experience.  
5 Based on such, Cirrus suffered damages of \$1,500,000.00 in the loss of its shareholder interest  
6 in EJA due to Penly's conduct.

## 8 II. AWARD

9 After considering the pleadings, the testimony and evidence presented at the hearing, the  
10 arbitrator has decided, in full and final resolution of the claims and counterclaims submitted for  
11 determination, as follows:

12  
13 1. Defendant Eagle Jet Aviation, Inc. is liable for and shall pay Plaintiff Milton J. Woods  
14 compensatory damages in the amount of \$111,750.00.

15 2. Defendant Alex Penly is liable for and shall pay Plaintiff Cirrus Aviation Services, Inc.  
16 compensatory damages in the amount of \$1,500,000.00.

17 3. Any and all relief not specifically addressed herein, including punitive damages, is  
18 expressly denied.

19  
20 ////

21  
22 ////

23  
24 ////


25  
26

27 <sup>10</sup> See, Plaintiffs' Exhibit 66. The \$2,000,000.00 offer from Mr. Warren was for MWoods' interest in EJA  
28 and "other companies," and was contingent upon other specified conditions. It is noted that MWoods never agreed  
to accept Mr. Warren's offer. Additionally, there was testimony presented by Plaintiffs about offers that were made  
to purchase EJA in the range of \$3,000,000.00 to \$6,000,000.00; however, there was no written evidence of any  
bona fide offers.

1 Each party shall bear its own fees and costs, including attorneys' fees, relating to this  
2 Arbitration.

3 DATED this 27<sup>th</sup> day of January, 2015.  
4

5 BAILEY ♦ KENNEDY

6  
7 By:   
8 JOHN R. BAILEY  
9 Nevada Bar No. 0137  
8984 Spanish Ridge Avenue  
Las Vegas, Nevada 89148

10 *Arbitrator*  
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**CERTIFICATE OF SERVICE**

I hereby certify that on the 28th day of January, 2015, a copy of the foregoing  
ARBITRATION AWARD was served by sending a copy via electronic mail and by depositing a  
true and correct copy in the U.S. Mail, first class postage prepaid, and addressed to the following  
at their last known addresses:

Gus W. Flangas, Esq.  
(E-mail: [GWF@fdlawlv.com](mailto:GWF@fdlawlv.com))  
Michelle Di Silvestro Alanis, Esq.  
(E-mail: [mda@fdlawlv.com](mailto:mda@fdlawlv.com))  
FLANGAS DALACAS LAW GROUP  
3275 South Jones Blvd., Suite 105  
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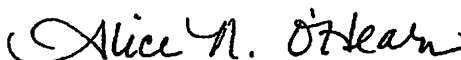
Attorneys for Plaintiffs

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Attorneys for Defendants/Counterclaimants  
Eagle Jet Aviation Inc. and Alex Penly

  
\_\_\_\_\_  
Alice N. O'Hearn, an Employee of  
BAILEY ♦ KENNEDY

# Exhibit A

1 **STIP**

2 JAY A. SHAFER, ESQ.

3 Nevada Bar No. 9184

4 PREMIER LEGAL GROUP

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6 Las Vegas, NV 89128

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9 E-Mail: jshafer@premierlegalgroup.com

10 Attorneys for Defendant ALEX PENLY

11 and EAGLE JET AVIATION, INC.

12 **PRIVATE BINDING ARBITRATION**

13 MILTON WOODS; CIRRUS AVIATION  
14 SERVICES INC., a Washington Corporation,

15 Plaintiffs,

16 v.

17 EAGLE JET AVIATION INC., a Nevada  
18 Corporation; ALEX PENLY; STUART M.  
19 WARREN; PRIVATE JET SERVICES INC., a  
20 Nevada Corporation; MILT'S EAGLE LLC, a  
21 Nevada Limited Liability Company; DOES I  
22 through x, Inclusive,

23 Defendants.

24 EAGLE JET AVIATION INC., a Nevada  
25 Company; ALEX PENLY, an Individual,

26 Counterclaimants,

27 v.

28 MILTON WOODS, an Individual; CIRRUS  
AVIATION SERVICES INC., a Washington  
Corporation; DOES I through X, Inclusive,

Counterdefendants.

Case No.: A-07-546250-B

Dept. No.: XXVII

**STIPULATION AS TO UNDISPUTED  
FACTS**

IT IS HEREBY STIPULATED AND AGREED by and between Defendants ALEX  
PENLY and EAGLE JET AVIATION, INC., being represented by Jay A. Shafer, Esq. of the law  
firm of Premier Legal Group, and Plaintiffs MILTON WOODS and CIRRUS AVIATION

1 SERVICES, INC., being represented by their counsel Gus D. Flangas, Esq., and the law offices  
2 of Flangas McMillan Law Group, that the following facts are stipulated to as undisputed:

- 3 1. The Plaintiff, MILTON J. WOODS (hereinafter referred to as "Mr. Woods"), is a United  
4 States citizen residing and working in Las Vegas, Nevada. He is an aircraft pilot with an  
5 Airline Transport Pilot ("ATP") rating and he has 48 years of experience as a pilot. He  
6 has lived in Las Vegas for over ten years. Mr. Woods became a United States Citizen in  
7 2009.
- 8 2. The Plaintiff, CIRRUS AVIATION SERVICES (hereinafter referred to as "Cirrus"), is a  
9 Washington corporation with its principal place of business in Clark County, Nevada.  
10 Mr. Woods, along with his two sons, are the shareholders of Cirrus. Mr. Woods presently  
11 owns Ten Percent (10%) of the shares in Cirrus and his sons Mark Woods and Greg  
12 Woods each own Forty Five Percent (45%) of the shares.
- 13 3. The Defendant, EAGLE JET AVIATION, INC. (hereinafter referred to as "Eagle Jet"),  
14 was a Nevada corporation with its principal place of business in Clark County, Nevada.
- 15 4. Eagle Jet was an aviation company that offered the general public the ability to charter  
16 private aircraft. Eagle Jet had a FAR Part 135 Certificate (hereinafter referred to as the  
17 "Operating Certificate") from the Federal Aviation Administration (hereinafter referred  
18 to as the "FAA") to operate jet aircraft capable of carrying nine passengers or less  
19 anywhere in the United States, Canada, Mexico and the Caribbean.
- 20 5. Eagle Jet was formed on or about January 5, 1999.
- 21 6. Cirrus's shares represented a minimum Twenty Five Percent (25%) interest in Eagle Jet.
- 22 7. The Defendant, ALEXANDER PENLY (hereinafter referred to as "Mr. Penly"), is a  
23 citizen of the United Kingdom, and a resident of Las Vegas, Nevada.
- 24 8. Mr. Penly was an officer and director in Eagle Jet, and shareholder in Eagle Jet.
- 25 9. PRIVATE JET SERVICES, INC., (hereinafter referred to as "Private Jet") was and is a  
26 Nevada corporation organized under the laws of the State of Nevada with its principal  
27 place of business in Clark County, Nevada.



- 1 10. MILT'S EAGLE, LLC, (hereinafter referred to as "Milt's Eagle") was a Nevada Limited
- 2 Liability Company organized under the laws of the State of Nevada, currently in revoked
- 3 status, with its principal place of business in Clark County, Nevada.
- 4 11. Milt's Eagle was the owner of a Lear 35A Jet aircraft which is used in the operations of
- 5 Eagle Jet.
- 6 12. Milt's Eagle was owned by Eagle Jet.
- 7 13. Milt's Eagle filed bankruptcy in 2009.
- 8 14. Eagle Jet was originally formed and owned by Walter M. Frehe (hereinafter referred to as
- 9 "Mr. Frehe") and Roderick Thomson (hereinafter referred to as "Mr. Thomson").
- 10 15. Mr. Frehe and Mr. Thomson each owned a fifty percent (50%) interest in Eagle Jet.
- 11 16. After Mr. Frehe departed the company, shares in Eagle Jet were owned by his two sons,
- 12 Justin Thomson and Roland Thomson, with 49% each, and 2% being owned by Stuart
- 13 Warren. Later shares were 25% to each of Woods, Penly and Warren with the sons
- 14 splitting 25%.
- 15 17. At the time Eagle Jet was formed, Mr. Thomson was the owner of a Sabreliner Jet Model
- 16 NA265-75A (hereinafter referred to as the "Sabreliner").
- 17 18. Mr. Thomson owned the Sabreliner through a company called Lear 25, Inc. (hereinafter
- 18 referred to as "Lear 25").
- 19 19. In forming Eagle Jet, Eagle Jet entered into an agreement with Lear 25 for Eagle Jet to
- 20 manage leasing and chartering operations using the Sabreliner. Mr. Frehe was put in
- 21 charge of running Eagle Jet and the Sabreliner operations.
- 22 20. When Eagle Jet was formed, it did not have an Operating Certificate to operate the
- 23 Sabreliner so the aircraft was operated under the Operating Certificate of Scenic Airlines
- 24 (hereinafter referred to as "Scenic") and managed by a company known as Eagle Jet
- 25 Charter, Inc. (hereinafter referred to as "Eagle Charter").
- 26 21. Eagle Charter was wholly owned by Scenic.
- 27
- 28

- 1 22. Shortly after Eagle Jet was formed, Mr. Thomson created an entity known as "The Flying  
2 Hospital, Inc." (hereinafter referred to as the "The Flying Hospital"), a nonprofit  
3 corporation funded by Mr. Thomson.
- 4 23. Mr. Frehe became the president of The Flying Hospital and was responsible for its  
5 management. Around February of 2000, Mr. Woods became employed by Eagle Charter  
6 as a Captain for the Sabreliner. He was hired by the then Chief Pilot for Eagle Charter,  
7 Douglas Wright.
- 8 24. Mr. Woods and the other employees related to the Sabreliner were considered employees  
9 of Scenic.
- 10 25. Subsequent to Mr. Woods starting with Eagle Charter, Mr. Penly arrived in Las Vegas  
11 from England as a representative of Mr. Thomson, brought in to check the outflow of  
12 money from Eagle Jet to The Flying Hospital.
- 13 26. Besides checking into the Flying Hospital, Mr. Penly became involved with the  
14 operations of the Sabreliner.
- 15 27. Scenic terminated the agreement it had with Mr. Thomson that had allowed the  
16 Sabreliner to operate under Scenic's Operating Certificate. Because Scenic terminated its  
17 relationship with Eagle Jet, Eagle Jet was faced with either terminating its Sabreliner  
18 operations or acquiring its own Operating Certificate. It was decided that Eagle Jet would  
19 obtain its own Operating Certificate, and it assumed full responsibility for the Sabreliner.
- 20 28. To obtain an Operating Certificate, the FAA, as one its requirements, commands that a  
21 company conduct 25 hours of proving runs with FAA personnel present in the aircraft for  
22 each type of aircraft the company intends to operate under the Operating Certificate.
- 23 29. Because jet aircraft can cost several thousand dollars per hour to operate, conducting  
24 proving runs can be very expensive. Eagle Jet conducted the Sabreliner proving runs  
25 during July, 2002 and was issued an Operating Certificate on July 16, 2002.
- 26 30. In or about November 2001, during the time Eagle Jet was working to obtain its  
27 Operating Certificate, Mr. Frehe and Mr. Thomson had a falling out. Mr. Thomson had  
28

1           apparently been losing a great deal of money through Eagle Jet and believed Mr. Frehe  
2           was improperly siphoning money.

3           31. Mr. Frehe agreed to leave the company and tender his shares in the Sabreliner operation  
4           and in Eagle Jet to Mr. Thomson for a purchase price of \$36,000, payable at \$3,000 per  
5           month for 12 months.

6           32. This surrender of shares by Mr. Frehe left Mr. Thomson as the sole shareholder in Eagle  
7           Jet. Mr. Thomson's ownership was held by Justin Thomson (500 shares) and Roland  
8           Thomson (500 shares), while Stuart Warren (hereinafter "Mr. Warren") was issued 20  
9           shares. Upon Mr. Frehe's departure from Eagle Jet Mr. Penly acted as a representative of  
10          Mr. Thomson.

11          33. On December 21, 2001, Mr. Warren was elected as President and Mr. Penly was elected  
12          as Secretary/Treasurer of Eagle Jet.

13          34. Mr. Frehe subsequently initiated a lawsuit against Mr. Thomson because Mr. Thomson  
14          had quit paying the \$3,000 per month. Mr. Thomson countersued, alleging malfeasance  
15          on the part of Mr. Frehe and mismanagement of funds through Eagle Jet. Prior to  
16          adjudication of this action, Mr. Frehe passed away.

17          35. Around December of 2002 or January of 2003, Mr. Wright, the Chief Pilot for Eagle Jet  
18          gave his notice to Eagle Jet and resigned. Mr. Penly, as a representative of Mr. Thomson,  
19          approached Mr. Woods about Mr. Woods assuming the position of the Chief Pilot.

20          36. Mr. Penly essentially told Mr. Woods that without a Chief Pilot the company would have  
21          to be shut down. Mr. Woods accepted the position of Chief Pilot under the conditions that  
22          Mr. Penly stay away from the operation of Eagle Jet.

23          37. Mr. Penly agreed to accept those conditions under which Mr. Woods would assume the  
24          Chief Pilot position.

25          38. Upon becoming Chief Pilot, Mr. Woods managed the operations of Eagle Jet.

26          39. When Mr. Woods took over as Chief Pilot, Eagle Jet was operating at a loss and Mr.  
27          Thomson was infusing money into the company to keep it operating.

- 1 40. As Chief Pilot, Mr. Woods controlled and scheduled the pilots employed by Eagle Jet and  
2 he ended up running the entire Eagle Jet operation, including the chartering operations.
- 3 41. At the time Mr. Woods took over as Chief Pilot, Lear 25 was in arrears on the Sabreliner  
4 payments and it became apparent that it was going to lose the Sabreliner to the finance  
5 company holding the mortgage.
- 6 42. By law, without an aircraft, Eagle Jet could not retain its Operating Certificate.
- 7 43. Mr. Woods facilitated an agreement with the owner of D&D Aviation (hereinafter  
8 referred to as "D&D") out of Salt Lake City, Utah wherein D&D agreed to lease Eagle  
9 Jet a Lear 35 Jet Aircraft so that Eagle Jet could continue its operations and maintain its  
10 Operating Certificate.
- 11 44. Mr. Woods took delivery of the Lear 35 (hereinafter referred to as the "D&D Lear 35")  
12 from D&D on February 11, 2003.
- 13 45. Eagle Jet returned the Sabreliner to the finance company by delivery to Scottsdale,  
14 Arizona on February 16, 2003.
- 15 46. Mr. Woods used his personal credit cards to purchase fuel, parts and supplies for Eagle  
16 Jet.
- 17 47. Mr. Woods used more than one credit card account for the payment of expenses for Eagle  
18 Jet and aircraft managed or operated by Eagle Jet prior to April 26, 2007.
- 19 48. Mr. Woods directed reimbursement of the charges on his personal credit cards, and  
20 received payments from Eagle Jet for charges on his personal credit cards.
- 21 49. During the latter part of 2003, Mr. Woods asked for an ownership interest in Eagle Jet.
- 22 50. The owners of Eagle Jet approved distribution of 1,000 shares in Eagle Jet to Mr. Woods.
- 23 51. Mr. Woods directed that the 1,000 shares be issued to Cirrus.
- 24 52. At the time Woods executed the "Shareholder Buy-Sell Agreement", all other  
25 shareholders, save Justin Thomson and Roland Thomson, signed this agreement.
- 26 53. Except for his interest in Cirrus Aviation, LLC, Milton Woods has no direct ownership of  
27 Eagle Jet.
- 28

- 1 54. On or about November 3, 2003, Cirrus received 250 shares in Eagle Jet via Stock  
2 Certificate Number 9. Stock Certificate Number 9 was signed by Mr. Penly as Secretary  
3 and by Mr. Warren as President of Eagle Jet.
- 4 55. Approximately one month later, on or about December 1, 2003, Cirrus received the  
5 remaining 750 shares in Eagle Jet via Stock Certificate Number 14. Stock Certificate  
6 Number 14 was similarly signed by Mr. Penly as Secretary and by Mr. Warren as  
7 President.
- 8 56. Sometime in November 2003, Eagle Jet obtained another Lear 35 Jet Aircraft, under a  
9 more favorable lease from Robert Buck of Monterey, California.
- 10 57. Accordingly, the borrowed D&D Lear 35 was returned to D&D in Salt Lake.
- 11 58. Throughout 2003 and 2004, Eagle Jet's business continued to increase and eventually it  
12 reached a point where it became necessary to obtain a second Lear Jet.
- 13 59. Mr. Penly obtained a lease on a Lear 35 from CIT Bank (hereinafter referred to as the  
14 "CIT Lear 35").
- 15 60. The FAA requires that each company holding an Operating Certificate have both a Chief  
16 Pilot and a Director of Operations/General Manager. Sometime in 2003, the FAA  
17 required that Mr. Woods become either Chief Pilot or Director of Operations/General  
18 Manager. Mr. Woods became the Director of Operations/General Manager and a new  
19 Chief Pilot was hired.
- 20 61. In or around November of 2004, Mr. Woods found and negotiated the sale of a late serial  
21 number Lear 35 Jet Aircraft through Rolf Smith. On November 29, 2004, the Board of  
22 Directors of Eagle Jet, by unanimous written consent, authorized Eagle Jet to purchase  
23 the 1987 Gates Lear 35A Aircraft for \$2,300,000, pursuant to an Aircraft Purchase  
24 Agreement dated Sept 30, 2004 between M/G Transport Services, Inc. and Jeff Wyler  
25 Dealer Group, Inc. The Board of Directors further dictated that Eagle Jet take title to the  
26 Lear 35A in a previously formed company known as "Milt's Eagle, LLC."
- 27  
28

- 1 62. Pursuant to the resolution, Eagle Jet's Board agreed that Eagle Jet would guarantee the  
2 obligations of Milt's Eagle with respect to the loan. The written consent document shows  
3 Mr. Penly, Mr. Woods and Mr. Warren as the Board of Directors of Eagle Jet.
- 4 63. Mr. Penly was personally handling all the financing arrangements for the purchase of the  
5 Lear 35A, and was told that a \$250,000 down payment was necessary for the purchase.  
6 Upon completion, the down payment requirement was \$350,000, with \$100,000 to come  
7 from the assets of Eagle Jet.
- 8 64. Woods arranged to pick up the Lear 35A in Oregon because there is no applicable sales  
9 tax. When Mr. Woods arrived in Oregon to take possession of the Lear 35A, the  
10 financing to purchase the Lear 35A was not immediately available. Mr. Penly worked to  
11 obtain replacement financing, which was obtained at a higher premium. To complete the  
12 purchase of the Lear 35A, the finance company JODA required a personal commitment  
13 from the Eagle Jet owners. Mr. Woods put up \$100,000, Mr. Warren agreed to put up  
14 \$60,000, Mr. Penly put up \$90,000 and Mr. Thomson elected not to participate in this  
15 transaction. Mr. Warren required that his \$60,000 contribution be considered a loan.  
16 While Mr. Woods and Mr. Penly agreed to personally guaranty the loan for the Lear 35A,  
17 Mr. Warren did not.
- 18 65. Eagle Jet, through Milt's Eagle LLC, received the Lear 35A in December of 2004  
19 (hereinafter referred to as the "Purchased Lear 35A") and discontinued leasing the Lear  
20 35 from CIT. Milt's Eagle LLC was to lease the Purchased Lear 35A to Eagle Jet. Eagle  
21 Jet made the mortgage payments directly to the finance company.
- 22 66. Mr. Penly was reimbursed for his \$90,000 contribution.
- 23 67. Mr. Warren received his \$60,000 back within approximately two years thereafter,  
24 comprised of two payments of \$30,000.
- 25 68. As of April 2007, Mr. Woods had not been reimbursed for his \$100,000 contribution.
- 26 69. About six to eight months later after obtaining the Purchased Lear 35A, Eagle Jet  
27 obtained new financing for the Purchased Lear 35A through Center Capital Corporation  
28

1 under much more favorable terms, with the monthly mortgage payments being reduced  
2 from approximately \$30,000 per month to \$20,900 per month.

3 70. Again, both Mr. Woods and Mr. Penly had to personally guarantee the loan. Mr. Warren  
4 did not commit to the guaranty.

5 71. On July 22, 2005, the Board of Directors of Eagle Jet resolved to issue 2,000 Eagle Jet  
6 shares to Messrs. Penly, Warren and Woods.

7 72. On January 6, 2006, Mr. Woods was elected as President of Eagle Jet.

8 73. Sometime in 2006, Mr. Penly obtained a hanger at the McCarran Airport from which  
9 Eagle Jet could operate.

10 74. In June of 2006, Mr. Woods found an aircraft and assisted a group of local Las Vegas  
11 businessmen in the purchase of a Lear 55 Jet Aircraft, that was added to Eagle Jet's  
12 Operating Certificate as a managed aircraft pursuant to an agreement with those  
13 businessmen (hereinafter referred to as the "Managed Lear 55 One").

14 75. This aircraft was owned by 4 Romeo Whiskey LLC, who in turn was owned by Randy  
15 Kidd, Steven Aizenburg and Mr. Ostergaard.

16 76. Mr. Woods did not charge 4 Romeo Whiskey a finder's fee for the work in acquiring a  
17 Lear 55.

18 77. Eagle Jet did not receive a finder's fee from 4 Romeo Whiskey.

19 78. Pursuant to the agreement, Eagle Jet was to receive 15% of the revenue derived from  
20 charter operations for the Managed Lear 55 One, as well as a hanger and maintenance  
21 contract for \$9,000 per month.

22 79. On December 29, 2006 the Board of Directors by Unanimous Written Consent voted to  
23 give bonuses to Mr. Woods in the amount of \$200,000 and to Mr. Penly in the amount of  
24 \$100,000 (hereinafter referred to as the "December Resolution"). In addition, the Board  
25 voted to pay \$100,000 to Warren.

26 80. The December 29, 2006 resolution was rescinded by a resolution dated May 1, 2007.

27  
28

- 1 81. In February of 2007, Eagle Jet began managing another Lear 55 owned by Jim Monaghan  
2 in Scottsdale, Arizona (hereinafter referred to as the "Managed Lear 55 Two"). The  
3 Managed Lear 55 Two was also added to Eagle Jet's Certificate as a managed aircraft  
4 pursuant to an agreement with Mr. Monaghan.
- 5 82. Mr. Woods located for Randy Kidd, Steve Aizenberg and associates a Challenger 601-  
6 3AER (hereinafter referred to as the "Challenger") which the businessmen purchased in  
7 February of 2007.
- 8 83. At a called meeting of the Eagle Jet Board, in February of 2007 the Company elected to  
9 not participate in the purchase of this aircraft.
- 10 84. Because the Challenger had more than nine seats, Eagle Jet would have had to expand its  
11 Operating Certificate and conduct proving runs with the Challenger.
- 12 85. Eagle agreed that Advanced Air Management, Inc., a California corporation located in  
13 Van Nuys, California (hereinafter referred to as "Advanced Air") should operate the  
14 Challenger. Mr. Woods did not agree to have the Challenger operated by Advanced Air.
- 15 86. Advanced Air Management, Inc., a California corporation located in Van Nuys,  
16 California was purchased in September 2006 by Eagle Jet and Private Jet Services and  
17 shares were given to Mr. Woods (1,000 shares), Mr. Penly (1,000 shares), Mr. Warren  
18 (1,000 shares), John Kaylor (500 shares) and Scott Chikar (500 shares).
- 19 87. Advanced Air Management was purchased for \$171,500, and Eagle Jet made the  
20 purchase with an expenditure of company funds.
- 21 88. After the pre-buy inspection for the Challenger was completed in Tucson, Arizona, Eagle  
22 Jet flew the owners of the Challenger down to take possession of the Challenger. Mr.  
23 Woods was not type-rated in the Challenger.
- 24 89. Woods took pilot Bob McKenna (hereinafter referred to as "Mr. McKenna"), with him to  
25 fly the aircraft back to Las Vegas with the owners on board.
- 26 90. Mr. Woods and Mr. McKenna violated an FAA regulation which requires that prior to  
27 carrying passengers, the crew must have, within the past 90 days, completed three take-  
28



1 offs and three landings to a full stop. Although it was a private trip with only the owners  
2 onboard the aircraft; nevertheless the FAA viewed this as an infraction. Mr. Woods  
3 claims this was inadvertent.

4 91. The Challenger was never part of Eagle Jet's Certificate.

5 92. A letter signed by Mr. McKenna reports this violation to the FAA. Mr. Woods then  
6 received a letter of investigation from the FAA.

7 93. Messrs. Penly and Warren wrote a letter to Mr. Woods, dated April 23, 2007, discussing  
8 Mr. Wood's position with the company and setting forth several terms for his separation.

9 94. The proposal was conditioned on Mr. Woods not working for any Eagle Jet competitor,  
10 being supportive of Eagle Jet, and not making derogatory statements about Eagle Jet.

11 95. Mr. Woods was presented with the letter by Mr. Warren and Mr. Penly.

12  
13 96. On or about April 27, 2007, Mr. Woods issued checks to pay for the charges on Mr.  
14 Woods's personal credit cards for expenses alleged to have been incurred by Eagle Jet  
15 including \$34,000 for a Lear 55 windshield, \$23,000 for installation of the windshield,  
16 \$14,000 for training at Simuflite, miscellaneous fuel charges, ramp charges and aircraft  
17 parts.

18 97. Mr. Woods also issued a check to himself for reimbursement of the \$100,000 he loaned  
19 Eagle Jet for purchase of the Purchased Lear 35, plus \$15,000 interest.

20 98. Lastly, Mr. Woods cut check number 3304 to Cirrus for \$200,000. Mr. Woods cut the  
21 checks to Cirrus instead of himself

22 99. Shortly thereafter, Mr. Penly and Mr. Warren, owning a majority interest of Eagle Jet,  
23 told Mr. Woods they were voting him out.

24 100. At about this time Mr. Penly had the locks changed at Eagle Jet, and called to  
25 cancel Mr. Woods's security badge for airport access.

1 101. On or about April 30, 2007, Mr. Penly sent a letter to Bank of Nevada, telling the  
2 bank there was a dispute and to put a hold on all funds regarding check number 3304.

3 Bank of Nevada subsequently interpled the funds suing both Mr. Woods and Eagle Jet.

4 102. The owner of the Managed Lear 55 One took back its aircraft from Eagle Jet..

5 103. During all times he was the President, Chief Pilot and Director of Operations for  
6 Eagle Jet, Milton J. Woods was a Canadian citizen.

7 104. Milton J. Woods obtained US Citizenship in 2009.

8 105. Mr. Woods directed the payment of expenses for Eagle Jet prior to April 26,  
9 2007.

10 106. Milt Woods opened a bank account called 'Eagle Jet Maintenance' at Bank West  
11 of Nevada.

12 107. Mr. Woods had access to the customer lists of Eagle Jet. Mr. Woods has had  
13 contact with Randy Kidd since April 26, 2007.

14 108. Milt Woods and Greg Woods appeared at the offices of Eagle Jet on or about July  
15 24, 2009 with more than one police officer to obtain or inspect financial records of Eagle  
16 Jet.

17 DATED this 14<sup>th</sup> day of June, 2014.

DATED this 14<sup>th</sup> day of June, 2014.

18 PREMIER LEGAL GROUP

FLANGAS MCMILLAN LAW GROUP

19  
20  
21 By: 

By: 

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CIRRUS AVIATION SERVICES

07A546250

DISTRICT COURT  
CLARK COUNTY, NEVADA

Business Court

COURT MINUTES

May 05, 2014

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07A546250      Milton Woods, Cirrus Aviation Services Inc  
vs  
Eagle Jet Aviation Inc, Alex Penley, et al

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May 05, 2014      2:53 PM      Minute Order

HEARD BY:    Allf, Nancy

COURTROOM:    Dist Court XXVII -  
Chambers

COURT CLERK:    Sharon Chun

JOURNAL ENTRIES

- MINUTE ORDER - NO HEARING

COURT FINDS after review a Status Check on Arbitration was set for MOTION CALENDAR on May 7, 2014 at 9.00 a.m. COURT FURTHER FINDS after review the Court Granted a motion to Confirm Arbitration Award for Attorney Fees on October 16, 2013 however the Award would not be enforceable until arbitration was complete. At a status check on arbitration on March 5, 2014 the Court found that the parties had not yet set an arbitration date and ordered the status check continued 60 days. If the case did not move forward in the next 60 days the Court would set a Show Cause Hearing for dismissal.

COURT FURTHER FINDS after review Defendant filed a Motion to Dismiss Claims against Milt s Eagle, Private Jet Services and Stuart Warren pursuant to NRCP 41(e) on April 18, 2014 and the Motion is set for Hearing on MOTION CALENDAR on May 21, 2014 at 10.00 a.m.

COURT ORDERS for good cause appearing Status Check on arbitration VACATED.

CLERK'S NOTE: A copy of this minute order has been distributed to the following:  
Gus W. Flangas (Flangas & McMillan) FAX: 702-382-9452  
Jay A. Shafer or Robert C. Reade (Premier Legal Group)  
Email: jshafer@premierlegalgroup.com

PRINT DATE:    05/05/2014

Page 1 of 1

Minutes Date:    May 05, 2014

R0328

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

## Business Court

## COURT MINUTES

**October 16, 2013**

07A546250

**Milton Woods, Cirrus Aviation Services Inc  
vs  
Eagle Jet Aviation Inc, Alex Penley, et al**

**October 16, 2013**

**9:30 AM**

## Motion to Confirm Arbitration Award

HEARD BY: Alf, Nancy

**COURTROOM:** RJC Courtroom 03A

**COURT CLERK:** Nicole McDevitt

**RECORDER:** Traci Rawlinson

**REPORTER:**

## PARTIES

**PRESENT:** Flangas, Gus W  
Shafer, Jay A.

Attorney for Plaintiff  
Attorney for Defendant

## JOURNAL ENTRIES

- Arguments by counsel regarding the arbitration award for attorney's fees and costs, whether or not award was in lieu of striking the pleadings, NRS 38.239, arguments in supplement filed by defense counsel, and further arguments. Mr. Flangas moved to strike the supplement as a fugitive document. Court stated its findings and ORDERED, Motion to Confirm Arbitration Award for Attorney Fees and Costs GRANTED IN PART as to confirmation of the award and DENIED IN PART as Court FINDS it is interlocutory and not enforceable at this time, STATUS CHECK set 3/5/2014 9:00 am. Court stated that if the arbitration is not complete in February and it hears complaints regarding dilatory tactics on behalf of the Defendant it will enforce the order.

3/5/2014 9:00 AM STATUS CHECK: ARBITRATION PROCEEDINGS

PRINT DATE: 10/22/2013

Page 1 of 1

Minutes Date: October 16, 2013

R0329

## EVENTS &amp; ORDERS OF THE COURT

12/02/2015 All Pending Motions (9:00 AM) (Judicial Officer Cory, Kenneth)  
*PLAINTIFFS MOTION TO DISMISS ALL OF DEFENDANT HKLM'S CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM AND MOTION TO DISMISS OR IN THE ALTERNATIVE MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANTS THIRD AND FOURTH CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM FOR FRAUD AND VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT AND MOTION TO STRIKE IMMATERIAL, IMPERTINENT, IRRELEVANT AND SCANDALOUS ALLEGATIONS... DEFENDANTS' MOTION FOR SUMMARY JUDGMENT IN THEIR FAVOR AGAINST PLAINTIFFS MICHAEL D. RICHMAN AND LUZVIMINDA O. DAPAT*

## Minutes

12/02/2015 9:00 AM

- PLAINTIFFS MOTION TO DISMISS ALL OF DEFENDANT HKLM'S CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM AND MOTION TO DISMISS OR IN THE ALTERNATIVE MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANTS THIRD AND FOURTH CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM FOR FRAUD AND VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT AND MOTION TO STRIKE IMMATERIAL, IMPERTINENT, IRRELEVANT AND SCANDALOUS ALLEGATIONS... DEFENDANTS' MOTION FOR SUMMARY JUDGMENT IN THEIR FAVOR AGAINST PLAINTIFFS MICHAEL D. RICHMAN AND LUZVIMINDA O. DAPAT Mr. Flangas argued the causes of action are barred by NRS 78.585 and does not think there is a stay of the statute of limitations in 2011. As to fraud, Mr. Flangas argued he does not think it was stayed. Mr. Flangas further argued the deceptive trade practice is to protect the consumer and they are not a consumer and it does not apply and there is no cause of action. Mr. Kennedy argued the motion for summary judgment should be denied as there has to be a statement of undisputed facts and what is in the counterclaim must be considered and not what is in the third amended complaint. As to the fraud, it is clear from the affidavit they discovered in 2014 and the counterclaim was filed within two years. Plaintiffs are arguing the wrong statute as to statute of limitations chapter 86 because it is a LLC and there was a stay for four nine months. Mr. Kennedy further argued as to their deceptive trade practice argument that you have to be a consumer is wrong, it is a wrongful action. Mr. Richmond used his own words and the things he claims he was awarded were bought. Defendants have had to spend a lot of money fixing his representations. Mr. Flangas argued as to the auditors findings and files not being updated. Further argued defendants were on inquiry notice. Mr. Kennedy argued the bankruptcy ruling stated this should have been disclosed in the bankruptcy, but because of the lapse in time the Bankruptcy Court was unable to re-open the estate. Mr. Kennedy further argued the two issues in the summary judgment motion have been affirmed by the Bankruptcy Court. The question now is after closure of bankruptcy are the plaintiffs going to be able to pursue the claims now for their own benefit. Mr. Kennedy argued 7th Circuit case Cannon-Stokes vs. Potter and because they did not disclose in bankruptcy they are estopped from pursuing. Mr. Flangas argued judicial estoppel and gave summary of the bankruptcy procedures. Mr. Flangas further argued Mr. Daniel Marks was representing plaintiffs in this action not the bankruptcy action and therefore it was defendants responsibility to disclose the dispute. Mr. Zach Larsen, Bankruptcy counsel, gave summary of the Chapter 13 procedures. Further arguments by counsel. Mr. Kennedy argued the Nolm case. COURT ORDERED, BOTH Motions GRANTED and each party to prepare their own Order

Parties Present

Return to Register of Actions

# EXHIBIT 2

# EXHIBIT 2

33

Inst #: 20160201-0002431  
Fees: \$49.00  
N/C Fee: \$0.00  
02/01/2016 03:39:42 PM  
Receipt #: 2673647  
Requestor:  
AMPM LEGAL SOLUTIONS  
Recorded By: RIVASR Pgs: 33  
DEBBIE CONWAY  
CLARK COUNTY RECORDER

## RECORDING COVER PAGE

(Must be typed or printed clearly in BLACK ink only  
and avoid printing in the 1" margins of document)

APN# \_\_\_\_\_

(11 digit Assessor's Parcel Number may be obtained at:  
<http://redrock.co.clark.nv.us/assrrealprop/ownr.aspx>)

## TITLE OF DOCUMENT

(DO NOT Abbreviate)

Judgment

Document Title on cover page must appear EXACTLY as the first page of the document  
to be recorded.

### RECORDING REQUESTED BY:

Kevin M. Sutehall (9437)

RETURN TO: Name Kevin M. Sutehall, Esq. (9437)

Address 1980 Festival Plaza Drive, Suite 700

City/State/Zip Las Vegas, Nevada 89135

### MAIL TAX STATEMENT TO: (Applicable to documents transferring real property)

Name \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_

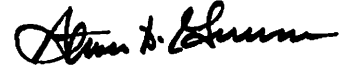
This page provides additional information required by NRS 111.312 Sections 1-2.

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CLERK OF THE COURT

**JUDG**  
GUS W. FLANGAS, ESQ.  
Nevada Bar No. 004989  
[gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
**FLANGAS MCMILLAN LAW GROUP**  
3275 South Jones Blvd., Suite 105  
Las Vegas, Nevada 89146  
Telephone: (702) 307-9500  
Facsimile: (702) 382-9452  
*Attorney for Plaintiffs*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

MILTON J. WOODS, and CIRRUS  
AVIATION SERVICES, INC., a Washington  
Corporation,

Plaintiffs,

vs.

EAGLE JET AVIATION, INC., a Nevada  
Corporation; ALEX PENLY, and STUART  
M. WARREN; PRIVATE JET SERVICES, INC.,  
a Nevada Corporation; MILT'S EAGLE, LLC, a  
Nevada Limited Liability Company; and  
DOES I-X, inclusive,

Defendants.

Case No.: A546250  
Dept No.: XXVII

**JUDGMENT**

THIS MATTER came on for Binding Arbitration on August 14, 15, 20, 21, 22, 28;  
September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24; and December 8, 9, 10, of 2014.  
A written Arbitration Award in this matter was rendered on January 27, 2015. The Arbitration  
Award was confirmed in a Hearing held on April 29, 2015 at 9:30 a.m., and an Order Confirming  
Arbitration Award was entered on September 18, 2015.

Thereafter, there was a Hearing before this Court on June 15, 2015, on  
Defendants/Counterclaimants' Motion to Modify or Correct Arbitration Award and Motion to  
Vacate Arbitration Award, wherein the Court denied said Motions in an Order entered on September  
18, 2015.

///

<input type="checkbox"/> Voluntary Dismissal	<input type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input checked="" type="checkbox"/> Judgment of Arbitration



1 Therefore, this matter having been fully litigated and confirmed, and the Court being fully advised  
2 in the premises,

3 **IT IS ORDERED, ADJUDGED and DECREED** that the Arbitration Award and Order  
4 Confirming Arbitration Award attached hereto as Exhibit "1", is reduced to Judgment; and

5 **IT IS FURTHER ORDERED** that the Plaintiff, MILTON J. WOODS (hereinafter "Mr.  
6 Woods"), shall have and recover from Defendant, EAGLE JET AVIATION, INC., a Judgment in  
7 the sum of One Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00) with  
8 interest thereon at the legal rate of interest as provided by law from the date of the service of the  
9 Complaint herein through the date that the Judgment is paid in full; and

10 **IT IS FURTHER ORDERED, ADJUDGED and DECREED** that the Plaintiff, CIRRUS  
11 AVIATION SERVICES, INC. (hereinafter "Cirrus") shall have and recover from Defendant, ALEX  
12 PENLY, a Judgment in the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00)  
13 with interest thereon at the legal rate of interest as provided by law from the date of the service of  
14 the Complaint herein through the date that the Judgment is paid in full; and

15 **IT IS FURTHER ORDERED, ADJUDGED and DECREED** that the Plaintiffs shall have  
16 and recover from Defendant, ALEX PENLY, a Judgment in the sum of Eighty Thousand Dollars  
17 (\$80,000.00) with interest thereon at the legal rate of interest as provided by law from the date of  
18 the service of the Complaint herein through the date that the Judgment is paid in full.

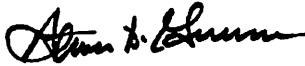
19 **DATED** this 14 day of January, 2016.

20  
21 Nancy L. Allif  
22 **DISTRICT JUDGE** EA

23 Respectfully submitted by:

24  
25 GUS W. FLANGAS, ESQ.  
26 Nevada Bar No. 004989  
27 FLANGAS DALACAS LAW GROUP  
28 gwf@fdlawlv.com  
3275 South Jones Blvd., Suite 105  
Las Vegas, Nevada 89146

# **EXHIBIT 1**



CLERK OF THE COURT

1 **ORDR**  
2 GUS W. FLANGAS, ESQ.  
3 Nevada Bar No. 004989  
4 [gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
5 **FLANGAS MCMILLAN LAW GROUP**  
6 3275 South Jones Blvd., Suite 105  
7 Las Vegas, Nevada 89146  
8 Telephone: (702) 307-9500  
9 Facsimile: (702) 382-9452  
10 *Attorney for Plaintiffs*

11 **DISTRICT COURT**  
12 **CLARK COUNTY, NEVADA**

11 MILTON J. WOODS, and CIRRUS  
12 AVIATION SERVICES, INC., a Washington  
13 Corporation,

13 Plaintiffs,

14 vs.

15 EAGLE JET AVIATION, INC., a Nevada  
16 Corporation; ALEX PENLY, and STUART  
17 M. WARREN; PRIVATE JET SERVICES, INC.,  
18 a Nevada Corporation; MILT'S EAGLE, LLC, a  
19 Nevada Limited Liability Company; and  
DOES I-X, inclusive,

18 Defendants.

Case No.: A546250  
Dept No.: XXVII

**ORDER CONFIRMING  
ARBITRATION AWARD**

20 THIS MATTER came for Hearing before this Court on April 29, 2015 at 9:00 a.m. on the  
21 Plaintiffs' "Motion to Confirm Arbitration Award." The Plaintiffs were represented by GUS W.  
22 FLANGAS, ESQ. of the FLANGAS DALACAS LAW GROUP. The Defendants, ALEX PENLY  
23 (hereinafter "Mr. Penly) and EAGLE JET SERVICES, INC. (hereinafter "Eagle Jet"), were  
24 represented by their attorneys, JAY W. SHAFER, ESQ. of the PREMIER LEGAL GROUP who  
25 appeared in person, and MARK C. FIELDS, ESQ. of the Law Offices of Mark C. Fields, APC, who  
26 appeared telephonically.

27 Having reviewed the Pleadings and Papers on file in this matter, heard arguments by counsel,

28 ....

1 and good cause appearing;

2 **THE COURT HEREBY FINDS** that the Plaintiffs brought a complaint against the  
3 Defendants to recover monies owed the Plaintiffs for loss of shareholder interest and bonus  
4 payments, among other relief sought.

5 **THE COURT FURTHER FINDS** that the Parties mentioned herein, voluntarily agreed to  
6 submit the entire matter into Binding Arbitration. NLA

7 **THE COURT FURTHER FINDS** that the Parties agreed to have JOHN H. BAILEY, ESQ. WAS  
8 (Hereinafter "Mr. Bailey") appointed as the Arbitrator in this case.

9 **THE COURT FURTHER FINDS** that the Parties arbitrated this case before Mr. Bailey on  
10 August 14, 15, 20, 21, 22, 28; September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24;  
11 and December 8, 9, 10, of 2014, at the law offices of BAILEY KENNEDY located in Clark County,  
12 Las Vegas, Nevada.

13 **THE COURT FURTHER FINDS** that after the completion of the Binding Arbitration, Mr.  
14 Bailey rendered a written Arbitration Award (hereinafter "the Award"), dated January 27, 2015. A  
15 copy of the Award is attached hereto as Exhibit "1" and is incorporated in its entirety into this Order  
16 and is binding as though fully set forth herein.

17 **THE COURT FURTHER FINDS** that pursuant to the Award, Mr. Bailey awarded the  
18 Plaintiff, MILTON J. WOODS (hereinafter "Mr. Woods"), the amount of One Hundred Eleven  
19 Thousand Seven Hundred and Fifty dollars (\$111,750.00) against Eagle Jet.

20 **THE COURT FURTHER FINDS** that pursuant to the Award Mr. Bailey awarded the  
21 Plaintiff, CIRRUS AVIATION SERVICES, INC. (hereinafter "Cirrus") the amount of One Million  
22 Five Hundred Thousand Dollars (\$1,500,000.000) against Mr. Penly.

23 **THE COURT FURTHER FINDS** that on October 16, 2013, the Court GRANTED the  
24 Plaintiffs' previous "Motion to Confirm Arbitration Award" wherein Mr. Bailey awarded the  
25 Plaintiffs the amount of Eighty Thousand Dollars (\$80,000) against Mr. Penly for Attorneys Fees  
26 as sanctions but delayed the enforceability of the award until the Arbitration was complete  
27 (hereinafter the "Previous Award"). A copy of the Previous Award is attached hereto as Exhibit "1"  
28 and is incorporated in its entirety into this Order and binding as though fully set forth herein.

1       **THE COURT FURTHER FINDS** that pursuant to NRS 38.239, the Plaintiffs are entitled  
2 to an Order confirming the Award and the Previous Award.

3       **THEREFORE, THE COURT HEREBY ORDERS** that the Plaintiffs' "Motion to Confirm  
4 Arbitration Award" is **Granted**.

5       **THE COURT FURTHER ORDERS** that the Award to Mr. Woods in the amount of One  
6 Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00) against Eagle Jet is  
7 **Confirmed** and Mr. Woods is therefore entitled to Judgement against Eagle Jet in the amount of One  
8 Hundred Eleven Thousand Seven Hundred and Fifty dollars (\$111,750.00), plus interest in an  
9 amount allowed by law.

10       **THE COURT FURTHER ORDERS** that the Award to the Cirrus in the amount of One  
11 Million Five Hundred Thousand Dollars (\$1,500,000.000) against Mr. Penly is **Confirmed** and  
12 Cirrus is therefore entitled to Judgement against Mr. Penly in the amount of One Million Five  
13 Hundred Thousand Dollars (\$1,500,000.000), plus interest in an amount allowed by law.

14       **THE COURT FURTHER ORDERS** that the Previous Award to the Plaintiffs which was  
15 previously confirmed by the Court in the amount of \$80,000 against Mr. Penly is again **Confirmed**  
16 and the Plaintiffs are therefore entitled to Judgement against Mr. Penly in the amount of Eighty  
17 Thousand Dollars (\$80,000), plus interest in an amount allowed by law.

18       **THE COURT FURTHER ORDERS** that because the Defendants filed on the day before  
19 the Hearing, "Defendants and Counterclaimants' Motion to Modify or Correct Arbitration Award,"  
20 and "Defendants and Counterclaimants' Motion to Vacate Arbitration Award." a Hearing on the  
21 Motions shall be heard on June 15, 2015 at 10:00 a.m.

22       **THE COURT FURTHER ORDERS** that the Plaintiffs' request for additional attorney's

23 ....

24 ....

25 ....

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27 ....

28 ....

1 fees is deferred until after the Hearing on June 15, 2015.


2 **THE COURT FURTHER ORDERS** that the amounts set forth in this Order be reduced  
3 to Judgment.

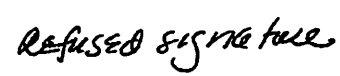
4 **IT IS SO ORDERED** this 20 day of August, 2015.

5  
6 Nancy Allen  
7 **DISTRICT JUDGE**

8 Respectfully submitted by:

Approved as to form by:

9  
10   
11 **GUS W. FLANGAS, ESQ.**  
12 Nevada Bar No. 004989  
13 [gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
14 **FLANGAS DALACAS LAW GROUP**  
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19 Attorney for Plaintiffs

20   
21 **JAY A. SHAFER, ESQ.**  
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Attorney for Defendants

29 Refused Signature  
30 **MARK C. FIELDS, ESQ.**  
31 Nevada Bar No. 008453  
32 [fields@markfieldslaw.com](mailto:fields@markfieldslaw.com)  
33 **LAW OFFICES OF MARK C. FIELDS, APC**  
34 333 South Hope Street, 35<sup>th</sup> Floor  
35 Los Angeles, California  
36 Telephone: (213) 617-5225  
37 Facsimile: (213) 629-4520  
38 Attorney for Defendants

**EXHIBIT 1**

R0340

1 JOHN R. BAILEY  
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2 BAILEY ♦ KENNEDY  
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3 Las Vegas, Nevada 89148  
Telephone: (702) 562-8820  
4 Facsimile: (702) 562-8821  
jbailey@baileykennedy.com

5 Arbitrator

6 DISTRICT COURT  
7  
8 CLARK COUNTY, NEVADA

9 MILTON J. WOODS and CIRBUS  
10 AVIATION SERVICES, INC., a Washington  
corporation,

11 Plaintiffs,

12 vs.

13 EAGLE JET AVIATION, INC., a Nevada  
14 corporation; ALEX PENLY; STUART M.  
WARREN; PRIVATE JET SERVICES, INC.,  
15 a Nevada corporation; MILT'S EAGLE, LLC,  
Nevada limited liability company; and  
16 DOES I-X, inclusive,

17 Defendants.  
18

Case No. A546250  
Dept. No. XI

ARBITRATION AWARD

19  
20 This matter came before the undersigned arbitrator for hearing on the following days in  
21 accordance with the parties' agreement and the Court's Order:

- 22 • August 14, 15, 20, 21, 22, and 28, 2014;  
23 • September 3, 12, 15, and 18, 2014;  
24 • October 3, 15, 28, and 29, 2014;  
25 • November 3, 4, and 24, 2014; and  
26 • December 8, 9, and 10, 2014.  
27  
28



1 Plaintiffs/Counterdefendants Milton Woods and Cirrus Aviation Services, Inc. (individually  
2 "MWoods" and "Cirrus," respectively, and collectively, "Plaintiffs") were represented by their  
3 counsel, Gus W. Flangas, Esq. Defendants/Counterclaimants Eagle Jet Aviation Inc. and Alex  
4 Penly (individually "EJA" and "Penly," respectively, and collectively, "Defendants") were  
5 represented by their counsel, Mark C. Fields, Esq. and Jay A. Shafer, Esq.<sup>1</sup> Defendants  
6 submitted their Post-Closing Arbitration Brief on December 29, 2014, at which time the  
7 arbitration was closed.

8  
9 Upon considering the parties' arbitration briefs, the Stipulation As To Undisputed  
10 Facts, the testimony of the parties and witnesses, the substantial evidentiary submissions, the  
11 closing arguments of counsel, Defendants' post-closing brief, and all other matters properly  
12 submitted at arbitration, the arbitrator makes the following determinations and award.<sup>2</sup>

#### 13 I. PRELIMINARY FINDINGS

14  
15 A. Stipulation As To Undisputed Facts. At the request of the arbitrator, the parties  
16 submitted, and the arbitrator accepted and hereby incorporates, a Stipulation As To Undisputed  
17 Facts, which is attached to this Arbitration Award as Exhibit "A."

18  
19 B. Quantity and Quality of the Evidence. This matter, and specifically the parties' ability to  
20 present admissible evidence in support or defense of their respective claims and counterclaims  
21 was materially plagued by the undisputed fact that a substantial portion of EJA's business and  
22 financial records disappeared immediately after the time that MWoods departed from EJA in  
23 April 2007. While the parties were unable to provide any clear indication as to what happened  
24

25  
26 <sup>1</sup> The other parties identified in the Complaint (or Amended Complaint) and listed in the caption were either  
27 dismissed under N.R.C.P. 41(e) or had sought and obtained bankruptcy protection.

28 <sup>2</sup> Initially, the parties were unable to agree on the form of this Arbitration Award (i.e., a simple award vs. a  
reasoned award). Ultimately, they stipulated to a simple award with summary reasoning.

1 to those records, it is undisputed that Penly, under oath and in his own declarations, asserted that  
2 he is familiar with the creation of, maintenance of, and has line responsibility for the business  
3 records (including the accounting records) of each of the two companies (EJA and Private Jet  
4 Services, Inc.) for all relevant times. There was no credible evidence presented that MWoods  
5 (or anyone under his control) took or was otherwise responsible for the disappearance of EJA's  
6 business and financial records.<sup>3</sup> Therefore, in the absence of any plausible explanation for their  
7 disappearance, the responsibility to account for EJA's business and financial records falls upon  
8 Penly.  
9

10  
11 C. Credibility of Key Witnesses.

12 a. Alex Penly. It is disconcerting and material to the findings that give rise to this  
13 Arbitration Award that Penly admittedly: (i) was less than honest with the Court (Judge  
14 Gonzalez) during a hearing in this matter on July 21, 2009, when he failed to disclose that EJA's  
15 MSP payments due on its Lear 35 aircraft were current only because the finance company for  
16 the aircraft made the payments by increasing the debt on the aircraft; and (ii) intentionally  
17 misled and deceived the Court (Judge Gonzalez) during a hearing in this matter on January 21,  
18 2010, and the shareholders of EJA during a shareholders' meeting on March 11, 2010, when he  
19 failed to disclose that EJA had gone out of business; that EJA's Part 135 Certificate—issued by  
20 the Federal Aviation Administration (the "FAA")—had been surrendered in favor of a new  
21 company (*i.e.*, The Berkeley Group, LLC dba NV Jets) owned by Penly's relatives and others;  
22  
23  
24  
25

26  
27 <sup>3</sup> During discovery, Plaintiffs were awarded \$80,000.00 for attorneys' fees and costs against Penly in  
28 connection with the disappearance of EJA's business and financial records, and received a presumption at the  
arbitration hearing that Penly engaged in spoliation of EJA's (and other companies') business and financial records.  
See, Arbitration Orders dated April 9, 2013, and May 21, 2013. It should be noted that Penly was awarded  
\$2,590.75 as deposition sanctions against Plaintiffs. See, Arbitration Order dated February 26, 2014.

1 and that NV Jets was operating a business substantially similar to that which EJA had operated  
2 (i.e., a private jet charter service) by using EJA's location, phone number, and other assets.<sup>4</sup>

3 b. **Milton Woods.** Although he clearly and undeniably dislikes Penly, MWoods  
4 was generally credible. While he certainly acted in his own best interest after his departure from  
5 EJA in April 2007, it was uncontradicted that he was not under any restrictive covenants that  
6 would have prohibited him from competing directly against EJA, despite having an ownership  
7 interest in EJA (through Cirrus).

9 c. **Stuart Warren.** It was uncontradicted that Mr. Warren, like MWoods (through  
10 Cirrus), lost the value of his ownership interest in EJA when EJA went out of business in 2009.  
11 While Mr. Warren's personal knowledge about all of the events that transpired among Penly,  
12 MWoods, and EJA was limited by his lack of a physical presence in Las Vegas, Nevada, his  
13 testimony about matters in which he was directly involved was very credible.

15 D. **MWoods' Bonus.** It is undisputed that EJA (through its Board of Directors)  
16 unanimously granted bonuses to MWoods (in the amount of \$200,000.00), Penly (in the amount  
17 of \$100,000.00), and Stuart Warren (in the amount of \$100,000.00) on December 29, 2006.<sup>5</sup>  
18 There were no plausible explanations from any of the parties as to why these bonuses were not  
19 paid either immediately or sometime in January 2007, when EJA's bank account records  
20 indicated that such funds were available. Nonetheless, upon his separation from EJA in late  
21  
22  
23  
24

25 <sup>4</sup> The Lear 35 aircraft was owned by Milt's Eagle, LLC, which was a wholly-owned subsidiary of EJA.  
26 There was no evidence showing that NV Jets ever paid EJA any consideration for the acquisition of EJA's assets.  
27 The transfer of such assets directly inured to the benefit of Penly and his relatives at the expense of the EJA's other  
28 shareholders; namely, Cirrus and Stuart Warren.

<sup>5</sup> While Mr. Warren's bonus was characterized as a payment of legal fees; the parties testified that each of  
the principals was essentially being awarded a bonus.

1 April 2007, MWoods took his bonus.<sup>6</sup> Then, on May 1, 2007, after MWoods' departure from  
2 EJA, the EJA Shareholders (excluding Cirrus) took action to "disapprove payment of such  
3 bonuses and/or the making of such payments to the extent not heretofore made due to the  
4 Corporation's lack of adequate funds to support its operations . . . ." At the time that MWoods  
5 took his bonus, EJA had sufficient funds to pay the bonus and such bonus had not been  
6 "disapproved." While not an ideal situation, MWoods was nonetheless entitled to his bonus  
7 from EJA at the time he took it. Accordingly, he is entitled to the \$111,750.00 of his bonus  
8 from EJA that he did not receive.<sup>7</sup>

10  
11 E. MWoods' Reimbursement of Company Expenses. Defendants assert that the  
12 reimbursement monies MWoods received from EJA greatly exceeded the actual amount he was  
13 entitled to for legitimate company expenses—an assertion MWoods adamantly disputes. Due to  
14 the lack of business and financial records of EJA and missing credit card statements for  
15 MWoods during the relevant time period, neither party was able to present evidence sufficient to  
16 either prove or defend its position on this issue. Consequently, Defendants have failed to meet  
17 their burden of proof on this counterclaim.

19 F. Penly's Breach of Fiduciary Duties. The parties (primarily, MWoods and Penly) spent a  
20 significant amount of time pointing fingers at each other and accusing one another of  
21 mismanagement.<sup>8</sup> While individual actions taken years ago, through the benefit of 20/20  
22

23  
24 <sup>6</sup> MWoods' bonus (of \$200,000.00) was subsequently the subject of an interpleader action initiated by Bank  
25 of Nevada. From all of the evidence presented, which is conflicting, it appears as though EJA received \$111,750  
26 from the interpleader action and MW (through Cirrus) received \$86,750 from the interpleader action in October  
27 2007.

28 <sup>7</sup> From the evidence, it appears as though Bank of Nevada received \$1,500.00 for attorneys' fees in  
connection with the interpleader action. Under the circumstances, neither side should be entitled to keep or recover  
the \$1,500.00.

<sup>8</sup> Much of the evidence (testimony and documents) presented, as well as arguments of counsel, were  
irrelevant to the claims/counterclaims asserted.

1 hindsight, may appear to be less than prudent, it does not appear that MWoods, during the time  
2 that he was in charge of the daily operations of EJA, intentionally took any actions designed to  
3 harm the company or any of its shareholders. On the other hand, while Penly inherited EJA at a  
4 difficult time (e.g., employees loyal to MWoods left the company, and starting a year or so later  
5 the national and local economy lapsed into a recession), he was untruthful to the Court and  
6 shareholders about material matters involving EJA. Moreover, he ultimately breached his  
7 fiduciary duties to EJA's shareholders when he failed to disclose that EJA's Part 135 Certificate  
8 had been surrendered in favor of a new company—i.e., The Berkeley Group, LLC dba NV Jets—  
9 —owned by his relatives and others, and that NV Jets was operating a business substantially  
10 similar to that which EJA had operated by using EJA's location, phone number, and other  
11 assets.<sup>9</sup>

14 G. Damages. Based on all the evidence, it is clear that Cirrus lost its investment in EJA (a  
15 30% interest) due to Penly's breaches of the fiduciary duties he owed to the company. It is  
16 difficult to determine the exact value of the Cirrus' interest in EJA because Penly's breaches  
17 occurred over a period of time (i.e., between April 2007 and early 2010) and the value of such  
18 interest decreased after April 2007 due to the onset of the national and local economic recession  
19 (which cannot be attributed to Penly). Instructive in determining the value of Cirrus' interest in  
20 EJA (and damages) is the valuation given to such interest by Stuart Warren in his e-mail  
21 communication to Penly, Greg Woods, and MWoods dated April 29, 2007, wherein he valued  
22  
23  
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25

26 <sup>9</sup> See, Section I(C)(a) and footnote 4, above. Documents from the FAA indicate that Penly was the Chief  
27 Executive Officer of The Berkeley Group, LLC. See, Plaintiffs' Exhibit 116. Further, these same documents from  
28 the FAA state: "THE BERKELEY GROUP LLC IS A NEW LLC AND CERTIFICATE, THE SAME BASIC  
GROUP OF PERSONS HOLDING EAGLE JET AVIATION, INC (EWJA 136K) HAVE APPLIED FOR THE  
NEW CERTIFICATION UNDER THE BERKELEY GROUP LLC (DBA NV JETS). CERTIFICATE ISSUED  
ON JANUARY 21, 2010." Id.

1 such interest at approximately \$2,000,000.00.<sup>10</sup> Though difficult to determine, Cirrus' damages  
2 due to Penly's breaches of his fiduciary duties can be calculated by looking at all of the  
3 admissible evidence—for example, evidence that EJA's Part 135 Certificate in and of itself had  
4 a separate market value—and applying the undersigned's knowledge, training and experience.  
5 Based on such, Cirrus suffered damages of \$1,500,000.00 in the loss of its shareholder interest  
6 in EJA due to Penly's conduct.

## 8 II. AWARD

9 After considering the pleadings, the testimony and evidence presented at the hearing, the  
10 arbitrator has decided, in full and final resolution of the claims and counterclaims submitted for  
11 determination, as follows:  
12

13 1. Defendant Eagle Jet Aviation, Inc. is liable for and shall pay Plaintiff Milton J. Woods  
14 compensatory damages in the amount of \$111,750.00.

15 2. Defendant Alex Penly is liable for and shall pay Plaintiff Cirrus Aviation Services, Inc.  
16 compensatory damages in the amount of \$1,500,000.00.  
17

18 3. Any and all relief not specifically addressed herein, including punitive damages, is  
19 expressly denied.

20 ////

21 ////

22 ////


23 ////  
24

25  
26 <sup>10</sup> See, Plaintiffs' Exhibit 66. The \$2,000,000.00 offer from Mr. Warren was for MWoods' interest in EJA  
27 and "other companies," and was contingent upon other specified conditions. It is noted that MWoods never agreed  
28 to accept Mr. Warren's offer. Additionally, there was testimony presented by Plaintiffs about offers that were made  
to purchase EJA in the range of \$3,000,000.00 to \$6,000,000.00; however, there was no written evidence of any  
bona fide offers.

1 Each party shall bear its own fees and costs, including attorneys' fees, relating to this  
2 Arbitration.

3 DATED this 27<sup>th</sup> day of January, 2015.

4 BAILEY ♦ KENNEDY

5  
6 By:   
7 JOHN R. BAILEY  
8 Nevada Bar No. 0137  
9 8984 Spanish Ridge Avenue  
10 Las Vegas, Nevada 89148

11 *Arbitrator*  
12  
13  
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**CERTIFICATE OF SERVICE**

I hereby certify that on the 28th day of January, 2015, a copy of the foregoing  
ARBITRATION AWARD was served by sending a copy via electronic mail and by depositing a  
true and correct copy in the U.S. Mail, first class postage prepaid, and addressed to the following  
at their last known addresses:

Gus W. Flangas, Esq.  
(E-mail: [GWF@fdlawlv.com](mailto:GWF@fdlawlv.com))  
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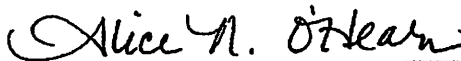
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# Exhibit A

1 **STIP**

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11 and EAGLE JET AVIATION, INC.

12 **PRIVATE BINDING ARBITRATION**

13 **MILTON WOODS; CIRRUS AVIATION**  
14 **SERVICES INC., a Washington Corporation,**

15 Plaintiffs,

16 v.

17 **EAGLE JET AVIATION INC., a Nevada**  
18 **Corporation; ALEX PENLY; STUART M.**  
19 **WARREN; PRIVATE JET SERVICES INC., a**  
20 **Nevada Corporation; MILT'S EAGLE LLC, a**  
21 **Nevada Limited Liability Company; DOES I**  
22 **through x, Inclusive,**

23 Defendants.

24 **EAGLE JET AVIATION INC., a Nevada**  
25 **Company; ALEX PENLY, an Individual,**

26 Counterclaimants,

27 v.

28 **MILTON WOODS, an Individual; CIRRUS**  
29 **AVIATION SERVICES INC., a Washington**  
30 **Corporation; DOES I through X, Inclusive,**

31 Counterdefendants.

Case No.: A-07-546250-B

Dept. No.: XXVII

**STIPULATION AS TO UNDISPUTED**  
**FACTS**

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IT IS HEREBY STIPULATED AND AGREED by and between Defendants ALEX  
PENLY and EAGLE JET AVIATION, INC., being represented by Jay A. Shafer, Esq. of the law  
firm of Premier Legal Group, and Plaintiffs MILTON WOODS and CIRRUS AVIATION

1 SERVICES, INC., being represented by their counsel Gus D. Flangas, Esq., and the law offices  
2 of Flangas McMillan Law Group, that the following facts are stipulated to as undisputed:

- 3 1. The Plaintiff, MILTON J. WOODS (hereinafter referred to as "Mr. Woods"), is a United  
4 States citizen residing and working in Las Vegas, Nevada. He is an aircraft pilot with an  
5 Airline Transport Pilot ("ATP") rating and he has 48 years of experience as a pilot. He  
6 has lived in Las Vegas for over ten years. Mr. Woods became a United States Citizen in  
7 2009.
- 8 2. The Plaintiff, CIRRUS AVIATION SERVICES (hereinafter referred to as "Cirrus"), is a  
9 Washington corporation with its principal place of business in Clark County, Nevada.  
10 Mr. Woods, along with his two sons, are the shareholders of Cirrus. Mr. Woods presently  
11 owns Ten Percent (10%) of the shares in Cirrus and his sons Mark Woods and Greg  
12 Woods each own Forty Five Percent (45%) of the shares.
- 13 3. The Defendant, EAGLE JET AVIATION, INC. (hereinafter referred to as "Eagle Jet"),  
14 was a Nevada corporation with its principal place of business in Clark County, Nevada.
- 15 4. Eagle Jet was an aviation company that offered the general public the ability to charter  
16 private aircraft. Eagle Jet had a FAR Part 135 Certificate (hereinafter referred to as the  
17 "Operating Certificate") from the Federal Aviation Administration (hereinafter referred  
18 to as the "FAA") to operate jet aircraft capable of carrying nine passengers or less  
19 anywhere in the United States, Canada, Mexico and the Caribbean.
- 20 5. Eagle Jet was formed on or about January 5, 1999.
- 21 6. Cirrus's shares represented a minimum Twenty Five Percent (25%) interest in Eagle Jet.
- 22 7. The Defendant, ALEXANDER PENLY (hereinafter referred to as "Mr. Penly"), is a  
23 citizen of the United Kingdom, and a resident of Las Vegas, Nevada.
- 24 8. Mr. Penly was an officer and director in Eagle Jet, and shareholder in Eagle Jet.
- 25 9. PRIVATE JET SERVICES, INC., (hereinafter referred to as "Private Jet") was and is a  
26 Nevada corporation organized under the laws of the State of Nevada with its principal  
27 place of business in Clark County, Nevada.

- 1 10. MILT'S EAGLE, LLC, (hereinafter referred to as "Milt's Eagle") was a Nevada Limited
- 2 Liability Company organized under the laws of the State of Nevada, currently in revoked
- 3 status, with its principal place of business in Clark County, Nevada.
- 4 11. Milt's Eagle was the owner of a Lear 35A Jet aircraft which is used in the operations of
- 5 Eagle Jet.
- 6 12. Milt's Eagle was owned by Eagle Jet.
- 7 13. Milt's Eagle filed bankruptcy in 2009.
- 8 14. Eagle Jet was originally formed and owned by Walter M. Frehe (hereinafter referred to as
- 9 "Mr. Frehe") and Roderick Thomson (hereinafter referred to as "Mr. Thomson").
- 10 15. Mr. Frehe and Mr. Thomson each owned a fifty percent (50%) interest in Eagle Jet.
- 11 16. After Mr. Frehe departed the company, shares in Eagle Jet were owned by his two sons,
- 12 Justin Thomson and Roland Thomson, with 49% each, and 2% being owned by Stuart
- 13 Warren. Later shares were 25% to each of Woods, Penly and Warren with the sons
- 14 splitting 25%.
- 15 17. At the time Eagle Jet was formed, Mr. Thomson was the owner of a Sabreliner Jet Model
- 16 NA265-75A (hereinafter referred to as the "Sabreliner").
- 17 18. Mr. Thomson owned the Sabreliner through a company called Lear 25, Inc. (hereinafter
- 18 referred to as "Lear 25").
- 19 19. In forming Eagle Jet, Eagle Jet entered into an agreement with Lear 25 for Eagle Jet to
- 20 manage leasing and chartering operations using the Sabreliner. Mr. Frehe was put in
- 21 charge of running Eagle Jet and the Sabreliner operations.
- 22 20. When Eagle Jet was formed, it did not have an Operating Certificate to operate the
- 23 Sabreliner so the aircraft was operated under the Operating Certificate of Scenic Airlines
- 24 (hereinafter referred to as "Scenic") and managed by a company known as Eagle Jet
- 25 Charter, Inc. (hereinafter referred to as "Eagle Charter").
- 26 21. Eagle Charter was wholly owned by Scenic.
- 27
- 28

- 1 22. Shortly after Eagle Jet was formed, Mr. Thomson created an entity known as "The Flying  
2 Hospital, Inc." (hereinafter referred to as the "The Flying Hospital"), a nonprofit  
3 corporation funded by Mr. Thomson.
- 4 23. Mr. Frehe became the president of The Flying Hospital and was responsible for its  
5 management. Around February of 2000, Mr. Woods became employed by Eagle Charter  
6 as a Captain for the Sabreliner. He was hired by the then Chief Pilot for Eagle Charter,  
7 Douglas Wright.
- 8 24. Mr. Woods and the other employees related to the Sabreliner were considered employees  
9 of Scenic.
- 10 25. Subsequent to Mr. Woods starting with Eagle Charter, Mr. Penly arrived in Las Vegas  
11 from England as a representative of Mr. Thomson, brought in to check the outflow of  
12 money from Eagle Jet to The Flying Hospital.
- 13 26. Besides checking into the Flying Hospital, Mr. Penly became involved with the  
14 operations of the Sabreliner.
- 15 27. Scenic terminated the agreement it had with Mr. Thomson that had allowed the  
16 Sabreliner to operate under Scenic's Operating Certificate. Because Scenic terminated its  
17 relationship with Eagle Jet, Eagle Jet was faced with either terminating its Sabreliner  
18 operations or acquiring its own Operating Certificate. It was decided that Eagle Jet would  
19 obtain its own Operating Certificate, and it assumed full responsibility for the Sabreliner.
- 20 28. To obtain an Operating Certificate, the FAA, as one its requirements, commands that a  
21 company conduct 25 hours of proving runs with FAA personnel present in the aircraft for  
22 each type of aircraft the company intends to operate under the Operating Certificate.
- 23 29. Because jet aircraft can cost several thousand dollars per hour to operate, conducting  
24 proving runs can be very expensive. Eagle Jet conducted the Sabreliner proving runs  
25 during July, 2002 and was issued an Operating Certificate on July 16, 2002.
- 26 30. In or about November 2001, during the time Eagle Jet was working to obtain its  
27 Operating Certificate, Mr. Frehe and Mr. Thomson had a falling out. Mr. Thomson had  
28

1           apparently been losing a great deal of money through Eagle Jet and believed Mr. Frehe  
2           was improperly siphoning money.

3           31. Mr. Frehe agreed to leave the company and tender his shares in the Sabreliner operation  
4           and in Eagle Jet to Mr. Thomson for a purchase price of \$36,000, payable at \$3,000 per  
5           month for 12 months.

6           32. This surrender of shares by Mr. Frehe left Mr. Thomson as the sole shareholder in Eagle  
7           Jet. Mr. Thomson's ownership was held by Justin Thomson (500 shares) and Roland  
8           Thomson (500 shares), while Stuart Warren (hereinafter "Mr. Warren") was issued 20  
9           shares. Upon Mr. Frehe's departure from Eagle Jet Mr. Penly acted as a representative of  
10          Mr. Thomson.

11          33. On December 21, 2001, Mr. Warren was elected as President and Mr. Penly was elected  
12          as Secretary/Treasurer of Eagle Jet.

13          34. Mr. Frehe subsequently initiated a lawsuit against Mr. Thomson because Mr. Thomson  
14          had quit paying the \$3,000 per month. Mr. Thomson countersued, alleging malfeasance  
15          on the part of Mr. Frehe and mismanagement of funds through Eagle Jet. Prior to  
16          adjudication of this action, Mr. Frehe passed away.

17          35. Around December of 2002 or January of 2003, Mr. Wright, the Chief Pilot for Eagle Jet  
18          gave his notice to Eagle Jet and resigned. Mr. Penly, as a representative of Mr. Thomson,  
19          approached Mr. Woods about Mr. Woods assuming the position of the Chief Pilot.

20          36. Mr. Penly essentially told Mr. Woods that without a Chief Pilot the company would have  
21          to be shut down. Mr. Woods accepted the position of Chief Pilot under the conditions that  
22          Mr. Penly stay away from the operation of Eagle Jet.

23          37. Mr. Penly agreed to accept those conditions under which Mr. Woods would assume the  
24          Chief Pilot position.

25          38. Upon becoming Chief Pilot, Mr. Woods managed the operations of Eagle Jet.

26          39. When Mr. Woods took over as Chief Pilot, Eagle Jet was operating at a loss and Mr.  
27          Thomson was infusing money into the company to keep it operating.

- 1 40. As Chief Pilot, Mr. Woods controlled and scheduled the pilots employed by Eagle Jet and  
2 he ended up running the entire Eagle Jet operation, including the chartering operations.
- 3 41. At the time Mr. Woods took over as Chief Pilot, Lear 25 was in arrears on the Sabreliner  
4 payments and it became apparent that it was going to lose the Sabreliner to the finance  
5 company holding the mortgage.
- 6 42. By law, without an aircraft, Eagle Jet could not retain its Operating Certificate.
- 7 43. Mr. Woods facilitated an agreement with the owner of D&D Aviation (hereinafter  
8 referred to as "D&D") out of Salt Lake City, Utah wherein D&D agreed to lease Eagle  
9 Jet a Lear 35 Jet Aircraft so that Eagle Jet could continue its operations and maintain its  
10 Operating Certificate.
- 11 44. Mr. Woods took delivery of the Lear 35 (hereinafter referred to as the "D&D Lear 35")  
12 from D&D on February 11, 2003.
- 13 45. Eagle Jet returned the Sabreliner to the finance company by delivery to Scottsdale,  
14 Arizona on February 16, 2003.
- 15 46. Mr. Woods used his personal credit cards to purchase fuel, parts and supplies for Eagle  
16 Jet.
- 17 47. Mr. Woods used more than one credit card account for the payment of expenses for Eagle  
18 Jet and aircraft managed or operated by Eagle Jet prior to April 26, 2007.
- 19 48. Mr. Woods directed reimbursement of the charges on his personal credit cards, and  
20 received payments from Eagle Jet for charges on his personal credit cards.
- 21 49. During the latter part of 2003, Mr. Woods asked for an ownership interest in Eagle Jet.
- 22 50. The owners of Eagle Jet approved distribution of 1,000 shares in Eagle Jet to Mr. Woods.
- 23 51. Mr. Woods directed that the 1,000 shares be issued to Cirrus.
- 24 52. At the time Woods executed the "Shareholder Buy-Sell Agreement", all other  
25 shareholders, save Justin Thomson and Roland Thomson, signed this agreement.
- 26 53. Except for his interest in Cirrus Aviation, LLC, Milton Woods has no direct ownership of  
27 Eagle Jet.
- 28

54. On or about November 3, 2003, Cirrus received 250 shares in Eagle Jet via Stock Certificate Number 9. Stock Certificate Number 9 was signed by Mr. Penly as Secretary and by Mr. Warren as President of Eagle Jet.

55. Approximately one month later, on or about December 1, 2003, Cirrus received the remaining 750 shares in Eagle Jet via Stock Certificate Number 14. Stock Certificate Number 14 was similarly signed by Mr. Penly as Secretary and by Mr. Warren as President.

56. Sometime in November 2003, Eagle Jet obtained another Lear 35 Jet Aircraft, under a more favorable lease from Robert Buck of Monterey, California.

57. Accordingly, the borrowed D&D Lear 35 was returned to D&D in Salt Lake.

58. Throughout 2003 and 2004, Eagle Jet's business continued to increase and eventually it reached a point where it became necessary to obtain a second Lear Jet.

59. Mr. Penly obtained a lease on a Lear 35 from CIT Bank (hereinafter referred to as the "CIT Lear 35").

60. The FAA requires that each company holding an Operating Certificate have both a Chief Pilot and a Director of Operations/General Manager. Sometime in 2003, the FAA required that Mr. Woods become either Chief Pilot or Director of Operations/General Manager. Mr. Woods became the Director of Operations/General Manager and a new Chief Pilot was hired.

61. In or around November of 2004, Mr. Woods found and negotiated the sale of a late serial number Lear 35 Jet Aircraft through Rolf Smith. On November 29, 2004, the Board of Directors of Eagle Jet, by unanimous written consent, authorized Eagle Jet to purchase the 1987 Gates Lear 35A Aircraft for \$2,300,000, pursuant to an Aircraft Purchase Agreement dated Sept 30, 2004 between M/G Transport Services, Inc. and Jeff Wyler Dealer Group, Inc. The Board of Directors further dictated that Eagle Jet take title to the Lear 35A in a previously formed company known as "Milt's Eagle, LLC."



- 1 62. Pursuant to the resolution, Eagle Jet's Board agreed that Eagle Jet would guarantee the  
2 obligations of Milt's Eagle with respect to the loan. The written consent document shows  
3 Mr. Penly, Mr. Woods and Mr. Warren as the Board of Directors of Eagle Jet.
- 4 63. Mr. Penly was personally handling all the financing arrangements for the purchase of the  
5 Lear 35A, and was told that a \$250,000 down payment was necessary for the purchase.  
6 Upon completion, the down payment requirement was \$350,000, with \$100,000 to come  
7 from the assets of Eagle Jet.
- 8 64. Woods arranged to pick up the Lear 35A in Oregon because there is no applicable sales  
9 tax. When Mr. Woods arrived in Oregon to take possession of the Lear 35A, the  
10 financing to purchase the Lear 35A was not immediately available. Mr. Penly worked to  
11 obtain replacement financing, which was obtained at a higher premium. To complete the  
12 purchase of the Lear 35A, the finance company JODA required a personal commitment  
13 from the Eagle Jet owners. Mr. Woods put up \$100,000, Mr. Warren agreed to put up  
14 \$60,000, Mr. Penly put up \$90,000 and Mr. Thomson elected not to participate in this  
15 transaction. Mr. Warren required that his \$60,000 contribution be considered a loan.  
16 While Mr. Woods and Mr. Penly agreed to personally guaranty the loan for the Lear 35A,  
17 Mr. Warren did not.
- 18 65. Eagle Jet, through Milt's Eagle LLC, received the Lear 35A in December of 2004  
19 (hereinafter referred to as the "Purchased Lear 35A") and discontinued leasing the Lear  
20 35 from CIT. Milt's Eagle LLC was to lease the Purchased Lear 35A to Eagle Jet. Eagle  
21 Jet made the mortgage payments directly to the finance company.
- 22 66. Mr. Penly was reimbursed for his \$90,000 contribution.
- 23 67. Mr. Warren received his \$60,000 back within approximately two years thereafter,  
24 comprised of two payments of \$30,000.
- 25 68. As of April 2007, Mr. Woods had not been reimbursed for his \$100,000 contribution.
- 26 69. About six to eight months later after obtaining the Purchased Lear 35A, Eagle Jet  
27 obtained new financing for the Purchased Lear 35A through Center Capital Corporation  
28

1 under much more favorable terms, with the monthly mortgage payments being reduced  
2 from approximately \$30,000 per month to \$20,900 per month.

3 70. Again, both Mr. Woods and Mr. Penly had to personally guarantee the loan. Mr. Warren  
4 did not commit to the guaranty.

5 71. On July 22, 2005, the Board of Directors of Eagle Jet resolved to issue 2,000 Eagle Jet  
6 shares to Messrs. Penly, Warren and Woods.

7 72. On January 6, 2006, Mr. Woods was elected as President of Eagle Jet.

8 73. Sometime in 2006, Mr. Penly obtained a hanger at the McCarran Airport from which  
9 Eagle Jet could operate.

10 74. In June of 2006, Mr. Woods found an aircraft and assisted a group of local Las Vegas  
11 businessmen in the purchase of a Lear 55 Jet Aircraft, that was added to Eagle Jet's  
12 Operating Certificate as a managed aircraft pursuant to an agreement with those  
13 businessmen (hereinafter referred to as the "Managed Lear 55 One").

14 75. This aircraft was owned by 4 Romeo Whiskey LLC, who in turn was owned by Randy  
15 Kidd, Steven Aizenburg and Mr. Ostergaard.

16 76. Mr. Woods did not charge 4 Romeo Whiskey a finder's fee for the work in acquiring a  
17 Lear 55.

18 77. Eagle Jet did not receive a finder's fee from 4 Romeo Whiskey.

19 78. Pursuant to the agreement, Eagle Jet was to receive 15% of the revenue derived from  
20 charter operations for the Managed Lear 55 One, as well as a hanger and maintenance  
21 contract for \$9,000 per month.

22 79. On December 29, 2006 the Board of Directors by Unanimous Written Consent voted to  
23 give bonuses to Mr. Woods in the amount of \$200,000 and to Mr. Penly in the amount of  
24 \$100,000 (hereinafter referred to as the "December Resolution"). In addition, the Board  
25 voted to pay \$100,000 to Warren.

26 80. The December 29, 2006 resolution was rescinded by a resolution dated May 1, 2007.

27  
28

- 1 81. In February of 2007, Eagle Jet began managing another Lear 55 owned by Jim Monaghan  
2 in Scottsdale, Arizona (hereinafter referred to as the "Managed Lear 55 Two"). The  
3 Managed Lear 55 Two was also added to Eagle Jet's Certificate as a managed aircraft  
4 pursuant to an agreement with Mr. Monaghan.
- 5 82. Mr. Woods located for Randy Kidd, Steve Aizenberg and associates a Challenger 601-  
6 3ABR (hereinafter referred to as the "Challenger") which the businessmen purchased in  
7 February of 2007.
- 8 83. At a called meeting of the Eagle Jet Board, in February of 2007 the Company elected to  
9 not participate in the purchase of this aircraft.
- 10 84. Because the Challenger had more than nine seats, Eagle Jet would have had to expand its  
11 Operating Certificate and conduct proving runs with the Challenger.
- 12 85. Eagle agreed that Advanced Air Management, Inc., a California corporation located in  
13 Van Nuys, California (hereinafter referred to as "Advanced Air") should operate the  
14 Challenger. Mr. Woods did not agree to have the Challenger operated by Advanced Air.
- 15 86. Advanced Air Management, Inc., a California corporation located in Van Nuys,  
16 California was purchased in September 2006 by Eagle Jet and Private Jet Services and  
17 shares were given to Mr. Woods (1,000 shares), Mr. Penly (1,000 shares), Mr. Warren  
18 (1,000 shares), John Kaylor (500 shares) and Scott Chikar (500 shares).
- 19 87. Advanced Air Management was purchased for \$171,500, and Eagle Jet made the  
20 purchase with an expenditure of company funds.
- 21 88. After the pre-buy inspection for the Challenger was completed in Tucson, Arizona, Eagle  
22 Jet flew the owners of the Challenger down to take possession of the Challenger. Mr.  
23 Woods was not type-rated in the Challenger.
- 24 89. Woods took pilot Bob McKenna (hereinafter referred to as "Mr. McKenna"), with him to  
25 fly the aircraft back to Las Vegas with the owners on board.
- 26 90. Mr. Woods and Mr. McKenna violated an FAA regulation which requires that prior to  
27 carrying passengers, the crew must have, within the past 90 days, completed three take-  
28

1 offs and three landings to a full stop. Although it was a private trip with only the owners  
2 onboard the aircraft; nevertheless the FAA viewed this as an infraction. Mr. Woods  
3 claims this was inadvertent.

4 91. The Challenger was never part of Eagle Jet's Certificate.

5 92. A letter signed by Mr. McKenna reports this violation to the FAA. Mr. Woods then  
6 received a letter of investigation from the FAA.

7 93. Messrs. Penly and Warren wrote a letter to Mr. Woods, dated April 23, 2007, discussing  
8 Mr. Wood's position with the company and setting forth several terms for his separation.

9 94. The proposal was conditioned on Mr. Woods not working for any Eagle Jet competitor,  
10 being supportive of Eagle Jet, and not making derogatory statements about Eagle Jet.

11 95. Mr. Woods was presented with the letter by Mr. Warren and Mr. Penly.

12  
13 96. On or about April 27, 2007, Mr. Woods issued checks to pay for the charges on Mr.  
14 Woods's personal credit cards for expenses alleged to have been incurred by Eagle Jet  
15 including \$34,000 for a Lear 55 windshield, \$23,000 for installation of the windshield,  
16 \$14,000 for training at Simuflite, miscellaneous fuel charges, ramp charges and aircraft  
17 parts.

18 97. Mr. Woods also issued a check to himself for reimbursement of the \$100,000 he loaned  
19 Eagle Jet for purchase of the Purchased Lear 35, plus \$15,000 interest.

20 98. Lastly, Mr. Woods cut check number 3304 to Cirrus for \$200,000. Mr. Woods cut the  
21 checks to Cirrus instead of himself

22 99. Shortly thereafter, Mr. Penly and Mr. Warren, owning a majority interest of Eagle Jet,  
23 told Mr. Woods they were voting him out.

24 100. At about this time Mr. Penly had the locks changed at Eagle Jet, and called to  
25 cancel Mr. Woods's security badge for airport access.

1 101. On or about April 30, 2007, Mr. Penly sent a letter to Bank of Nevada, telling the  
2 bank there was a dispute and to put a hold on all funds regarding check number 3304.

3 Bank of Nevada subsequently interpled the funds suing both Mr. Woods and Eagle Jet.

4 102. The owner of the Managed Lear 55 One took back its aircraft from Eagle Jet..

5 103. During all times he was the President, Chief Pilot and Director of Operations for  
6 Eagle Jet, Milton J. Woods was a Canadian citizen.

7 104. Milton J. Woods obtained US Citizenship in 2009.

8 105. Mr. Woods directed the payment of expenses for Eagle Jet prior to April 26,  
9 2007.

10 106. Milt Woods opened a bank account called 'Eagle Jet Maintenance' at Bank West  
11 of Nevada.

12 107. Mr. Woods had access to the customer lists of Eagle Jet. Mr. Woods has had  
13 contact with Randy Kidd since April 26, 2007.

14 108. Milt Woods and Greg Woods appeared at the offices of Eagle Jet on or about July  
15 24, 2009 with more than one police officer to obtain or inspect financial records of Eagle  
16 Jet.

17 DATED this 14<sup>th</sup> day of June, 2014.

DATED this 14<sup>th</sup> day of June, 2014.

18 PREMIER LEGAL GROUP

FLANGAS MCMILLAN LAW GROUP

19  
20  
21 By: 

By: 

22 Jay A. Shafer, Esq.  
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1333 North Buffalo Drive, Suite 210  
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26 EAGLE JET AVIATION, INC.  
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Gus D. Flangas, Esq.  
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Las Vegas, Nevada 89146  
Attorneys for Plaintiffs  
MILTON WOODS and  
CIRRUS AVIATION SERVICES

07A546250

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

**Business Court**

**COURT MINUTES**

**May 05, 2014**

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07A546250	Milton Woods, Cirrus Aviation Services Inc vs Eagle Jet Aviation Inc, Alex Penley, et al
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May 05, 2014	2:53 PM	Minute Order
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**HEARD BY:** Allf, Nancy

**COURTROOM:** Dist Court XXVII -  
Chambers

**COURT CLERK:** Sharon Chun

**JOURNAL ENTRIES**

**- MINUTE ORDER - NO HEARING**

COURT FINDS after review a Status Check on Arbitration was set for MOTION CALENDAR on May 7, 2014 at 9.00 a.m. COURT FURTHER FINDS after review the Court Granted a motion to Confirm Arbitration Award for Attorney Fees on October 16, 2013 however the Award would not be enforceable until arbitration was complete. At a status check on arbitration on March 5, 2014 the Court found that the parties had not yet set an arbitration date and ordered the status check continued 60 days. If the case did not move forward in the next 60 days the Court would set a Show Cause Hearing for dismissal.

COURT FURTHER FINDS after review Defendant filed a Motion to Dismiss Claims against Milt s Eagle, Private Jet Services and Stuart Warren pursuant to NRCP 41(e) on April 18, 2014 and the Motion is set for Hearing on MOTION CALENDAR on May 21, 2014 at 10.00 a.m.

COURT ORDERS for good cause appearing Status Check on arbitration VACATED.

CLERK'S NOTE: A copy of this minute order has been distributed to the following:  
Gus W. Flangas (Flangas & McMillan) FAX: 702-382-9452  
Jay A. Shafer or Robert C. Reade (Premier Legal Group)  
Email: jshafer@premierlegalgroup.com

**PRINT DATE:** 05/05/2014

**Page 1 of 1**

**Minutes Date:** May 05, 2014

R0363

07A546250

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

**Business Court**

**COURT MINUTES**

**October 16, 2013**

---

07A546250      Milton Woods, Cirrus Aviation Services Inc  
vs  
Eagle Jet Aviation Inc, Alex Penley, et al

---

October 16, 2013      9:30 AM      Motion to Confirm  
Arbitration Award

HEARD BY:    Allf, Nancy

COURTROOM:    RJC Courtroom 03A

COURT CLERK:    Nicole McDevitt

RECORDER:    Traci Rawlinson

REPORTER:

**PARTIES**

PRESENT:      Flangas, Gus    W  
                    Shafer, Jay A.

Attorney for Plaintiff  
Attorney for Defendant

**JOURNAL ENTRIES**

- Arguments by counsel regarding the arbitration award for attorney's fees and costs, whether or not award was in lieu of striking the pleadings, NRS 38.239, arguments in supplement filed by defense counsel, and further arguments. Mr. Flangas moved to strike the supplement as a fugitive document. Court stated its findings and ORDERED, Motion to Confirm Arbitration Award for Attorney Fees and Costs GRANTED IN PART as to confirmation of the award and DENIED IN PART as Court FINDS it is interlocutory and not enforceable at this time, STATUS CHECK set 3/5/2014 9:00 am. Court stated that if the arbitration is not complete in February and it hears complaints regarding dilatory tactics on behalf of the Defendant it will enforce the order.

3/5/2014 9:00 AM STATUS CHECK: ARBITRATION PROCEEDINGS

PRINT DATE:    10/22/2013

Page 1 of 1

Minutes Date:    October 16, 2013

R0364

## EVENTS &amp; ORDERS OF THE COURT

12/02/2015 All Pending Motions (9:00 AM) (Judicial Officer Cory, Kenneth)  
*PLAINTIFFS MOTION TO DISMISS ALL OF DEFENDANT HKLM'S CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM AND MOTION TO DISMISS OR IN THE ALTERNATIVE MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANTS THIRD AND FOURTH CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM FOR FRAUD AND VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT AND MOTION TO STRIKE IMMATERIAL, IMPERTINENT, IRRELEVANT AND SCANDALOUS ALLEGATIONS... DEFENDANTS' MOTION FOR SUMMARY JUDGMENT IN THEIR FAVOR AGAINST PLAINTIFFS MICHAEL D. RICHMAN AND LUZVIMINDA O. DAPAT*

## Minutes

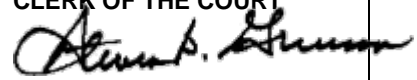
12/02/2015 9:00 AM

- PLAINTIFFS MOTION TO DISMISS ALL OF DEFENDANT HKLM'S CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM AND MOTION TO DISMISS OR IN THE ALTERNATIVE MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANTS THIRD AND FOURTH CAUSES OF ACTION CONTAINED IN THE COUNTERCLAIM FOR FRAUD AND VIOLATION OF THE NEVADA DECEPTIVE TRADE PRACTICES ACT AND MOTION TO STRIKE IMMATERIAL, IMPERTINENT, IRRELEVANT AND SCANDALOUS ALLEGATIONS... DEFENDANTS' MOTION FOR SUMMARY JUDGMENT IN THEIR FAVOR AGAINST PLAINTIFFS MICHAEL D. RICHMAN AND LUZVIMINDA O. DAPAT Mr. Flangas argued the causes of action are barred by NRS 78.585 and does not think there is a stay of the statute of limitations in 2011. As to fraud, Mr. Flangas argued he does not think it was stayed. Mr. Flangas further argued the deceptive trade practice is to protect the consumer and they are not a consumer and it does not apply and there is no cause of action. Mr. Kennedy argued the motion for summary judgment should be denied as there has to be a statement of undisputed facts and what is in the counterclaim must be considered and not what is in the third amended complaint. As to the fraud, it is clear from the affidavit they discovered in 2014 and the counterclaim was filed within two years. Plaintiffs are arguing the wrong statute as to statute of limitations chapter 86 because it is a LLC and there was a stay for four nine months. Mr. Kennedy further argued as to their deceptive trade practice argument that you have to be a consumer is wrong, it is a wrongful action. Mr. Richmond used his own words and the things he claims he was awarded were bought. Defendants have had to spend a lot of money fixing his representations. Mr. Flangas argued as to the auditors findings and files not being updated. Further argued defendants were on inquiry notice. Mr. Kennedy argued the bankruptcy ruling stated this should have been disclosed in the bankruptcy, but because of the lapse in time the Bankruptcy Court was unable to re-open the estate. Mr. Kennedy further argued the two issues in the summary judgment motion have been affirmed by the Bankruptcy Court. The question now is after closure of bankruptcy are the plaintiffs going to be able to pursue the claims now for their own benefit. Mr. Kennedy argued 7th Circuit case Cannon-Stokes vs. Potter and because they did not disclose in bankruptcy they are estopped from pursuing. Mr. Flangas argued judicial estoppel and gave summary of the bankruptcy procedures. Mr. Flangas further argued Mr. Daniel Marks was representing plaintiffs in this action not the bankruptcy action and therefore it was defendants responsibility to disclose the dispute. Mr. Zach Larsen, Bankruptcy counsel, gave summary of the Chapter 13 procedures. Further arguments by counsel. Mr. Kennedy argued the Nolm case. COURT ORDERED, BOTH Motions GRANTED and each party to prepare their own Order

Parties Present

Return to Register of Actions





**CSERV**  
**MARK J. CONNOT (10010)**  
**FOX ROTHSCHILD LLP**  
1980 Festival Plaza Drive, Suite 700  
Las Vegas, Nevada 89135  
(702) 262-6899 tel  
(702) 597-5503 fax  
mconnot@foxrothschild.com  
*Attorneys for Plaintiffs*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

MILTON J. WOODS and CIRBUS  
AVIATION SERVICES, INC., a  
Washington corporation,

Plaintiffs,

vs.

EAGLE JET AVIATION, INC., A Nevada  
corporation; ALEX PENLY; STUART M.  
WARREN; PRIVATE JET SERVICES,  
INC., a Nevada corporation; MILT'S  
EAGLE, LLC, a Nevada limited liability  
company and DOES I-X, inclusive.

Defendants.

Case No.: 07A546250  
Dept. No.: 27

**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify under penalty of perjury that I am an employee of Fox Rothschild LLP, that on the 10<sup>th</sup> day of January, 2022, I served copies of the following Affidavits of Renewal of Judgment filed in the above action on January 7, 2022, by United States Certified Mail/Return Receipt Requested as set forth below:

Affidavit of Renewal of Judgment – Cirrus Aviation Inc. - \$ 80,000.00  
Affidavit of Renewal of Judgment – Cirrus Aviation Inc. - \$ 1,500,000.00  
Affidavit of Renewal of Judgment – Milton Woods - \$ 80,000.00

To:  
Alex Penly  
287 Rolling Sunset Street  
Henderson, NV 89052

Affidavit of Renewal of Judgment – Milton Woods - \$111,750.00

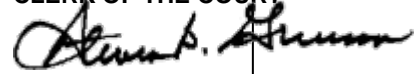
To:

Alex Penly, Director  
Eagle Jet Aviation, Inc.  
1287 Rolling Sunset Street  
Henderson, NV 89052

Alan Sklar, Registered Agent  
Eagle Jet Aviation, Inc.  
410 S. Rampart Blvd., Ste. 350  
Las Vegas, NV 89145

/s/ Doreen Loffredo

An Employee of Fox Rothschild LLP



Alex Penly  
1287 Rolling Sunset St  
Henderson, NV 89052  
Email: [Alexpenly@msn.com](mailto:Alexpenly@msn.com)  
Telephone: 702-761-1655  
In Pro Per

EIGHTH JUDICIAL DISTRICT COURT  
CLARK COUNTY, NEVADA

MIL TON J. WOODS and CIRRUS  
AVIATION SERVICES, INC., a  
Washington corporation,  
Plaintiffs,

v.

EAGLE JET AVIATION, INC., A Nevada  
corporation; ALEX PENL Y; STUART  
M. WARREN; PRIVATE JET  
SERVICES, INC., a Nevada corporation;  
MILT'S EAGLE, LLC, a Nevada limited  
liability company and DOES I-X,  
inclusive.  
Defendants.

Case No.: 07A546250

DEPT. NO.: IX

OPPOSITION TO THE AFFIDAVIT(S)  
OF RENEWAL OF JUDGEMENT

HEARING REQUESTED

COMES NOW Defendant Alex Penly Pro Se hereby files his Motion of Opposition to  
Plaintiff Affidavit of Judgment Renewal. This opposition is made and based upon the  
following memorandum and points and authorities, the pleadings and papers on file herein, and  
any oral argument to be heard by the Court.

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## I. Introduction

Plaintiffs have chosen to again harass and abuse the privileges afforded to them. Here we oppose Plaintiff Affidavit of Renewal as even after Plaintiff had 90 days to renew, the chose to delay recording, cause improper service and failed to comply with the statute.

Furthermore, plaintiff split the one (1) original judgment (January 20<sup>th</sup>, 2016) into four (4) separate filings, recording and service.

Although seeming pointless, plaintiff have caused unnecessary legal fees to their client and solely wish to annoy this court and cause further work upon our judicial system. I hope plaintiff was able to review the legislation regarding renewing the judgements in its entirety at any point in those prior seven months or further worse, 5 years 9 months litigation. We proceed to encounter the same questionable behavior from a respected firm. Plaintiff clearly, by now, has proven to this very court that he intends to either deprive the defendant of his rights under the Nevada constitution, federal protections and rights governed to the residents of Nevada or by pleading ignorance of prior presented exhibits/caselaw or revised statutes.

## FACTS

Defendant has provided the following to both this court as well as by mail to Plaintiff office via certified mail – which as of January 21<sup>st</sup>, Plaintiffs have not disputed:

- **Motion to remove Judgement filling against homestead property dated 07/20/2021**

Exhibit A: County Assessor page (APN 191-02-519-003).

Exhibit B: Declaration of Homestead for APN 191-02-519-003.

*Exhibit C: Abstract Judgment filled with Clark County Recorder's office*

**Opposition on file from Plaintiff's not questioning or disputing accuracy.**

1       - **Reply in Support of Motion to remove judgement filling against homestead**  
2       **property dated 08/12/2021**

3       *Exhibit A: County Assessor page (APN 191-02-519-003).*

4       *Exhibit B: Declaration of Homestead for APN 191-02-519-003.*

5       ***Exhibit C: Abstract Judgment filled with Clark County Recorder's office***

6       *Exhibit D: Copy of Email containing Deed, Note and Mediation documents sent to*  
7       *Mark Connot on April 7<sup>th</sup>, 2017*

8       *Exhibit E: Seller proposal to sell from Coldwell Banker*

9       *Exhibit F: Payoff from Selene Finance dated July 6<sup>th</sup>, 2021.*  
10

11  
12 Furthermore, discussing the aforementioned documents AT LENGTH during the preceding  
13 seven (7) months. Assuming that plaintiff once again chose to ignore the blueprint to his renewal  
14 (provided by Defendant, himself) and even tho, we encountered several issues with the affidavit  
15 given the prior upheld decision in this very court on December 14<sup>th</sup>, 2021, plaintiff sheer intent  
16 to ignore the law at hand is mindboggling.

17 As to not cause undue burden on the court, I am sure Plaintiff does not need to be reminded of  
18 the missing documents that were not served AT ALL in the case, as well as I am sure, plaintiff  
19 does not need a play by play on what documents should have been sent. However, if plaintiff  
20 wishes to ignore the prior evidence, we ponder that to the court.  
21

22                   **II.     AUTHORITY AND LEGAL ARGUMENT**

23       “Nevada Civil procedures – Rule 5 states:

24       (2) **Service in General.** A paper is served under this rule by:

25                   (C) mailing it to the person's last-known address — **in which event service**  
26       **is complete upon mailing;**”

27       Plaintiff performed the below actions:

28       January 7<sup>th</sup>, 2021, at 17.39 – Filled four (4) Affidavit of Renewal with District Court

See **EXHIBIT A**: Docket printout 07A546250 dated January 21ST, 2022.

January 10<sup>th</sup>, 2021, at unknown time – Recorded four (4) Affidavits with Clark County Recorder.

- Recording #1: 202201100001768
- Recording #2: 202201100001769
- Recording #3: 202201100001770
- Recording #4: 202201100001771

See **EXHIBIT B**: CSV Printout from Clark County Recorders Office dated January 21ST, 2022

January 11<sup>th</sup>, 2021, at 13:39 – Fox Rothchild tendered to the mail man two envelopes.

One (1) envelope ‘Envelope 1’ contained 219 pages – See **EXHIBIT C**: Envelope 1 with tracking number: 9414726699042103336944

Items contained in this envelope were the following:

- One (1) Affidavit of renewal of Judgement for \$80,000.00 – 73 Pages
- One (1) Affidavit of renewal of Judgment for \$80,000.00 – 73 Pages
- One (1) Affidavit of renewal of Judgment for \$1,500,000.00 – 73 Pages

See **EXHIBIT D**: Print Out from USPS tracking website for 9414726699042103336944

One (1) envelope ‘Envelope 2’ contained ONLY 3 pages – See **EXHIBIT E**: Envelope received January 14<sup>th</sup> with tracking number: 9414726699042103337514

Contained within Envelope 2 was three (3) pages:

- One (1) unsigned and unstamped Affidavit of renewal of Judgment for \$111,750.00 – See **EXHIBIT F**: Unsigned Affidavit dated January 7<sup>th</sup>, 2022.

See **EXHIBIT G**: Print Out from USPS tracking website for 9414726699042103337514

Envelope 2 also was sent to Sklar & Williams, who sent email to Alex Penly contained unsigned and unstamped affidavit without exhibits – See **EXHIBIT H**: Email to Alex Penly with attachment of unsigned/unstamped Affidavit dated January 15<sup>th</sup>, 2022.

Subsequently, Plaintiff’s certificate of service was filed January 11<sup>th</sup>, 2022, however this was solely submitted once the mailman picked up the certified mail. See **EXHIBIT I**: Plaintiff Certificate of Service where an employee of Fox Rothchild purgered themselves when they stated that the defendants service left their office the day before. Which is untrue.

1                                   **1.        PLAINTIFF VIOLATED NRS 17.214 (1)A(2)**

2  
3        NRS 17.214 (1) a (2) The affidavit must specify:

4        (2) If the judgment is recorded, the name of the county and the number and the page of the book  
5        in which it is recorded.

6        On January 26<sup>th</sup>, 2016, Gus Flangas recorded the judgment at the Clark County Level –  
7        Recording an affidavit, that although riddled with errors, no parcel number, random court  
8        minutes from another case of Gus Flangas attached as the back page and no personal knowledge  
9        regarding Defendant (Debtor) Social Security Number or Driving License created a cloud on  
10       title of defendants property.

11       Plaintiff failed to state that there is a recording at the recorder's office: Document  
12       #201601260003493

13                                   **2. PLAINTIFFS VIOLATED NRS 17.214 (1) A (3)**

14        (3) The date and the amount of the judgment and the number and page of the docket in which it  
15        is entered.

16        Plaintiff here has not only attempted to harass and annoy defendants, but plaintiff failed to  
17        renew judgment as required for compliance with NRS 17.214.

18        Instead, even after being served Gus Flangas original recording filling TWICE – Document  
19        # 201601260003490 in the **Motion to remove Judgement filling against homestead**  
20        **property dated 07/20/2021 and Defendant's Reply in Support of Motion to remove**  
21        **judgement filling against homestead property dated 08/12/2021.**

22        201601260003490 and has been since its recording on January 26<sup>th</sup>, 2016, by Gus Flangas. and  
23        is:

24        Therefore, the judgment that Fox Rothchild filed on February 1<sup>st</sup>, 2016, in VOID as Gus Flangas  
25        had already made the appropriate filing in the record at the Recorders Office.

26        It should also be noted at no time in the last 6 years, have plaintiff stated that the recording made  
27        by Gus Flangas, from January 26<sup>th</sup>, 2016, is inaccurate and that there was need for voiding of the  
28        document: 201601260003490 and resubmitting at the Clark County recorder's office. Defendant  
29        should not be unfairly punished because plaintiff's lack of ability to perfect the record at the court  
30        or the recorder's office.

31                                   **3. PLAINTIFF VIOLATED NRS 17.214 (1) A (6)**

32        (6) Whether there are any setoffs or counterclaims in favor of the judgment debtor and the  
33        amount or, if a setoff or counterclaim is unsettled or undetermined it will be allowed as payment  
34        or credit on the judgment.

1 Plaintiffs very well remember the court order from December 14<sup>th</sup>. Plaintiff has in their  
2 possession a court order regarding a federal and state exemption they continue to harass and  
misrepresent to this court as well as the general public.

3 The plaintiff now expired judgment is NOT enforceable upon the current homestead property.  
4 This property has been deemed exempt for purposes of recording, affixing a lien and executing.  
5 Here, plaintiff have just purely ignored that there is even a court order in an attempt to further  
6 harass defendant by failing to acknowledge the court order in the affidavit of renewal or the  
original recording.

#### 7 **4. PLAINTIFF VIOLATED NRS 17.214 (1)A(8)**

8 (8) If the judgment was docketed by the clerk of the court upon a certified copy from any other  
9 court, and an abstract recorded with the county clerk, the name of each county in which the  
transcript has been docketed and the abstract recorded.

10 Plaintiff failed to acknowledge their prior recording in their affidavit's – See **EXHIBIT J**:  
11 Original Recording with Clark County January 26<sup>th</sup>, 2016. (For Brevity, exhibit J is the first two  
12 pages)

#### 13 **6. PLAINTIFF VIOLATED NRS 17.214 (1)A(9)**

14 (9) Any other fact or circumstance necessary to a complete disclosure of the exact condition of  
15 the judgment.

16 Plaintiff failed to acknowledge, remark or even mention the prior recording by Gus Flangas and  
17 therefore has precluded the public, without in-depth research to conclude, these are the same  
18 judgments.

19 For all intents and purpose, it remains that upon search, Mr. Penly actually has six (6) recorded  
20 judgments against him. Although the parties are the same, it remains that these duplicate filings  
21 are purely set to harass and annoy the defendant. See **EXHIBIT B**: CSV Printout from Clark  
County Recorder's Office dated January 21ST, 2022

#### 22 **7. PLAINTIFF VIOLATED NRS 17.214 (1)B**

23 (b) If the judgment is recorded, recording the affidavit of renewal in the office of the county  
24 recorder in *which the original judgment is filed* within 3 days after the affidavit of renewal is  
filed pursuant to paragraph (a).

25 Plaintiff have not renewed the judgment in question as they failed to renew the originally filed  
26 Judgment. As plaintiff filling in February 2016 is not the original judgment filling and as the  
27 limitation has now expired, Plaintiffs have concluded that they do not wish to renew the original  
28 judgment as recorded on January 20<sup>th</sup>, 2021.



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**8. PLAINTIFF VIOLATED NRS 17.214 (1)B(3)**

*NRS 17.214 (1)B(3). The judgment creditor or the judgment creditor's successor in interest shall notify the judgment debtor of the renewal of the judgment by sending a copy of the affidavit of renewal by certified mail, return receipt requested, to the judgment debtor at his or her last known address within 3 days after filing the affidavit.*

Plaintiff failed to mail affidavits in violation of the 3-day rule.

*NRAP 25(2)(iii) dispatched to a third-party commercial carrier for delivery to the clerk within 3 days.*

Here, Plaintiff thought a good rule of thumb was to leave it on the front counter for *whenever* the mail man arrived. Unfortunately, that mailing as well as submission and remittance are the act of it happening, not the act of thinking about sending it. Plaintiff tendered to the mail man, using a certified mail, return receipt requested on January 11<sup>th</sup> at 13.39. *Leven v. Frey, 168 P. 3d 712 - Nev: Supreme Court 2007 – the Supreme Court stated in their conclusion that: NRS 17.214 requires a judgment creditor to timely file, record (when the judgment to be renewed is recorded) and serve his or her affidavit of renewal to successfully renew a judgment, and strict compliance with these provisions is required.*

Substantial compliance is not strict compliance as discovered by the Supreme Court. In recent light after the Leven V Frey case stated, William Miller from Nevada Law Journal stated:

*“The parties presented opposing views on the standard of compliance under NRS 17.214. Leven argued that all the statute’s provisions must be strictly complied with. Whereas Frey contended that he substantially complied with the statute, and that substantial compliance is sufficient for judgment renewal, if the creditor demonstrates that the delayed recording and service amount to excusable neglect and cause no prejudice to the debtor. To determine whether strict or substantial compliance is required, the Court examined the statute’s provision, in addition to policy and equity considerations. The Court observed that NRS 17.214 included no safety valve provision or built-in grace period, rendering a “substantial compliance” analysis inappropriate. Moreover, the Court reasoned those statutes which allow for a “reasonable time” are subject to interpretation for substantial compliance, while statutes*

1 *which set time limits are generally not. Additionally, the Court considered this interpretation as*  
2 *consistent with the general notion that “time and manner” statutory provisions are strictly*  
3 *construed, while “form and content” requirements may be sufficient if substantial compliance*  
4 *is shown. The Court declared that the three-day requirement accomplishes the recording*  
5 *requisite’s main purpose of acquiring reliability of title searches for creditors and debtors,14*  
6 *in a reasonable manner. Since the Legislature did not provide deviations from this*  
7 *requirement, the Court reasoned a judgment creditor should strictly comply with the three-day*  
8 *requirement of the statute. Furthermore, the service of the renewal affidavit provides the*  
9 *debtor’s due process rights. Therefore, the Court held that a judgment creditor must strictly*  
10 *comply with the three-day statutory requirement of NRS 17.214(3).”*

11 Summary of Leven v. Frey, 123 Ne, 123 Nev. Adv. Op. No. 40. Op. No. 40 William Miller  
12 Nevada Law Journal

13 Plaintiff did not strict comply. Plaintiff mailed and delivered to the mail man on January 11<sup>th</sup>,  
14 2021, at 13:39. That was ultimately too late. Plaintiffs’ capability to serve would have  
15 expired January 10<sup>th</sup> at 17.39 – Exactly 72 hours after filling.

16  
17 Plaintiff had three (3) days to file, record and serve and failed.

18 Plaintiff didn’t submit the certified mail to the mailman until January 11<sup>th</sup>, 2022, and  
19 subsequently, filled the certificate of service on the same day only 2 hours apart. The service  
20 needed to be submitted and filled on the 10<sup>th</sup> of January. January 11<sup>th</sup> is outside of the 3-day  
requirement.

21 I understand that in the ruling of procedure that an envelope can be dated the day of, or the day  
22 before. However, the act of stamping and not mailing, directly conflicts with rulings of the  
supreme court regarding the exemplary of mailing in strict compliance alone with NRS 17.214.

23 In accordance with NRS 17.214, the Nevada Law is incredibly clear. The Supreme court have  
24 ruled on how clear and unambiguous NRS 17.214 is.

25 “168 P.3d 712 (2007) - Robert LEVEN, Appellant, v. Herbert FREY and Cy Yehros,  
26 Respondents. No. 41716. Supreme Court of Nevada. October 11, 2007.

27 NRS 17.214 requires a judgment creditor to timely file, record (when the judgment to be  
28 renewed is recorded) and serve his or her affidavit of renewal to successfully renew a judgment,  
and strict compliance with these provisions is required. As Frey did not timely record and serve

1 his affidavit of renewal, he did not comply with NRS 17.214(1)(b) and (3), and thus he failed to  
2 successfully renew the judgment.”

3 **9. PLAINTIFF FAIL TO ACKNOWLEDGE DEFENDANT’S HOMESTEAD IS**  
4 **EXEMPT FROM ANY FINAL PROCESS FROM ANY COURT AS NOTED IN**  
5 **NRS.115.010**

6 Furthermore, to fail to acknowledge Defendant’s homestead exemption thru both ignoring to  
7 acknowledge ‘All relevant facts regarding the judgement’ This intended purpose was so that  
8 individuals seeking information regarding judgments wouldn’t have to download numerous  
9 documents and conduct their own research regarding an individual’s judgement.

10  
11 In this instance, with wholehearted intention, plaintiffs not recorded a \$1,500,000.00  
12 judgment against Mr. Penly with the intent to lien his property once again - otherwise  
13 recording is pointless. BUT needlessly also filed two affidavits for the same amount, while  
14 breaking them down separately in hopes to obtain a smaller execution in the future.  
15 Plaintiff’s ultimate finale at harassment, unfortunately, defendants take the stand that plaintiff  
16 not only have 90 days on top of the already five (5) years nine (9) months to plan a flawless  
17 execution of renewing, recording and serving. Plaintiff just approaches this court with lack  
18 of compliance and false representations to this court during this motion practice that  
19 preceded all our Christmas break of 2021.  
20 Plaintiff should be embarrassed to approach this court with once again concerning to defendant  
21 without having the respect for this court first.  
22

23  
24 **10. PLAINTIFF’S FURTHER FAIL TO ACKNOWLEDGE OF NRS 17.150(4) –**  
25 **TWICE - AGAIN**

26 “Plaintiff’s material misdirection and ignorance to receiving this document ahead of time  
27 and during the filling of the last motion.... Plaintiff DID NOT attach excess equity nor even  
28 attempt to lien the property. Plaintiffs’ recording does not meet the requirement in accordance

1 with NRS 17.150(4):

2 4. In addition to recording the information described in subsection 2, a judgment  
3 creditor who records a judgment or decree for the purpose of creating a lien upon the  
4 real property of the judgment debtor pursuant to subsection 2 shall record at that time  
an affidavit of judgment stating:

5 (a) The name and address of the judgment debtor.

6 (b) If the judgment debtor is a natural person:

7 (1) The last four digits of the judgment debtor's driver's license number or  
identification card number and the state of issuance; or

8 (2) The last four digits of the judgment debtor's social security number.

9 (c) If the lien is against real property which the judgment debtor owns at the time the  
10 affidavit of judgment is recorded, the assessor's parcel number and the address of the  
11 real property and a statement that the judgment creditor has confirmed that the  
judgment debtor is the legal owner of that real property;"

12 There is NO affidavit affixing this judgement to the property therefore signifying Plaintiffs have  
13 clearly demonstrated there is no intention to lien Mr. Penly's property. Here, we have plaintiff  
14 who knew they could not lien Mr. Penly's property for its Homestead status and intentionally  
15 circumvented the law in hopes to cause material injury to defendant.

16 The judgment does not, nor could affix to the property parcel because Plaintiffs failed to  
17 attach the required affidavit telling the recorder where to place said lien. Alongside Plaintiff's  
18 failure to lien Defendant's property given the court order – See **EXHIBIT K**: Court order dated  
19 December 14<sup>th</sup>, 2021.

20 Plaintiffs failed to acknowledge or produce the personally identifiable information as  
21 required by this affidavit and therefore failed to attach to the property. Plaintiffs now argue in  
22 front of this Court, that they should be able to affix a judgement to a homestead property, without  
23 first having followed proper procedure by attaching such an affidavit. See **EXHIBIT L: Print**  
24 *out for parcel on Clark County Recorder Website Showing **NO LIEN** on the parcel in question:*  
25 *191-02-519-003 ran on 01/21/2022*

26 Unfortunately, in the state of Nevada, when a title search is conducted, both name and  
27 address are running together. Once this information is gathered the only way to remove such  
28

1 items are thru court order or payment of such judgement during transaction involving real estate.  
2 Although plaintiff is clearly not on our side, their multiple fillings and intention to harass  
3 defendant is very sad given the tenure of this case.  
4

## 5 **LEGAL ARGUMENT AND CASE REFERENCE**

6 Service and the method thereafter are referenced in a plethora of statutes however in NRS  
7 17.214 it is crucial that those statute are adhered to.  
8

### 9 **NRAP 25 SERVICE**

#### 10 **(2) Filing: Method and Timeliness.**

11 (ii) mailed to the clerk by first-class mail, or other class of mail that is at least as  
expeditious, postage prepaid.

12 (iii) dispatched to a third-party commercial carrier for delivery to the clerk within 3 days.

13 NRCP – Rule 4:

#### 14 **(c) Manner of Service.**

15 (1) Service may be any of the following:

16 (A) personal, including delivery of the copy to a clerk or other responsible person at the  
office of counsel.

17 (B) by mail.

18 (C) by third-party commercial carrier for delivery within 3 days.

19 **(3) Service by mail or by commercial carrier is complete on mailing or delivery to the**  
20 **carrier.** Service by electronic means under Rule 25(c)(1)(D) is complete on transmission, unless  
the party making service is notified that the paper was not received by the party served. Service  
21 through the court's electronic filing system under Rule 25(c)(1)(E) is complete at the time that the  
document is submitted to the court's electronic filing system.

22 The Supreme have held how strict the requirements of NRS 17.214 are:

23 “Accordingly, “[t]he judgment creditor or the judgment creditor's successor in  
24 interest *shall* notify the judgment debtor of the renewal of the judgment by sending a copy of  
25 the affidavit of renewal by certified mail, return receipt requested. . .” NRS 17.214(3)  
26 (emphasis added); [Markowitz v. Saxon Special Servicing, 129 Nev. 660, 665, 310 P.3d 569,](#)  
27 [572 \(2013\)](#) (“The word ‘shall’ is generally regarded as mandatory.”). Because NRS 17.214(3)  
28

1 was not strictly complied with, the district court did not err by denying appellants' motion for  
2 declaratory relief and application to enforce a foreign judgment”

3 JOHN LYNCH, AN INDIVIDUAL; AND KELLIE FUHR, Appellants, v. YEHIA AWADA,  
4 AN INDIVIDUAL, Respondent. No. 73561. Supreme Court of Nevada. Filed September 28,  
5 2018

6 Based on the above law, Defendant respectfully requests the court to strike  
7 Plaintiff affidavit of judgment renewal against Defendant.

8 We hope and pray that this court immediately stop this misstatement in facts and  
9 should feel compelled to render sanctions against Mark Connot for his representation upon  
10 this court. We respectfully pray that the court see thru this material misrepresentations by  
11 plaintiff as well the direct attempt to circumvent the renewal process. Mr. Penly wishes to  
12 no longer suffer at the hands of plaintiffs who believe they are above the law.

13  
14 III. CONCLUSION AND REQUEST

15  
16 Defendant requests the court to 1) Strike Plaintiffs’ Affidavit of Judgment Renewal  
17 given their inability to satisfy the strict requirements of NRS 17.214 and 2) confirm that  
18 Plaintiff judgment(s) are void, expired and ineligible for renewal.

19  
20  
21 DATED this 21<sup>ST</sup> day of January 2022.

22 Respectfully submitted,

23  
24 /S/ Alex Penly

25  
26 \_\_\_\_\_  
27 Alex Penly  
28 1287 Rolling Sunset St  
Henderson, NV 89052  
Email: [Alexpenly@msn.com](mailto:Alexpenly@msn.com)  
Telephone: 702-761-1634  
In Pro Per

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MARK J. CANNOT (10010)  
KEVIN M. SUTHELL (9437)  
FOX ROTHSCHILD LLP  
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Las Vegas, Nevada, 89135  
*Attorney for Plaintiffs*

X Electronic Service: I caused said document(s) to be delivered by electronic means upon all eligible electronic recipients via the United States District Court CM/ECF system or Clark County District Court E-Filing system (Odyssey)

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Telephone: 702-761-1655  
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# EXHIBIT A



[Minutes](#)

12/09/2021 Result: Minute Order - No Hearing Held  
**CANCELED Motion For Reconsideration** (10:00 AM) (Judicial Officer Allf, Nancy)  
*Vacated*  
*Defendant Alex Penly's Motion to Reconsideration*  
*11/23/2021 Reset by Court to 12/09/2021*

12/14/2021 **Amended Order Doc ID# 167**  
*[167] Amended Order Granting Motion for Reconsideration*

01/07/2022 **Affidavit for Renewal of Judgment Doc ID# 168**  
*[168] Affidavit of Renewal of Judgment*

01/07/2022 **Affidavit for Renewal of Judgment Doc ID# 169**  
*[169] Affidavit of Renewal of Judgment*

01/07/2022 **Affidavit for Renewal of Judgment Doc ID# 170**  
*[170] (Duplicate) Affidavit of Renewal of Judgment*

01/07/2022 **Affidavit for Renewal of Judgment Doc ID# 171**  
*[171] Affidavit of Renewal of Judgment*

01/11/2022 **Certificate of Service Doc ID# 172**  
*[172] Certificate of Service*

## FINANCIAL INFORMATION

**Conversion Extended Connection Type** No Convert Value @ 07A546250

Total Financial Assessment	339.00
Total Payments and Credits	339.00
<b>Balance Due as of 01/21/2022</b>	<b>0.00</b>

08/10/2007	Transaction Assessment			339.00
08/10/2007	Conversion Payment	Receipt # 01375437	FLANGAS MCMILLAN LAW GROUP INC	(178.00)
09/17/2007	Conversion Payment	Receipt # 01381907	SOLOMON DWIGGINS & FREER LTD	(161.00)

**Counter Defendant** Woods, Milton J

Total Financial Assessment	145.00
Total Payments and Credits	145.00
<b>Balance Due as of 01/21/2022</b>	<b>0.00</b>

01/19/2016	Transaction Assessment			120.00
01/19/2016	Payment (Window)	Receipt # 2016-05120-CCCLK	Fox Rothschild LLP	(120.00)
01/21/2016	Transaction Assessment			5.00
01/21/2016	Payment (Window)	Receipt # 2016-06615-CCCLK	Xpedient	(5.00)
02/19/2016	Transaction Assessment			20.00
02/19/2016	Payment (Window)	Receipt # 2016-17445-CCCLK	Am/PM Legal Solutions	(20.00)

**Defendant** Eagle Jet Aviation Inc

Total Financial Assessment	24.00
Total Payments and Credits	24.00
<b>Balance Due as of 01/21/2022</b>	<b>0.00</b>

02/25/2016	Transaction Assessment			24.00
02/25/2016	Efile Payment	Receipt # 2016-19863-CCCLK	Eagle Jet Aviation Inc	(24.00)

# **EXHIBIT B**

**Search Criteria - Full Name: Penly, Alex , Party Type: All, Matching Mode: StartsWith, Date From: 1/1/1984, Date To: 1/21/2022, Doc Types: All, Book Types: All**

Party Type	First Party Name	First Cross Party	# Pages	Instrument#	Document Type	Modifier	Record Date	Parcel #	Legal Description	Total Value
From	PENLY, ALEX	WOODS, MILTON J	73	202201100001771	JUDGMENT	RENEW	01/10/2022			\$0.00
From	PENLY, ALEX	WOODS, MILTON J	73	202201100001770	JUDGMENT	RENEW	01/10/2022			\$0.00
From	PENLY, ALEX	WOODS, MILTON J	73	202201100001769	JUDGMENT	RENEW	01/10/2022			\$0.00
From	PENLY, ALEX	WOODS, MILTON J	73	202201100001768	JUDGMENT	RENEW	01/10/2022			\$0.00
From	PENLY, ALEX	US BANK TRUST NATIONAL ASSOCIATION	2	202105200000383	ASSIGNMENT		05/20/2021	191-02-519-003		\$0.00
From	PENLY, ALEX	FV-I INC	2	202005270000242	ASSIGNMENT		05/27/2020	191-02-519-003		\$0.00
From	PENLY, ALEX	MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC	2	202005270000241	ASSIGNMENT		05/27/2020	191-02-519-003		\$0.00
From	PENLY, ALEX	WOODS, MILTON J	33	201602010002431	JUDGMENT		02/01/2016			\$0.00
From	PENLY, ALEX	WOODS, MILTON J	35	201601260003490	JUDGMENT		01/26/2016			\$0.00
To	PENLY, ALEX	INTERNAL REVENUE SERVICE	1	201505280003954	IRS LIEN RELEASE		05/28/2015			\$0.00
From	PENLY, ALEX	WESTERN ALLIANCE BANK	4	201503260002924	REQUEST NOTICE		03/26/2015	191-02-519-003		\$0.00
To	PENLY, ALEX	INTERNAL REVENUE SERVICE	1	201311220002040	IRS LIEN RELEASE		11/22/2013			\$0.00
From	PENLY, ALEX		2	201308150000788	AFFIDAVIT		08/15/2013	191-02-519-003		\$0.00
From	PENLY, ALEX	MORRIS LAW GROUP	3	201308150000787	JUDGMENT		08/15/2013	191-02-519-003		\$0.00

From	PENLY, ALEX	BANK OF NEVADA	6	201206060002552	AGREEMENT	MODIFY	06/06/2012	191-02-519-003		\$0.00
From	PENLY, ALEX	WEBSTER CAPITAL FINANCE INC	4	201205310003996	ORDER	JUDGMENT	05/31/2012	191-02-519-003		\$0.00
To	PENLY ALEX	TD SERVICE COMPANY	2	201204020000475	DEFAULT	RESCISSION	04/02/2012	191-02-519-003		\$0.00
From	PENLY, ALEX	INTERNAL REVENUE SERVICE	1	201110200003098	IRS LIEN NOTICE		10/20/2011			\$0.00
From	PENLY, ALEX	MAR FUN LLC	7	201109010001177	MISCELLANEOUS COURT DOC	JUDGMENT	09/01/2011			\$0.00
From	PENLY, ALEX	TD SERVICE COMPANY	2	201106300002863	DEFAULT & ELECTION TO SELL		06/30/2011	191-02-519-003		\$0.00
To	PENLY, ALEX	TD SERVICE COMPANY	2	201101070002254	DEFAULT	RESCISSION	01/07/2011	191-02-519-003		\$0.00
From	PENLY, ALEX	TD SERVICE COMPANY	3	201012140000106	NOTICE OF TRUSTEE SALE		12/14/2010	191-02-519-003		\$0.00
From	PENLY, ALEX	TD SERVICE COMPANY	1	201012020000603	CERTIFICATE FORECLOSURE MEDIATION NEVADA		12/02/2010	191-02-519-003		\$0.00
To	PENLY, ALEX	PETERSON, MORRIS	4	201010040001494	JUDGMENT	VACATION	10/04/2010			\$0.00
From	PENLY, ALEX	TD SERVICE COMPANY	2	201009170002855	SUBSTITUTION	TRUSTEE	09/17/2010	191-02-519-003		\$0.00
From	PENLY, ALEX	TD SERVICE COMPANY	2	201009100002853	DEFAULT & ELECTION TO SELL		09/10/2010	191-02-519-003		\$0.00
From	PENLY, ALEX	LOWER, RYAN	2	200912180003423	AFFIDAVIT		12/18/2009	191-02-519-003		\$0.00
From	PENLY, ALEX	PETERSON, MORRIS	3	200912180003422	JUDGMENT		12/18/2009	191-02-519-003		\$0.00
From	PENLY, ALEX	BANK OF NEVADA	19	200804070002662	DEED OF TRUST		04/07/2008	191-02-519-003	APN 191-02-519-003	\$0.00

To	PENLY, ALEXANDER	INTERNAL REVENUE SERVICE	1	201703010000961	IRS LIEN RELEASE		03/01/2017			\$0.00
To	PENLY, ALEXANDER	INTERNAL REVENUE SERVICE	1	201510200001975	IRS LIEN RELEASE		10/20/2015			\$0.00
From	PENLY, ALEXANDER	INTERNAL REVENUE SERVICE	1	201505050001934	IRS LIEN NOTICE		05/05/2015			\$0.00
From	PENLY, ALEXANDER	INTERNAL REVENUE SERVICE	1	201503210000528	IRS LIEN NOTICE		03/21/2015			\$0.00
To	PENLY, ALEXANDER	HENDERSON CITY	1	201503110004755	LIEN	RELEASE	03/11/2015	191-02-519-003		\$0.00
From	PENLY, ALEXANDER	BANK OF NEVADA	6	201206060002552	AGREEMENT	MODIFY	06/06/2012	191-02-519-003		\$0.00
From	PENLY, ALEXANDER		2	201105160003339	HOMESTEAD		05/16/2011	191-02-519-003		\$0.00
To	PENLY, ALEXANDER	4 ROMEO WHISKEY LLC	4	201001280002905	JUDGMENT	SATISFACTION	01/28/2010			\$0.00
From	PENLY, ALEXANDER	4 ROMEO WHISKEY LLC	3	200902250004848	JUDGMENT		02/25/2009			\$0.00
To	PENLY, ALEXANDER	PENLY, ALEXANDER W	4	200804070002661	DEED		04/07/2008	191-02-519-003	APN 191-02-519-003	\$0.00
To	PENLY, ALEXANDER W	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	2	201210020003947	DEFAULT	RESCISSION	10/02/2012	191-02-519-003		\$0.00
To	PENLY, ALEXANDER W	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	2	201210020003946	LIEN	RELINQUISH	10/02/2012	191-02-519-003		\$0.00
From	PENLY, ALEXANDER W	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	3	201209050002634	NOTICE	SALE	09/05/2012	191-02-519-003		\$0.00
From	PENLY, ALEXANDER W	BANK OF NEVADA	6	201206060002552	AGREEMENT	MODIFY	06/06/2012	191-02-519-003		\$0.00
To	PENLY, ALEXANDER W	BANK OF NEVADA	3	201108220000202	SUBSTITUTION/RECONVEYANCE		08/22/2011	191-02-519-003		\$0.00
From	PENLY, ALEXANDER W	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	3	201103110000340	DEFAULT		03/11/2011	191-02-519-003		\$0.00

From	PENLY, ALEXANDER W	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	2	201009080003778	LIEN		09/08/2010	191-02-519-003		\$0.00
To	PENLY, ALEXANDER W	FIRST AMERICAN TITLE INSURANCE COMPANY	3	200805080000427	SUBSTITUTION/RECONVEYANCE		05/08/2008	191-02-519-003	APN 191-02-519-003	\$0.00
From	PENLY, ALEXANDER W	PENLY, ALEXANDER	4	200804070002661	DEED		04/07/2008	191-02-519-003	APN 191-02-519-003	\$0.00
From	PENLY, ALEXANDER W	BANK OF NEVADA	16	200703200001266	DEED OF TRUST		03/20/2007	191-02-519-003	APN 191-02-519-003	\$0.00
To	PENLY, ALEXANDER W	FIDELITY NATIONAL TITLE AGENCY OF NEVADA INC	2	200505170001448	RECONVEYANCE		05/17/2005	191-02-519-003	APN 191-02-519-003	\$0.00
From	PENLY, ALEXANDER W	BANKWEST OV NEVADA	4	200412010005479	REQUEST NOTICE		12/01/2004	191-02-519-003	APN 191-02-519-003	\$0.00
From	PENLY, ALEXANDER W	BANKWEST OF NEVADA	19	200412010005477	DEED OF TRUST		12/01/2004	191-02-519-003	APN 191-02-519-003	\$0.00
To	PENLY, ALEXANDER W	LAWYERS TITLE OF NEVADA INC	1	200411170004038	RECONVEYANCE		11/17/2004	191-02-519-003	APN 191-02-519-003	\$0.00
From	PENLY, ALEXANDER W	BANKWEST OF NEVADA	26	200409150003961	DEED OF TRUST		09/15/2004	191-02-519-003	APN 191-02-519-003	\$0.00
To	PENLY, ALEXANDER W	PENLY, KAREN L	3	200409150003960	DEED		09/15/2004	191-02-519-003	APN 191-02-519-003	\$0.00
From	PENLY, ALEXANDER W	BANKWEST OF NEVADA	11	200312170001971	DEED OF TRUST		12/17/2003	191-02-519-003	APN 191-02-519-003	\$0.00
To	PENLY, ALEXANDER W	MORRISON, CORRIE	4	200312170001970	DEED		12/17/2003	191-02-519-003	APN 191-02-519-003	\$415,000.00



# **EXHIBIT C**



CERTIFIED MAIL<sup>®</sup>



9424 7266 9904 2303 3369 44



ZIP 89135  
01E11085704

Hasler  
01/10/2022  
US POSTAGE \$016.70<sup>2</sup>

*Handwritten:* 1-12-24

**FIRST CLASS MAIL**



Fox Rothschild LLP

ATTORNEYS AT LAW

One Summerlin, 1980 Festival Plaza Dr., Suite 700, Las Vegas, NV 89135

BY CERTIFIED MAIL,  
RETURN RECEIPT REQUESTED

Alex Penly  
1287 Rolling Sunset Street  
Henderson, NV 89052



# EXHIBIT D

Track Another Package +

Tracking Number: 9414726699042103336944

Remove X

Your item was delivered at 11:02 am on January 13, 2022 in HENDERSON, NV 89052.

USPS Tracking Plus™ Available ▾

 **Delivered**

January 13, 2022 at 11:02 am  
HENDERSON, NV 89052

Feedback

Get Updates ▾

Text & Email Updates



Tracking History



January 13, 2022, 11:02 am

Delivered  
HENDERSON, NV 89052

Your item was delivered at 11:02 am on January 13, 2022 in HENDERSON, NV 89052.

January 12, 2022, 3:02 pm

Available for Pickup  
HENDERSON, NV 89052

January 12, 2022, 2:37 pm

Notice Left (No Authorized Recipient Available)

R0391

HENDERSON, NV 89052

January 12, 2022, 9:38 am  
Out for Delivery  
HENDERSON, NV 89052

January 12, 2022, 7:06 am  
Arrived at Post Office  
HENDERSON, NV 89052

January 11, 2022, 9:36 pm  
Departed USPS Regional Origin Facility  
LAS VEGAS NV DISTRIBUTION CENTER

January 11, 2022, 8:15 pm  
Arrived at USPS Regional Origin Facility  
LAS VEGAS NV DISTRIBUTION CENTER

January 11, 2022, 1:39 pm  
Acceptance  
LAS VEGAS, NV 89135

Feedback

USPS Tracking Plus™



Product Information



See Less ^

Can't find what you're looking for?

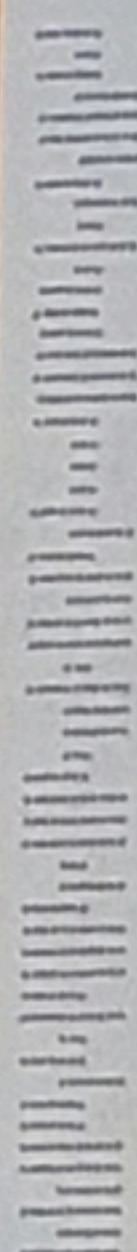
Go to our FAQs section to find answers to your tracking questions.

FAQs

R0392

# **EXHIBIT E**





CERTIFIED MAIL®



9414 7266 9904 2103 3375 14

Hasler

01/10/2022

US POSTAGE \$008.16<sup>00</sup>



ZIP 89135  
011E11685704

**FIRST CLASS MAIL**



Fox Rothschild LLP  
ATTORNEYS AT LAW

One Summerlin, 1980 Festival Plaza Dr., Suite 700, Las Vegas, NV 89135

BY CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Eagle Jet Aviation  
Alex Penly, Director  
1287 Rolling Sunset Street  
Henderson, NV 89052

*CV*  
*1-13-2022*



# **EXHIBIT F**

1 **ARJ**  
2 MARK J. CONNOT (10010)  
3 **FOX ROTHSCHILD LLP**  
4 1980 Festival Plaza Drive, Suite 700  
5 Las Vegas, Nevada 89135  
(702) 262-6899 tel  
(702) 597-5503 fax  
mconnot@foxrothschild.com  
*Attorneys for Plaintiffs*

6  
7 **DISTRICT COURT**  
8 **CLARK COUNTY, NEVADA**

9 MILTON J. WOODS and CIRRUS  
10 AVIATION SERVICES, INC., a  
Washington corporation,

11 Plaintiffs,

12 vs.

13 EAGLE JET AVIATION, INC., A Nevada  
14 corporation; ALEX PENLY; STUART M.  
15 WARREN; PRIVATE JET SERVICES,  
16 INC., a Nevada corporation; MILT'S  
EAGLE, LLC, a Nevada limited liability  
company and DOES I-X, inclusive.

17 Defendants.

Case No.: 07A546250  
Dept. No.: XI

**AFFIDAVIT OF RENEWAL OF  
JUDGMENT**

18  
19 I, Milton J. Woods, hereby affirm the following:

20 1. On January 20, 2016, a Judgment was entered in the above-entitled Court in favor  
21 of Milton J. Woods ("Plaintiff/Judgment Creditor"), against Eagle Jet Aviation, Inc.,  
22 Defendant/Judgment Debtor ("Eagle Jet"), in amount of \$111,750.00 (the "Judgment"). *See*  
23 Judgment attached hereto as Exhibit 1 and incorporated herein. Post-judgment interest accrues  
24 on the Judgment per the terms of the Judgment itself.

25 2. The Judgment was recorded in the Clark County Recorder's Office on February  
26 1, 2016, as Instrument No. 20160201-0002431. *See* recorded Judgment, attached hereto as  
27 Exhibit 2, and incorporated herein.

28 3. Eagle Jet has not made any payments on the Judgment.

1           4.     To date, Plaintiff/Judgment Creditor has not collected any amounts from Eagle Jet  
2 in relation to the Judgment.

3           5.     There are no set-offs or counterclaims in favor of Eagle Jet.

4           6.     There is no outstanding writ of execution for enforcement of the Judgment.

5           7.     The legal interest accrued on the Judgment commencing on August 15, 2007  
6 through January 7, 2022 totals \$ 95,963.02, and is calculated as follows:

7           8/15/2007 - 12/31/2007 \$ 4,362.08(139 days @ \$31.38/daily @ 10.250%/year)

8           01/01/2008 - 06/30/2008 \$ 5,140.19(182 days @ \$28.24/daily @ 9.250%/year)

9           07/01/2008 - 12/31/2008 \$ 3,932.62(184 days @ \$21.37/daily @ 7.000%/year)

10          01/01/2009 - 06/30/2009 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

11          07/01/2009 - 12/31/2009 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

12          01/01/2010 - 06/30/2010 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

13          07/01/2010 - 12/31/2010 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

14          01/01/2011 - 06/30/2011 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

15          07/01/2011 - 12/31/2011 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

16          01/01/2012 - 06/30/2012 \$ 2,917.41(182 days @ \$16.03/daily @ 5.250%/year)

17          07/01/2012 - 12/31/2012 \$ 2,949.47(184 days @ \$16.03/daily @ 5.250%/year)

18          01/01/2013 - 06/30/2013 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

19          07/01/2013 - 12/31/2013 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

20          01/01/2014 - 06/30/2014 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)

21          07/01/2014 - 12/31/2014 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

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23          07/01/2015 - 12/31/2015 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

24          01/01/2016 - 06/30/2016 \$ 3,056.33(182 days @ \$16.79/daily @ 5.500%/year)

25          07/01/2016 - 12/31/2016 \$ 3,089.92(184 days @ \$16.79/daily @ 5.500%/year)

26          01/01/2017 - 06/30/2017 \$ 3,186.41(181 days @ \$17.60/daily @ 5.750%/year)



07/01/2017 - 12/31/2017 \$ 3,520.89(184 days @ \$19.14/daily @ 6.250%/year)  
01/01/2018 - 06/30/2018 \$ 3,602.02(181 days @ \$19.90/daily @ 6.500%/year)  
07/01/2018 - 12/31/2018 \$ 3,943.40(184 days @ \$21.43/daily @ 7.000%/year)  
01/01/2019 - 06/30/2019 \$ 4,156.18(181 days @ \$22.96/daily @ 7.500%/year)  
07/01/2019 - 12/31/2019 \$ 4,225.07(184 days @ \$22.96/daily @ 7.500%/year)  
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07/01/2020 - 12/31/2020 \$ 2,949.47(184 days @ \$16.03/daily @ 5.250%/year)  
01/01/2021 - 06/30/2021 \$ 2,909.33(181 days @ \$16.07/daily @ 5.250%/year)  
07/01/2021 - 12/31/2021 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)  
01/01/2022 – 01/07/2022 \$ 112.49(7 days @ \$16.07/daily @ 5.250%/year)

8. The sum total of the judgment currently due, inclusive of interest through January 7, 2022 is \$207,713.02.

9. The last known address for Eagle Jet Aviation, Inc. is as follows:  
c/o Alex Penly, Director, 1287 Rolling Sunset Street, Henderson, Nevada 89052;  
c/o Alan Sklar, Registered Agent, 410 S. Rampart Blvd., Ste. 350, Las Vegas,  
Nevada 89145.

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

Executed this 7<sup>th</sup> day of January, 2022.

\_\_\_\_\_  
Milton J. Woods

(No Notary Per NRS 53.045)

# EXHIBIT G

Track Another Package +

Tracking Number: 9414726699042103337514

Remove X

Your item was delivered at 9:11 am on January 14, 2022 in HENDERSON, NV 89052.

USPS Tracking Plus™ Available ✓

✓ Delivered

January 14, 2022 at 9:11 am  
HENDERSON, NV 89052

Feedback

Get Updates ✓

Text & Email Updates



Tracking History



January 14, 2022, 9:11 am

Delivered  
HENDERSON, NV 89052

Your item was delivered at 9:11 am on January 14, 2022 in HENDERSON, NV 89052.

January 13, 2022, 2:41 pm

Notice Left (No Authorized Recipient Available)  
HENDERSON, NV 89052

January 12, 2022, 8:27 pm

Departed USPS Regional Origin Facility

R0400

LAS VEGAS NV DISTRIBUTION CENTER

January 11, 2022, 9:52 pm  
Arrived at USPS Regional Origin Facility  
LAS VEGAS NV DISTRIBUTION CENTER

January 11, 2022, 1:39 pm  
Acceptance  
LAS VEGAS, NV 89135

USPS Tracking Plus™



Product Information



See Less ^

Feedback

# Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs

# EXHIBIT H

Fwd: Eagle Jet Aviation, Inc. (Milton J. Woods, et al. v Eagle Jet Aviation, Inc., et al. - Case # 07A546250)

---

From: Alex Penly (alexpenly@msn.com)

To: laurapenly@yahoo.com

Date: Saturday, January 15, 2022, 01:18 PM PST

---

Alex

Begin forwarded message:

**From:** Monica Chavez <mchavez@sklar-law.com>

**Date:** January 14, 2022 at 2:29:28 PM PST

**To:** alexpenly@msn.com

**Cc:** Alan Sklar <asklar@sklar-law.com>

**Subject:** Eagle Jet Aviation, Inc. (Milton J. Woods, et al. v Eagle Jet Aviation, Inc., et al. - Case # 07A546250)

Please see the attached *Affidavit of Renewal of Judgment* for the above-mentioned case that our office was received in the mail as the registered agent for the (permanently revoked) entity, Eagle Jet Aviation, Inc.

However, please be aware that the firm is not the legal counsel on this matter unless and until you decide that you wish the firm to represent you in this matter.

The originals are being sent to you via Certified Mail. If you have any questions, please feel free to contact the firm.

Thank you,

Monica M. Chavez

Legal Assistant to

Alan C. Sklar and Mark McIntire

Sklar Williams PLLC

Tivoli Village – Rotunda Building

410 South Rampart Boulevard, Suite 350

Las Vegas, Nevada 89145

Tel: 702-360-6000

R0403

Fax: 702-360-0000

Email: [mchavez@sklar-law.com](mailto:mchavez@sklar-law.com)

This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain confidential information that is legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any of the information contained in or attached to this transmission is prohibited. If you have received this transmission in error, please immediately notify us by reply e-mail, by forwarding this to [mchavez@sklar-law.com](mailto:mchavez@sklar-law.com), or by telephone at (702) 360-6000, and destroy the original transmission and its attachments without reading or saving them in any manner. Thank you.



Affidavit of Renewal of Judgment (Woods, et al v Eagle Jet Aviation, Inc.et al.) 1.14.22.pdf  
156.3kB

1 **ARJ**  
2 MARK J. CONNOT (10010)  
3 **FOX ROTHSCHILD LLP**  
4 1980 Festival Plaza Drive, Suite 700  
5 Las Vegas, Nevada 89135  
(702) 262-6899 tel  
(702) 597-5503 fax  
mconnot@foxrothschild.com  
*Attorneys for Plaintiffs*

6  
7 **DISTRICT COURT**  
8 **CLARK COUNTY, NEVADA**

9 MILTON J. WOODS and CIRRUS  
10 AVIATION SERVICES, INC., a  
Washington corporation,

11 Plaintiffs,

12 vs.

13 EAGLE JET AVIATION, INC., A Nevada  
14 corporation; ALEX PENLY; STUART M.  
15 WARREN; PRIVATE JET SERVICES,  
16 INC., a Nevada corporation; MILT'S  
EAGLE, LLC, a Nevada limited liability  
company and DOES I-X, inclusive.

17 Defendants.

Case No.: 07A546250  
Dept. No.: XI

**AFFIDAVIT OF RENEWAL OF  
JUDGMENT**

18  
19 I, Milton J. Woods, hereby affirm the following:

20 1. On January 20, 2016, a Judgment was entered in the above-entitled Court in favor  
21 of Milton J. Woods ("Plaintiff/Judgment Creditor"), against Eagle Jet Aviation, Inc.,  
22 Defendant/Judgment Debtor ("Eagle Jet"), in amount of \$111,750.00 (the "Judgment"). *See*  
23 Judgment attached hereto as Exhibit 1 and incorporated herein. Post-judgment interest accrues  
24 on the Judgment per the terms of the Judgment itself.

25 2. The Judgment was recorded in the Clark County Recorder's Office on February  
26 1, 2016, as Instrument No. 20160201-0002431. *See* recorded Judgment, attached hereto as  
27 Exhibit 2, and incorporated herein.

28 3. Eagle Jet has not made any payments on the Judgment.



1           4.     To date, Plaintiff/Judgment Creditor has not collected any amounts from Eagle Jet  
2 in relation to the Judgment.

3           5.     There are no set-offs or counterclaims in favor of Eagle Jet.

4           6.     There is no outstanding writ of execution for enforcement of the Judgment.

5           7.     The legal interest accrued on the Judgment commencing on August 15, 2007  
6 through January 7, 2022 totals \$ 95,963.02, and is calculated as follows:

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8           01/01/2008 - 06/30/2008 \$ 5,140.19(182 days @ \$28.24/daily @ 9.250%/year)

9           07/01/2008 - 12/31/2008 \$ 3,932.62(184 days @ \$21.37/daily @ 7.000%/year)

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16          01/01/2012 - 06/30/2012 \$ 2,917.41(182 days @ \$16.03/daily @ 5.250%/year)

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24          01/01/2016 - 06/30/2016 \$ 3,056.33(182 days @ \$16.79/daily @ 5.500%/year)

25          07/01/2016 - 12/31/2016 \$ 3,089.92(184 days @ \$16.79/daily @ 5.500%/year)

26          01/01/2017 - 06/30/2017 \$ 3,186.41(181 days @ \$17.60/daily @ 5.750%/year)

1 07/01/2017 - 12/31/2017 \$ 3,520.89(184 days @ \$19.14/daily @ 6.250%/year)

2 01/01/2018 - 06/30/2018 \$ 3,602.02(181 days @ \$19.90/daily @ 6.500%/year)

3 07/01/2018 - 12/31/2018 \$ 3,943.40(184 days @ \$21.43/daily @ 7.000%/year)

4 01/01/2019 - 06/30/2019 \$ 4,156.18(181 days @ \$22.96/daily @ 7.500%/year)

5 07/01/2019 - 12/31/2019 \$ 4,225.07(184 days @ \$22.96/daily @ 7.500%/year)

6 01/01/2020 - 06/30/2020 \$ 3,750.95(182 days @ \$20.61/daily @ 6.750%/year)

7 07/01/2020 - 12/31/2020 \$ 2,949.47(184 days @ \$16.03/daily @ 5.250%/year)

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9 07/01/2021 - 12/31/2021 \$ 2,957.55(184 days @ \$16.07/daily @ 5.250%/year)

10 01/01/2022 – 01/07/2022 \$ 112.49(7 days @ \$16.07/daily @ 5.250%/year)

11  
12 8. The sum total of the judgment currently due, inclusive of interest through January  
13 7, 2022 is \$207,713.02.

14 9. The last known address for Eagle Jet Aviation, Inc. is as follows:  
15 c/o Alex Penly, Director, 1287 Rolling Sunset Street, Henderson, Nevada 89052;  
16 c/o Alan Sklar, Registered Agent, 410 S. Rampart Blvd., Ste. 350, Las Vegas,  
17 Nevada 89145.

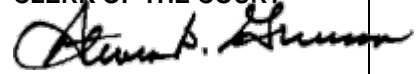
18 I declare under penalty of perjury under the laws of the State of Nevada that the foregoing  
19 is true and correct.

20 Executed this 7<sup>th</sup> day of January, 2022.

21  
22 \_\_\_\_\_  
Milton J. Woods

23 (No Notary Per NRS 53.045)

# EXHIBIT I



**CSERV**  
**MARK J. CONNOT (10010)**  
**FOX ROTHSCHILD LLP**  
1980 Festival Plaza Drive, Suite 700  
Las Vegas, Nevada 89135  
(702) 262-6899 tel  
(702) 597-5503 fax  
mconnot@foxrothschild.com  
*Attorneys for Plaintiffs*

**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

MILTON J. WOODS and CIRBUS  
AVIATION SERVICES, INC., a  
Washington corporation,

Plaintiffs,

vs.

EAGLE JET AVIATION, INC., A Nevada  
corporation; ALEX PENLY; STUART M.  
WARREN; PRIVATE JET SERVICES,  
INC., a Nevada corporation; MILT'S  
EAGLE, LLC, a Nevada limited liability  
company and DOES I-X, inclusive.

Defendants.

Case No.: 07A546250  
Dept. No.: 27

**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify under penalty of perjury that I am an employee of Fox Rothschild LLP, that on the 10<sup>th</sup> day of January, 2022, I served copies of the following Affidavits of Renewal of Judgment filed in the above action on January 7, 2022, by United States Certified Mail/Return Receipt Requested as set forth below:

Affidavit of Renewal of Judgment – Cirrus Aviation Inc. - \$ 80,000.00  
Affidavit of Renewal of Judgment – Cirrus Aviation Inc. - \$ 1,500,000.00  
Affidavit of Renewal of Judgment – Milton Woods - \$ 80,000.00

To:  
Alex Penly  
287 Rolling Sunset Street  
Henderson, NV 89052

Affidavit of Renewal of Judgment – Milton Woods - \$111,750.00

To:

Alex Penly, Director  
Eagle Jet Aviation, Inc.  
1287 Rolling Sunset Street  
Henderson, NV 89052

Alan Sklar, Registered Agent  
Eagle Jet Aviation, Inc.  
410 S. Rampart Blvd., Ste. 350  
Las Vegas, NV 89145

/s/ Doreen Loffredo

An Employee of Fox Rothschild LLP

# **EXHIBIT J**

35

Inst #: 20160126-0003490

Fees: \$51.00

N/C Fee: \$0.00

01/26/2016 03:24:06 PM

Receipt #: 2667077

Requestor:

XPEDIENT RUNNER SERVICE INC

Recorded By: SHAWA Pgs: 35

DEBBIE CONWAY

CLARK COUNTY RECORDER

APN#

11 digit number may be obtained at:  
<http://sandgate.co.clark.nv.us/cicsAssessor/owner.htm>

## JUDGMENT

### Type of Document

(Example: Declaration of Homestead, Quit Claim Deed, etc.)

Recording requested by:

Gus W. Flangas, Esq.

Return to:

Name FLANGAS DALACAS LAW GROUP

Address 3275 So. Jones Blvd., Suite 105

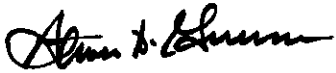
City/State/Zip Las Vegas, Nevada 89146

This page added to provide additional information required by NRS 111.312 Sections 1-2  
(An additional recording fee of \$1.00 will apply.)

This cover page must be typed or printed clearly in black ink only.

CS12/03





CLERK OF THE COURT

1 **JUDG**  
2 GUS W. FLANGAS, ESQ.  
3 Nevada Bar No. 004989  
4 [gwf@fdlawlv.com](mailto:gwf@fdlawlv.com)  
5 **FLANGAS MCMILLAN LAW GROUP**  
6 3275 South Jones Blvd., Suite 105  
7 Las Vegas, Nevada 89146  
8 Telephone: (702) 307-9500  
9 Facsimile: (702) 382-9452  
10 *Attorney for Plaintiffs*

11 **DISTRICT COURT**  
12 **CLARK COUNTY, NEVADA**

13 MILTON J. WOODS, and CIRRUS  
14 AVIATION SERVICES, INC., a Washington  
15 Corporation,

16 Plaintiffs,

17 vs.

18 EAGLE JET AVIATION, INC., a Nevada  
19 Corporation; ALEX PENLY, and STUART  
20 M. WARREN; PRIVATE JET SERVICES, INC.,  
21 a Nevada Corporation; MILT'S EAGLE, LLC, a  
22 Nevada Limited Liability Company; and  
23 DOES I-X, inclusive,

24 Defendants.

Case No.: A546250  
Dept No.: XXVII

**JUDGMENT**

25 THIS MATTER came on for Binding Arbitration on August 14, 15, 20, 21, 22, 28;  
26 September 3, 12, 15, 18; October 3, 15, 28, 29; November 3, 4, 24; and December 8, 9, 10, of 2014.

27 A written Arbitration Award in this matter was rendered on January 27, 2015. The Arbitration  
28 Award was confirmed in a Hearing held on April 29, 2015 at 9:30 a.m., and an Order Confirming  
Arbitration Award was entered on September 18, 2015.

Thereafter, there was a Hearing before this Court on June 15, 2015, on  
Defendants/Counterclaimants' Motion to Modify or Correct Arbitration Award and Motion to  
Vacate Arbitration Award, wherein the Court denied said Motions in an Order entered on September  
18, 2015.

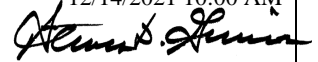
///

<input type="checkbox"/> Voluntary Dismissal	<input type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input checked="" type="checkbox"/> Judgment of Arbitration





# **EXHIBIT K**

  
CLERK OF THE COURT

1 **AMOR**

2 **DISTRICT COURT**  
3 **CLARK COUNTY, NEVADA**

4 \* \* \* \*

CASE NO.: 07A546250

5 MILTON J. WOODS and CIRRUS  
6 AVIATION SERVICES, INC., a  
7 Washington corporation,

DEPARTMENT 27

8 Plaintiffs,

9 vs.

10 EAGLE JET AVIATION, INC., A Nevada  
11 corporation; ALEX PENL Y; STUART M.  
12 WARREN; PRIVATE JET SERVICES,  
13 INC., a Nevada corporation; MILT'S  
14 EAGLE, LLC, a Nevada limited liability  
company and DOES I-X, inclusive.

Defendant(s).

15 **AMENDED ORDER**

16  
17 On August 25, 2021, a hearing was held before the Court on Defendant Motion to  
18 Remove Judgment Filing against Homestead Property. The Motion was GRANTED IN PART,  
19 DENIED IN PART; Mr. Penley has the right to sell his house, that any proceeds would be held  
20 in escrow to see if Mr. Penley can satisfy the statute, and Court will prepare the order. On  
21 October 21, 2021, Defendant Alex Penly filed a Motion to Reconsider the Court's prior ruling on  
22 Defendant's Motion to Remove Judgment Filing against Homestead Property. On December 8,  
23 2021, the Court denied the Motion to Reconsider.

24  
25 The Court accordingly sua sponte reconsiders its prior ruling and holds accordingly.

26 **ORDER GRANTING SUA SPONTE MOTION FOR RECONSIDERATION**

27 **COURT FINDS** after review that this matter came before the Court on Defendant Alex  
28 Penley's Motion to Reconsideration.

1           **COURT FURTHER FINDS** after review that based upon a full review of the pleadings,  
2 evidence, and the Sua Sponte powers of the Court:

3  
4           **COURT FURTHER FINDS** after review that pursuant to EDCR 2.24(c):

5           If a motion for rehearing is granted, the court may make a final disposition of the cause  
6 without reargument or may reset it for reargument or resubmission or may make such  
other orders as are deemed appropriate under the circumstances of the particular case.

7           **COURT FURTHER FINDS** after review that a district court may reconsider a  
8 previously decided issue if substantially different evidence is subsequently introduced or the  
9 decision is clearly erroneous. *Masonry & Tile Contractors Ass'n of S. Nevada v. Jolley, Urga &*  
10 *Wirth, Ltd.*, 113 Nev. 737, 741, 941 P.2d 486, 493 (1997). Reconsideration or rehearing of prior  
11 rulings is the exception, not the rule. "Only in very rare instances in which new issues of fact or  
12 law are raised supporting a ruling contrary to the ruling already reached should a motion for  
13 rehearing be granted." *Moore v. City of Las Vegas*, 92 Nev. 402, 405, 551 P.2d 244, 246 (1976).  
14 Furthermore, a motion for reconsideration is not granted as a matter of right, nor is it allowed for  
15 the purpose of re-argument, unless there is reasonable probability that the Court may have  
16 arrived at an erroneous conclusion. *Geller v. McCowan*, 64 Nev. 106, 108, 178 P.2d 380, 381  
17 (1947).  
18  
19

20           **COURT FURTHER FINDS** after review that an abstract judgment lien cannot attach to  
21 fully exempt homestead property. Liens only attach to real property of the judgment debtor not  
22 exempt from execution. *Contrevo v. Mercury Fin. Co.* 123 Nev. 20, 21, 153 P.3d 652, 652  
23 (2007).  
24

25           **COURT FURTHER FINDS** after review that pursuant to NRS 115.010(2):

26  
27           The exemption provided in subsection 1 extends only to that amount of equity in the  
28 property held by the claimant which does not exceed \$605,000 in value, unless allodial  
title has been established and not relinquished, in which case the exemption provided in

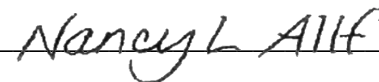
1 subsection 1 extends to all equity in the dwelling, its appurtenances and the land on  
2 which it is located.

3 **COURT FURTHER FINDS** after review that the abstract is void as to the exempt part  
4 of the equity, which under Nevada's current homestead law is \$605,000. Since the Defendant  
5 value does not exceed \$605,000 in equity, the abstract of judgment does not attach and he can  
6 sell the property. In the event of a sale, the title company should remit any proceeds in excess of  
7 \$605,000 for the benefit of the judgment creditor.

8  
9 **THEREFORE, COURT ORDERS** for good cause appearing and after review upon  
10 reconsideration that the Sua Sponte Motion for Reconsideration is hereby **GRANTED** pursuant  
11 to EDCR 2.24(c) and NRS 115.010.

12  
13  
14 December 14, 2021

15  
16  
17 Dated this 14th day of December, 2021

18 

19  
20 8DA 729 AFBB 0F1A  
21 Nancy Allf  
22 District Court Judge

23 TW

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**CERTIFICATE OF SERVICE**

I hereby certify that on or about the date signed I caused the foregoing document to be electronically served pursuant to EDCR 8.05(a) and 8.05(f) through the Eighth Judicial District Court's electronic filing system, with the date and time of the electronic service substituted for the date and place of deposit in the mail to

\_\_\_\_\_/s/\_\_\_\_\_  
Karen Lawrence  
Judicial Executive Assistant

1 **CSERV**

2  
3 DISTRICT COURT  
4 CLARK COUNTY, NEVADA

5  
6 Milton Woods, Cirrus Aviation  
7 Services Inc

CASE NO: 07A546250

8 vs

DEPT. NO. Department 27

9 Eagle Jet Aviation Inc, Alex  
10 Penley, et al

11 **AUTOMATED CERTIFICATE OF SERVICE**

12  
13 This automated certificate of service was generated by the Eighth Judicial District  
14 Court. The foregoing Amended Order was served via the court's electronic eFile system to  
all recipients registered for e-Service on the above entitled case as listed below:

15 Service Date: 12/14/2021

16 Kevin Sutehall	ksutehall@foxrothschild.com
17 Christopher Reade .	creade@premierlegalgroup.com
18 Gus W. Flangas .	gwf@fdlawlv.com
19 Jacque Magee .	jmagee@foxrothschild.com
20 Jay A. Shafer .	jshafer@premierlegalgroup.com
21 Kevin Sutehall .	ksutehall@foxrothschild.com
22 Mark C. Fields .	fields@markfieldslaw.com
23 Mark Connot .	mconnot@foxrothschild.com
24 Michelle Choto .	MChoto@enensteinlaw.com
25 Monica Metoyer .	mmetoyer@foxrothschild.com
26	
27	
28	

1 Robert A. Rabbat . RRabbat@enensteinlaw.com

2 Alex Penly alexpenly@msn.com

3 Mark Connot mconnot@foxrothschild.com

4 Doreen Loffredo dloffredo@foxrothschild.com

6  
7 If indicated below, a copy of the above mentioned filings were also served by mail  
8 via United States Postal Service, postage prepaid, to the parties listed below at their last  
9 known addresses on 12/15/2021

9 Milt's Eagle LLC 8363 W Sunset RD STE 300  
10 Las Vegas, NV, 89113

10 Adam Graff Premier Legal Group  
11 Attn: Adam Graff  
12 1333 North Buffalo Drive - Suite 210  
13 Las Vegas, NV, 89128

13 Mark Fields Law Offices of Mark C. Fields, APC  
14 Attn: Mark Fields, Esq  
15 333 South Grand Avenue, Suite 3400  
16 Los Angeles, CA, 90071

16 Robert Rabbat Enenstein Pham & Glass  
17 c/o: Robert A. Rabbat  
18 11920 Southern Highlands Pkwy., Suite 103  
19 Las Vegas, NV, 89141

19 Robert Reade Cory Reade Dows and Shafer  
20 Attn: R. Christopher Reade, Esq  
21 1333 North Buffalo Drive, Suite 210  
22 Las Vegas, NV, 89128

22 Stuart Warren 7100 Hayvenhurst AVE STE 320  
23 Van Nuys, CA, 91406

# **EXHIBIT L**



Search Criteria - ParcelNumber: 191-02-519-003, Filter: StartsWith, From Date: 4/3/1905, To Date: 1/21/2022, Doc Type:  
All

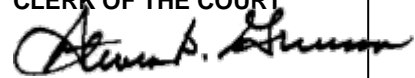
Parcel #	First Party Name	First Cross Party Name	# Pages	Instrument#	Document Type	Modifier	Record Date	Legal Description	Total Value
191-02-519-003	MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC	US BANK TRUST NATIONAL ASSOCIATION	2	202105200000383	ASSIGNMENT		05/20/2021		\$0.00
191-02-519-003	MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC	FV-I INC	2	202005270000242	ASSIGNMENT		05/27/2020		\$0.00
191-02-519-003	WESTERN ALLIANCE BANK	MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC	2	202005270000241	ASSIGNMENT		05/27/2020		\$0.00
191-02-519-003	PENLY, ALEX	WESTERN ALLIANCE BANK	4	201503260002924	REQUEST NOTICE		03/26/2015		\$0.00
191-02-519-003	HENDERSON CITY	PENLY, ALEXANDER	1	201503110004755	LIEN	RELEASE	03/11/2015		\$0.00
191-02-519-003	WALSH, HILLARY		2	201308150000788	AFFIDAVIT		08/15/2013		\$0.00
191-02-519-003	EAGLE JET AVIATION	MORRIS LAW GROUP	3	201308150000787	JUDGMENT		08/15/2013		\$0.00
191-02-519-003	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	PENLY, ALEXANDER W	2	201210020003947	DEFAULT	RESCISSION	10/02/2012		\$0.00
191-02-519-003	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	PENLY, ALEXANDER W	2	201210020003946	LIEN	RELINQUISH	10/02/2012		\$0.00
191-02-519-003	PENLY, ALEXANDER W	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	3	201209050002634	NOTICE	SALE	09/05/2012		\$0.00
191-02-519-003	PENLY, ALEX	BANK OF NEVADA	6	201206060002552	AGREEMENT	MODIFY	06/06/2012		\$

191-02-519-003	MILT'S EAGLE LLC	WEBSTER CAPITAL FINANCE INC	4	201205310003996	ORDER	JUDGMENT	05/31/2012		\$0.00
191-02-519-003	TD SERVICE COMPANY	PENLY ALEX	2	201204020000475	DEFAULT	RESCISSION	04/02/2012		\$0.00
191-02-519-003	BANK OF NEVADA	PENLY, ALEXANDER W	3	201108220000202	SUBSTITUTION/RECONVEYANCE		08/22/2011		\$0.00
191-02-519-003	PENLY, ALEX	TD SERVICE COMPANY	2	201106300002863	DEFAULT & ELECTION TO SELL		06/30/2011		\$0.00
191-02-519-003	PENLY, ALEXANDER		2	201105160003339	HOMESTEAD		05/16/2011		\$0.00
191-02-519-003	PENLY, ALEXANDER W	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	3	201103110000340	DEFAULT		03/11/2011		\$0.00
191-02-519-003	TD SERVICE COMPANY	PENLY, ALEX	2	201101070002254	DEFAULT	RESCISSION	01/07/2011		\$0.00
191-02-519-003	PENLY, ALEX	TD SERVICE COMPANY	3	201012140000106	NOTICE OF TRUSTEE SALE		12/14/2010		\$0.00
191-02-519-003	PENLY, ALEX	TD SERVICE COMPANY	1	201012020000603	CERTIFICATE FORECLOSURE MEDIATION NEVADA		12/02/2010		\$0.00
191-02-519-003	BANK OF NEVADA	TD SERVICE COMPANY	2	201009170002855	SUBSTITUTION	TRUSTEE	09/17/2010		\$0.00
191-02-519-003	PENLY, ALEX	TD SERVICE COMPANY	2	201009100002853	DEFAULT & ELECTION TO SELL		09/10/2010		\$0.00
191-02-519-003	PENLY, ALEXANDER W	SEVEN HILLS MASTER COMMUNITY ASSOCIATION	2	201009080003778	LIEN		09/08/2010		\$0.00
191-02-519-003	PENLY, ALEX	LOWER, RYAN	2	200912180003423	AFFIDAVIT		12/18/2009		\$0.00
191-02-519-003	EAGLE JET AVIATION	PETERSON, MORRIS	3	200912180003422	JUDGMENT		12/18/2009		\$

191-02-519-003	FIRST AMERICAN TITLE INSURANCE COMPANY	PENLY, ALEXANDER W	3	200805080000427	SUBSTITUTION/RECONVEYANCE		05/08/2008	APN 191-02-519-003	\$0.00
191-02-519-003	PENLY, ALEX	BANK OF NEVADA	19	200804070002662	DEED OF TRUST		04/07/2008	APN 191-02-519-003	\$0.00
191-02-519-003	PENLY, ALEXANDER W	PENLY, ALEXANDER	4	200804070002661	DEED		04/07/2008	APN 191-02-519-003	\$0.00
191-02-519-003	PENLY, ALEXANDER W	BANK OF NEVADA	16	200703200001266	DEED OF TRUST		03/20/2007	APN 191-02-519-003	\$0.00
191-02-519-003	FIDELITY NATIONAL TITLE AGENCY OF NEVADA INC	PENLY, ALEXANDER W	2	200505170001448	RECONVEYANCE		05/17/2005	APN 191-02-519-003	\$0.00
191-02-519-003	BANKWEST OF NEVADA	BANKWEST OV NEVADA	4	200412010005479	REQUEST NOTICE		12/01/2004	APN 191-02-519-003	\$0.00
191-02-519-003	PENLY, ALEXANDER W	BANKWEST OF NEVADA	19	200412010005477	DEED OF TRUST		12/01/2004	APN 191-02-519-003	\$0.00
191-02-519-003	LAWYERS TITLE OF NEVADA INC	PENLY, ALEXANDER W	1	200411170004038	RECONVEYANCE		11/17/2004	APN 191-02-519-003	\$0.00
191-02-519-003	PENLY, ALEXANDER W	BANKWEST OF NEVADA	26	200409150003961	DEED OF TRUST		09/15/2004	APN 191-02-519-003	\$0.00
191-02-519-003	PENLY, KAREN L	PENLY, ALEXANDER W	3	200409150003960	DEED		09/15/2004	APN 191-02-519-003	\$0.00
191-02-519-003	CTC REAL ESTATE SERVICES	MORRISON, CORRIE	1	200401150000854	RECONVEYANCE		01/15/2004	APN 191-02-519-003	\$0.00
191-02-519-003	CTC REAL ESTATE SERVICES	MORRISON, CORRIE	1	200401120001897	RECONVEYANCE		01/12/2004	APN 191-02-519-003	\$0.00
191-02-519-003	PENLY, ALEXANDER W	BANKWEST OF NEVADA	11	200312170001971	DEED OF TRUST		12/17/2003	APN 191-02-519-003	\$0.00

191-02-519-003	MORRISON, CORRIE	PENLY, ALEXANDER W	4	200312170001970	DEED		12/17/2003	APN 191-02-519-003	\$415,000.00
191-02-519-003	MORTGAGE ELECTRONIC REGISTRATION SY	NONE SHOWN	1	200208190003177	SUBSTITUTION/RECONVEYANCE		08/19/2002	APN 191-02-519-003	\$0.00
191-02-519-003	CONSECO BANK INC	TAYLOR, ALICIA	1	200208060002665	SUBSTITUTION/RECONVEYANCE		08/06/2002	APN 191-02-519-003	\$0.00
191-02-519-003	MORTGAGE ELECTRONIC REGISTRATION SY	NONE SHOWN	1	200207230002993	SUBSTITUTION/RECONVEYANCE		07/23/2002	APN 191-02-519-003	\$0.00
191-02-519-003	MORRISON, CORRIE	CONSECO FINANCE SERVICING CORP	3	200205310002678	AGREEMENT	Subordinate	05/31/2002	APN 191-02-519-003	\$0.00
191-02-519-003	MORRISON, CORRIE	MORTGAGE ELECTRONIC REGISTRATION SY	5	200205310002677	AGREEMENT	Subordinate	05/31/2002	APN 191-02-519-003	\$0.00
191-02-519-003	MORRISON, CORRIE	COUNTRYWIDE HOME LOANS INC	19	200205310002676	DEED OF TRUST		05/31/2002	APN 191-02-519-003	\$0.00
191-02-519-003	MORRISON, CORRIE	TO WHOM IT MAY CONCERN	1	200109180001352	HOMESTEAD		09/18/2001	APN 191-02-519-003	\$0.00
191-02-519-003	MORRISON, CORRIE	CONSECO BANK INC	7	200105240002475	DEED OF TRUST		05/24/2001	APN 191-02-519-003	\$0.00
191-02-519-003	MORRISON, CORRIE	MORTGAGE ELECTRONIC REGISTRATION SY	5	200104160001312	TRUST DEED/REQUEST NOTICE		04/16/2001	APN 191-02-519-003	\$0.00
191-02-519-003	MORRISON, CORRIE	NEW FREEDOM MORTGAGE CORPORATION	19	200104160001311	DEED OF TRUST		04/16/2001	APN 191-02-519-003	\$0.00
191-02-519-003	KIMBALL HILLS HOMES NEVADA INC	MORRISON, CORRIE	2	200104160001310	DEED		04/16/2001	APN 191-02-519-003	\$267,363.00
191-02-519-003	KIMBALL HILL HOMES NEVADA INC	NONE SHOWN	1	200104160001309	NOTICE	Completion	04/16/2001	APN 191-02-519-003	\$0.00





**RPLY**  
MARK J. CONNOT (10010)  
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(702) 262-6899 tel  
(702) 597-5503 fax  
mconnot@foxrothschild.com  
*Attorneys for Plaintiffs*

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

MILTON J. WOODS and CIRRUS  
AVIATION SERVICES, INC., a Washington  
Corporation,

Plaintiffs,

v.

EAGLE JET AVIATION, INC., a Nevada  
Corporation; ALEX PENLY; STUART M.  
WARREN; PRIVATE JET SERVICES, INC.,  
a Nevada Corporation; MILT'S EAGLE,  
LLC, a Nevada Limited Liability Company;  
and Does I-X, inclusive,

Defendants.

Case No. 07A546250  
Dept. No. 27

**REPLY IN SUPPORT OF AFFIDAVIT(S)  
FOR RENEWAL OF JUDGMENT**

MILTON J. WOODS and CIRRUS AVIATION SERVICES, INC., by and through their  
attorney MARK J. CONNOT of FOX ROTHSCHILD, LLP, herewith respectfully reply to the  
Opposition to the Affidavit(s) of Renewal of Judgment filed by defendant Alex Penly  
("defendant") herein. This Reply is limited to matters raised in the Opposition and is primarily  
based upon defendant's misunderstanding of the relevant statutes, procedures, and factual events.

1 This Reply is made and based on the following Memorandum of Points and Authorities, all of the  
2 pleadings and papers on file herein, and the arguments of counsel at any hearing on this matter.

### 3 **MEMORANDUM OF POINTS AND AUTHORITIES**

#### 4 **1. INTRODUCTION**

5 During these proceedings, plaintiffs have consistently demonstrated a concerted effort to  
6 timely comply with all relevant statutes, filing deadlines, court orders, and matters in this case.

7 Despite this fact, defendant chose to consume this court's valuable time by filing a barely  
8 cogent Opposition Motion – one riddled with spelling errors, improper citations, and numerous  
9 factual inconsistencies – in order to make threadbare allegations that plaintiffs have failed to  
10 comply with numerous Nevada statutes in submitting its Affidavit for Renewal of Judgment.  
11 These unfounded allegations of violations are easily disproved upon an examination of the record  
12 and a plain reading of the relevant statutes.

#### 13 **2. LEGAL AUTHORITY AND ARGUMENT**

14 This memorandum will address defendant's contentions in the order they were raised in  
15 defendant's Opposition. Generally, each allegation made by defendant centers upon a perceived  
16 defect in plaintiffs' Affidavit for Renewal of Judgment. Each allegation proves meritless.

##### 17 a. Plaintiffs complied with NRS 17.214 (1)(a)(2)

18 First, defendant alleges that plaintiffs violated NRS 17.214(1)(a)(2) because in its  
19 Affidavit, "plaintiffs failed to state that there is a recording at the recorder's office." *Defendant's*  
20 *Opposition at 5*. The cited code section states that an affidavit filed with the clerk of the court  
21 where the judgment is entered and docketed "must be titled as an 'Affidavit of Renewal of  
22 Judgment' and must specify [if recorded]: the name of the county and the document number or  
23 the number and the page of the book in which it is recorded." NRS 17.214(1)(a)(2).  
24  
25  
26  
27  
28

1 Contrary to defendant's contention, plaintiffs complied with this code section to the letter  
2 by 1) listing the name of the county and/or 2) recorded judgment's document number and page.  
3 Plaintiffs' Affidavit for Renewal of Judgment states that "the judgment was recorded in the Clark  
4 County Recorder's office" as "Instrument No. 20160201-0002431." *Affidavit at 1*. This excerpt  
5 demonstrates plaintiffs' compliance with the requirements of NRS 17.214(1)(a)(2).  
6

7 b. Plaintiffs complied with NRS 17.214 (1)(a)(3)

8 Next, defendant alleges that plaintiffs violated NRS 17.214(1)(a)(3). This code section  
9 states that an affidavit filed with the clerk of the court where the judgment is entered and  
10 docketed must specify "the date and the amount of the judgment and the number and page of the  
11 docket in which it is entered." NRS 17.214(1)(a)(3). Defendant believes plaintiffs erred under  
12 this rule because "Gus Flangas had already made the appropriate filing in the record at the  
13 Recorder's Office" therefore making Fox Rothschild's judgment filed on February 1<sup>st</sup>, 2016  
14 "void." *Opposition at 6*. In reality, defendant's argument about the prior recording has no  
15 bearing on plaintiffs' compliance with the statute and is therefore moot.  
16

17 In the Affidavit, plaintiffs correctly specified that a judgment was entered "on January 20,  
18 2016" in the amount of "111,750.000" in Instrument No. 20160201-0002431. *Affidavit at 1*.  
19 Thus, plaintiffs properly specified the date, amount, and docket information relating to the  
20 judgment. By including this information in its Affidavit, plaintiffs explicitly complied with NRS  
21 17.214(1)(a)(3).  
22

23 c. Plaintiffs complied with NRS 17.214 (1)(a)(6)

24 Defendant next alleges that plaintiffs violated NRS 17.214(1)(a)(6) by "failing to  
25 acknowledge the court order" from December 14, 2021. *Opposition at 6*. The cited code section  
26 states that the Affidavit must specify "whether there are any setoffs or counterclaims in favor of  
27 the judgment debtor and the amount or, if a setoff or counterclaim is unsettled or undetermined it  
28

1 will be allowed as payment or credit on the judgment.” NRS 17.214(1)(a)(6). The order at issue  
2 merely addressed defendant’s rights to avoid execution of a homestead under the Nevada  
3 homestead exemption. Nothing in that order has any bearing on the content requirements of  
4 plaintiffs’ Affidavit.

5  
6 The Affidavit states that “there are no setoffs or counterclaims in favor of Eagle Jet”  
7 because defendant’s exempt property is not a setoff; rather, a portion of its value is merely  
8 exempt from being executed upon. Defendant is mistaken as to the legal meaning of the term  
9 “setoff” and erroneously believes it applies to exempt equity in homestead property. In actuality,  
10 a setoff as applied to NRS 17.214 is an equitable remedy and a counterclaim that functions as “a  
11 doctrine used to extinguish the mutual indebtedness of parties who each owe a debt to one  
12 another.” *Aviation Ventures, Inc. v. Joan Morris, Inc.*, 121 Nev. 113, 120 (2005). Defendant  
13 mistakenly believes that this legal term of art applies to any type of property that is exempt from  
14 the judgment that he must fulfill to plaintiffs.

15  
16 Thus, the fact that the December 14<sup>th</sup> order is not referenced in the Affidavit is because  
17 that order has no bearing on the Affidavit for Renewal of Judgment. Plaintiffs complied with  
18 NRS 17.214 1(a)(6) in its Affidavit despite the fact that the Affidavit does not mention a Court  
19 order that has no bearing on any issue in regard to renewing the judgment.

20  
21 d. Plaintiffs complied with NRS 17.214 (1)(a)(8)

22 Defendant next alleges that plaintiffs violated NRS 17.214 (1)(a)(8). This code section  
23 states that the filed affidavit must specify “if the judgment was docketed by the clerk of the court  
24 upon a certified copy from any other court, and an abstract recorded with the county clerk, the  
25 name of each county in which the transcript has been docketed and the abstract recorded.” NRS  
26 17.214 (1)(a)(8). Defendant makes this contention because plaintiffs allegedly failed “to  
27  
28



1 acknowledge prior recording in affidavits,” thereafter attaching the prior recording as Exhibit J.  
2 *Opposition at 6.*

3 Defendant’s allegation is based on his misinterpretation of the statute. The statute does  
4 not require a list of each transcript recorded within the same county – only in different counties.  
5 The ‘prior recording’ that defendant references as Exhibit J, Instrument No. 20160126-0003490,  
6 filed in Clark County on January 26, 2016 in Dept. 27. This prior recording is from Clark  
7 County. In plaintiffs’ Affidavit, they stated the fact that “the Judgment was recorded in the Clark  
8 County Recorder’s Office on February 1, 2016, as Instrument No. 20160201-0002431.” *Affidavit*  
9 *at 2.* The recording that plaintiffs referenced in the Affidavit is from Clark County in Dept. 27,  
10 which is from the same county as well as from the same court. Therefore, plaintiffs were not  
11 required to include reference to the ‘prior affidavit’ under the statute. Plaintiffs’ reference to the  
12 February 1, 2016 recording in its Affidavit for Renewal of Judgment constituted full compliance  
13 with NRS. 214 (1)(a)(8).  
14

15  
16 e. Plaintiffs complied with NRS 17.214 (1)(a)(9)

17 Defendant next alleges that plaintiffs failed to comply with NRS 17.214 (1)(a)(9). This  
18 section states that an outstanding judgment creditor’s affidavit must include “any other fact or  
19 circumstance *necessary* to a complete disclosure of the exact condition of the judgment.” NRS  
20 17.214 (1)(a)(9). Defendant makes this allegation because “plaintiff failed to acknowledge,  
21 remark or even mention the prior recording by Gus Flangas and therefore has precluded the  
22 public, without in-depth research to conclude, these are the same judgments.” *Opposition at 6.*  
23 Defendant’s argument is unfounded because the mention of Gus Flangas’ prior recording is not  
24 ‘necessary’ to a complete disclosure of the condition of the judgment. Plaintiffs did include  
25 information that was necessary to disclosure of the ‘condition’ of the judgment by stating the  
26 “sum total of the judgment currently due.” *Affidavit at 3.* The statute did not provide plaintiffs  
27  
28

1 with any statutory obligation to provide mention of Gus Flangas' prior recording in its Affidavit  
2 for Renewal. As such, plaintiffs are not in violation of NRS 17.214 (1)(a)(9).

3 f. Plaintiffs complied with NRS 17.214 (1)(b)

4 Defendant next alleges that plaintiffs violated NRS 17.214 1(b) which states that a  
5 judgment creditor may renew an outstanding judgment that is recorded by "recording the affidavit  
6 of renewal in the office of the county recorder in which the original judgment is filed within 3  
7 days after the affidavit of renewal is filed pursuant to paragraph (a)." NRS 17.214 1(b).  
8 Defendant states that plaintiffs are in violation because plaintiffs "have not renewed the judgment  
9 in question as they failed to renew the originally filed Judgment." *Opposition at 6.*

10 Defendant is under the mistaken impression that this code section requires the recording  
11 of the affidavit of renewal with the original filing of the judgment. However, the statute merely  
12 states that the judgment creditor merely needed to renew the judgment in the same office of the  
13 county recorder where the original judgment was filed. The original judgment was filed in Clark  
14 County. Plaintiffs filed the renewal of judgment in Clark County as well. Therefore, plaintiffs  
15 complied with NRS 17.214 1(B).

16 g. Plaintiffs complied with the three-day requirement of NRS. 17.214 (1)(b)(3) by  
17 timely serving Defendant with the Affidavit of Renewal of Judgment.

18 Defendant next contends that plaintiffs failed to comply with NRS 17.214 (1)(b)(3)'s  
19 three-day rule for service of an affidavit for judgment renewal. However, this contention is  
20 incorrect upon an examination of the factual record.

21 Pursuant to Nevada Rule of Civil Procedure ("NRCP") 5(b), on January 10<sup>th</sup>, 2022, Fox  
22 Rothschild served copies of the following Affidavits of Renewal of Judgment filed in this matter  
23 on January 7, 2022, by United States Certified Mail/Return Receipt Requested as set forth below  
24 to Alex Penly, Director and Alan Sklar, Registered Agent:

1 Affidavit of Renewal of Judgment – Cirrus Aviation Inc. - \$ 80,000.00

2 Affidavit of Renewal of Judgment – Cirrus Aviation Inc. - \$ 1,500,000.00

3 Affidavit of Renewal of Judgment – Milton Woods - \$ 80,000.00

4 Thereafter, the Certificate of Service was properly Electronically Filed on January 11, 2022 at  
5 3:49 PM by the Clerk of the Court. Overall, the facts demonstrate plaintiffs’ strict compliance  
6 with the statute by properly and timely mailing notice to defendant.  
7

8 *i. Service was complete upon the act of mailing the paper to defendant.*

9 NRCP 5(B) governs service in general for pleadings and other papers. Since ‘pleadings  
10 and other papers’ includes affidavits, its provisions defining ‘service’ are applicable to the service  
11 of affidavit papers mandated by NRS 17.214. NRCP 5(B)(2) states that, *inter alia*, “a paper is  
12 served under this rule by (c) mailing it to the person's last known address--in which event service  
13 is complete upon mailing.” NRCP 5(B)(2)(c).  
14

15 Here, plaintiffs’ agent inserted a parcel of mail containing Affidavit into a postal office  
16 drop box on January 10<sup>th</sup>, 2022. This means that service was complete upon the ‘mailing’ of the  
17 item. The item was mailed on January 10<sup>th</sup>, which fell within the three-day period which began  
18 on January 7<sup>th</sup>. Thus, the statutory directive of the three-day rule within NRS 17.214 was strictly  
19 followed to the letter. It is irrelevant that the mailed parcel was neither accepted nor processed  
20 until January 11<sup>th</sup> because the service of the affidavit had been ‘complete upon mailing’. The act  
21 of mailing as defined by the NRCP code section is notably absent of any language mandating that  
22 an item must be ‘processed and shipped’ by the post office in order for service to be complete.  
23

24 *ii. Presumption applies regarding ‘regular course of mail’ which supports*  
25 *plaintiffs’ compliance with NRS 17.214.*

26 NRS 47.250 provides that as a general proposition, it can be assumed that “a letter duly  
27 directed and mailed was received in the regular course of the mail” unless the opposing party  
28

1 demonstrates otherwise. NRS 47.250. Here, the court may therefore operate upon the belief that  
2 the affidavit parcel placed into the mailbox by plaintiffs' agent on January 10<sup>th</sup> was 'received in  
3 the regular course of mail' and therefore its being 'mailed' on that date fell within the three-day  
4 requirement of NRS 17.214.

5  
6 Physical mail sent by the US Postal Service ("USPS"), by its very nature, is not sent and  
7 processed instantaneously. It is egregious for defendant to assert that plaintiffs failed to comply  
8 with the three-day statutory timeline because of a regularly occurring half-day delay between the  
9 mail's delivery and processing. The delta between delivery and processing of a mailed parcel is  
10 part of the 'regular course of mail' – a sequence of events entirely out of plaintiffs' dominion and  
11 control. It would be wholly unjust for plaintiffs to be punished and prejudiced for properly  
12 sending the affidavit in the mail on January 10<sup>th</sup> even though the item wasn't processed by the  
13 USPS until the next day.

14  
15 *iii. Factual assessment demonstrates plaintiffs' compliance with NRS 17.214.*

16 As defendant noted in his opposition, *Leven v. Frey* states that NRS 17.214 "requires the  
17 timely filing of an affidavit, timely recording of the affidavit, [and] timely service of the affidavit  
18 to successfully renew a judgment and that these requirements must be complied with strictly."  
19 *Leven v. Frey*, 123 Nev. 399, 400-401 (2007). In *Leven*, the court correctly concluded that  
20 defendant did not strictly comply with the statute as required. There, defendant timely filed his  
21 affidavit of judgment renewal on October 18, 2002, but he failed to serve the affidavit of renewal  
22 until October 30, 2002, and did not record the affidavit until November 4, 2002. Defendant's  
23 timeline for service of the recorded affidavit – from October 18<sup>th</sup> to October 30<sup>th</sup> – greatly  
24 surpassed the three-day requirement under the statute. The court held that "[since] Frey did not  
25 timely record and serve his affidavit of renewal, he did not comply with NRS 17.214(1)(b) and  
26 (3), and thus he failed to successfully renew the judgment." *Id.* at 409, 410.

1 The facts before this court are vastly different from those in *Leven*, which is significant  
2 because “whether a party was properly mailed notice is a question of fact.” *Zugel v. Miller*, 659  
3 P. 2d 296, 297 (1983). The *Leven* court examined the unique facts before it and concluded that  
4 defendant’s delay of over ten days to serve and record his affidavit could not satisfy the strict  
5 compliance standard. Here, alternatively, the facts show that plaintiffs filed, recorded, and served  
6 the affidavit of renewal within the three-day time frame mandated by NRS 17.214. The slight  
7 delay of mere hours between plaintiffs’ mailing of the affidavit and the USPS’ processing of the  
8 mail parcel was not due to plaintiffs’ own conduct. Instead, the delay which defendant falsely  
9 categorizes as non-compliance resulted from delays within the ‘regular course of mail.’ A half-  
10 day delay of an otherwise timely mailed parcel due to the speed of the ‘regular course of mail’  
11 vastly differs from a ten-day delay resulting from a party’s own carelessness.  
12

13  
14 For these reasons, this case deviates significantly from the level of statutory non-  
15 compliance demonstrated by plaintiff in *Leven*. This Court should therefore come to a different  
16 conclusion than what the *Leven* case warranted. The facts here demonstrate that plaintiffs strictly  
17 complied with the service provision of NRS 17.214 by mailing the affidavit to defendant on  
18 January 10<sup>th</sup>, 2022 which was within the three-day window for service required by the statute.  
19

20 h. Plaintiffs complied with NRS 115.010

21 Defendant next contends that plaintiffs violated NRS 115.010, which sets forth the  
22 homestead exemption from sale on execution and from process of court, by failing to  
23 acknowledge defendant’s homestead exemption. NRS 115.010. Other than the exemption  
24 applying to defendant’s property, this statute has no bearing on the current proceeding. There is  
25 no practical application of this statute that defendants could have violated. NRS 17.214 does not  
26 include any provision that mandates any mention of the homestead exemption in an affidavit for  
27 renewal of judgment. As such, plaintiffs are not in violation of NRS 115.010.  
28

1 i. Plaintiffs complied with NRS 17.150(4)

2 Defendant next alleges that plaintiffs violated NRS 17.150(4) which governs liens on real  
3 property as pertaining to judgment creditors. This code section provides several provisions  
4 governing what must be substantively contained within a “judgment or decree for the purpose of  
5 creating a lien upon the real property of the judgment debtor.” NRS 17.150(4). Defendant states  
6 that plaintiffs violated this statute because in the Affidavit for renewal, “there is NO affidavit  
7 affixing this judgement to the property.” *Opposition at 10*. Defendant’s contention is unfounded  
8 because plaintiffs were under no obligation to reference a lien in the affidavit.  
9

10 The Affidavit for Renewal of Judgment is not a judgment or decree that was made ‘for the  
11 purpose of creating a lien.’ As such, this section does not have any practical application upon the  
12 content, form, and procedure of what must be contained in an affidavit for renewal. Instead, this  
13 information is all codified in 17.214. Plaintiffs therefore did not violate NRS 17.150(4).  
14

15 **3. CONCLUSION**

16 Plaintiffs respectfully request that this Court uphold Plaintiffs’ renewal of outstanding  
17 judgments and DENY Defendant’s motion to strike Plaintiffs’ Affidavit of Renewal of Judgment.  
18

19  
20 Dated: February 8, 2022

21 FOX ROTHSCHILD LLP

22 /s/ Mark J. Connot

23 Mark J. Connot  
24 Attorneys for Plaintiffs  
25  
26  
27  
28

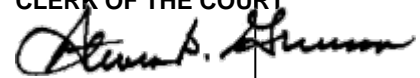
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**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am an employee of Fox Rothschild LLP, and that on this 8<sup>th</sup> day of February, 2022, I served the above and foregoing **REPLY IN SUPPORT OF AFFIDAVIT(S) FOR RENEWAL OF JUDGMENT** via electronic service through the Court's E-File and Serve system as follows:

Alex Penly  
1287 Rolling Sunset Street  
Henderson, NV 89052  
Email: Alexpenly@msn.com  
*Pro Per*

/s/ Doreen Loffredo  
An Employee of Fox Rothschild LLP



Alex Penly  
8529 Fox Brook Street  
Las Vegas, NV 89139  
Email: [Alexpenly@msn.com](mailto:Alexpenly@msn.com)  
Telephone: 702-761-1655  
In Pro Per

EIGHTH JUDICIAL DISTRICT COURT  
CLARK COUNTY, NEVADA

MIL TON J. WOODS and CIRRUS  
AVIATION SERVICES, INC., a  
Washington corporation,  
Plaintiffs,

v.

EAGLE JET AVIATION, INC., A Nevada  
corporation; ALEX PENL Y; STUART M.  
WARREN; PRIVATE JET SERVICES,  
INC., a Nevada corporation; MILT'S  
EAGLE, LLC, a Nevada limited liability  
company and DOES I-X, inclusive.  
Defendants.

Case No.: 07A546250

DEPT. NO.: IX

MOTION TO STRIKE PLAINTIFF  
AFFIDAVIT(S) OF RENEWAL OF  
JUDGEMENT AND UNTIMELY REPLY  
IN SUPPORT OF AFFIDAVIT

HEARING NOT REQUESTED

COMES NOW Defendant Alex Penly Pro Se hereby files his Motion to Strike Plaintiff  
Affidavit of Judgment Renewal and subsequent ISO which is untimely at minimum. This Motion  
to Strike is made and based upon the following memorandum and points and authorities, the  
pleadings, and papers on file herein, and any oral argument to be heard by the Court.



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## I. Introduction

Regardless of whether Mr. Connot believes in this and that, the only truth that exists is that which has already been decided. Plaintiffs thankfully gave insight prior to defendant serving this Motion to Strike with their recent untimely submission of a Reply in Support to their affidavit's. Plaintiff is trying, painfully, to defend their position, however, it appears that between splitting one (1) judgment into four (4), failing to serve not only timely but also with an unsigned affidavit, we see a self-set standard that does not come close to Strict Compliance. The doctrine of substantial compliance does not apply when the timeliness of serving notice is at issue. For the purposes of clarity, Plaintiff oddly mentions in their recent Reply in Support and admits to a delay, however Plaintiff feels that this is the mail carriers' issue and does not violate the Strict Compliance requirement. Plaintiff fails to mention anything regarding the unsigned affidavits coincidentally.

## FACTS

**The following facts are in evidence and have not been disputed:**

January 7<sup>th</sup>, 2021, at 17.39 – Filled four (4) Affidavit of Renewal with District Court

January 10<sup>th</sup>, 2021, at unknown time – Recorded four (4) Affidavits with Clark County Recorder.

- Recording #1: 202201100001768
- Recording #2: 202201100001769
- Recording #3: 202201100001770
- Recording #4: 202201100001771

January 11<sup>th</sup>, 2021, at 13:39 – Fox Rothchild tendered to the mail man two envelopes.

One (1) envelope ‘Envelope 1’ contained 219 pages:

Items contained in this envelope were the following:

- One (1) Affidavit of renewal of Judgement for \$80,000.00 – 73 Pages

- One (1) Affidavit of renewal of Judgment for \$80,000.00 – 73 Pages
- One (1) Affidavit of renewal of Judgment for \$1,500,000.00 – 73 Pages

One (1) envelope 'Envelope 2' contained ONLY 3 pages

- One (1) unsigned and unstamped Affidavit of renewal of Judgment for \$111,750.00

Envelope two also was sent to Sklar & Williams, who sent email to Alex Penly contained **unsigned and unstamped affidavit without exhibits**

## **II. AUTHORITY AND LEGAL ARGUMENT**

### **1. PLAINTIFF VIOLATED NRS 17.214 (1)A(2)**

NRS 17.214 (1) a (2) The affidavit must specify:

(2) If the judgment is recorded, the name of the county and the number and the page of the book in which it is recorded.

Regardless of whether Mr. Connot believes it or not, this judgment in question IS RECORDED TWICE. Mr. Connot can argue whatever, he likes, but the judgment in Nevada is recorded twice - that is fact. Purely to harass debtor. As plaintiff have filed the judgment renewal as well abreast of the filling of the affidavit, there remains TWO (2) fillings. If an outsider viewed these fillings, there is nothing to clear the contention that these are not two separate fillings, being two separate judgments. Just because the parties are similar, does not stop or delay confusion on the reader's side. Therefore, as we have seen continually from Plaintiff, they refuse to do anything to clear up the record and continue to harass defendant further.

Furthermore, NRS17.214(1)a(2) you record in the affidavit, 1) listing the name of the county and/or 2) recorded judgment's document number and page. Similarly, to plaintiff's surprise they did NOT notate ALL recordings. Which would have clearly linked and cleared the record. Plaintiff failed to comply with NRS. 17.214(1)a(2).

### **2. PLAINTIFF VIOLATED NRS 17.214 (1)B(3)**

*NRS 17.214 (1)B(3). The judgment creditor or the judgment creditor's successor in interest shall notify the judgment debtor of the renewal of the judgment by sending a copy of the affidavit of renewal by certified mail, return receipt requested, to the judgment debtor at his or her last known address within 3 days after filing the affidavit.*

NRS 17.214(3) provides that the creditor seeking to renew a judgment "shall" notify the judgment debtor of the renewal by serving a copy of the affidavit of renewal on the debtor within three days

1 after filing the affidavit. As we have previously explained, "shall" is a mandatory term indicative  
2 of the Legislature's intent that the statutory provision be compulsory, thus creating a duty rather  
3 than conferring discretion. Washoe Med. Ctr. v. Dist. Ct., 122 Nev. \_\_\_, \_\_\_, 148 P.3d 790, 793  
4 (2006).

5 ***Leven v. Frey*, 168 P. 3d 712 - Nev: Supreme Court 2007 – the Supreme Court stated in their**  
6 ***conclusion that: NRS 17.214 requires a judgment creditor to timely file, record (when the***  
7 ***judgment to be renewed is recorded) and serve his or her affidavit of renewal to successfully renew***  
8 ***a judgment, and strict compliance with these provisions is required.***

9 Plaintiff untimely served an unsigned affidavit which was missing exhibits to defendant and as  
10 he chose to separate them from their original form, the entire judgment should be set aside and  
11 defendants' motion to strike be granted.

12 *Leven v. Frey*, 123 Ne, 123 Nev – references numerous cases of where the doctrine of substantial  
13 compliance does not apply when the timeliness of serving notice is at issue

14 *Regency Investments v. Inlander Ltd.*, 855 A.2d 75, 79 (Pa.Super.Ct.2004) (concluding that the  
15 doctrine of substantial compliance does not apply when the timeliness of serving notice is at  
16 issue, and thus, the trial court properly struck a mechanics' lien claim since notice of the claim  
17 was not served until one month after the statutory time period allowed for service); *Marsh-*  
18 *McLennan Bldg., Inc. v. Clapp*, 96 Wash.App. 636, 980 P.2d 311, 313 n. 1 (1999) (explaining  
19 that an unlawful detainer statute's time requirements for filing a notice must be complied with  
20 strictly, while substantial compliance with the statute's requirements regarding the form and  
21 content of the notice was sufficient).

22 Bizarrely enough, Plaintiff could have mailed and delivered to the mail man on January 10<sup>th</sup>,  
23 2022, at 13:39, but he did not. He did absolutely nothing to ensure compliance with NRS 17.214.  
24 Plaintiff knew when the mail was picked up as they coincidentally filled their certificate of service  
25 to this court shortly thereafter. 1 day too late. Plaintiffs' capability to serve expired January 10<sup>th</sup>  
26 at 17.39 – Exactly 72 hours after filling.

27  
28 In accordance with NRS 17.214, the Nevada Law is incredibly clear. The Supreme court have  
ruled on how clear and unambiguous NRS 17.214 is.

1 “168 P.3d 712 (2007) - Robert LEVEN, Appellant, v. Herbert FREY and Cy Yehros, Respondents.  
2 No. 41716. Supreme Court of Nevada. October 11, 2007.

3 *NRS 17.214 requires a judgment creditor to timely file, record (when the judgment to be renewed*  
4 *is recorded) and serve his or her affidavit of renewal to successfully renew a judgment, and strict*  
5 *compliance with these provisions is required. As Frey did not timely record and serve his affidavit*  
6 *of renewal, he did not comply with NRS 17.214(1)(b) and (3), and thus he failed to successfully*  
7 *renew the judgment.”*

8 Plaintiff state in their untimely ISO (Page 9 line 7): “The Slight delay of mere hours between  
9 plaintiff’s mailing of the affidavit and the USPS’ processing of the mail parcel was not due to  
10 plaintiff’s own conduct!” If plaintiff and plaintiff only were SOLELY responsible for filling,  
11 recording, and serving of documents, plaintiff cannot claim their conduct did not control the  
12 outcome. If plaintiff would have mailed, around 10am on Monday morning, as he claims on  
13 Monday, the mail would have been scanned/documentated on Monday! That did not occur.

14 Fox Rothchild office mailed on the 11<sup>th</sup>. This is not a mail issue, this is Fox Rothchild failing to  
15 even attempt to mail the necessary documents timely. Therefore, ensuring the ‘mere hours delay’  
16 versus doing everything to ensure a timely mailing.

### 17 **3. PLAINTIFF VIOLATED EDCR 2.20(e):**

18 (e) Within 14 days after the service of the motion, and 5 days after service of any joinder to the  
19 motion, the opposing party must serve and file written notice of non-opposition or opposition  
20 thereto, together with a memorandum of points and authorities and supporting affidavits, if any,  
21 stating facts showing why the motion and/or joinder should be denied. Failure of the opposing  
22 party to serve and file written opposition may be construed as an admission that the motion and/or  
23 joinder is meritorious and a consent to granting the same.

24 Plaintiff failed to file and serve a response to the Motion on January 21<sup>st</sup>, 2022, within 14 days.  
25 Therefore, defendant motion to strike should be granted.

### 26 **4. PLAINTIFF VIOLATED NRAP 25 (5)(C):**

#### 27 **(c) Manner of Service.**

28 (1) Service may be any of the following:

(A) personal, including delivery of the copy to a clerk or other responsible person at the  
office of counsel.

(B) by mail.

(C) by third-party commercial carrier for delivery within 3 days.

(3) **Service by mail or by commercial carrier is complete on mailing or delivery to the  
carrier.** Service by electronic means under Rule 25(c)(1)(D) is complete on transmission, unless  
the party making service is notified that the paper was not received by the party served. Service

1 through the court's electronic filing system under Rule 25(c)(1)(E) is complete at the time that the  
2 document is submitted to the court's electronic filing system.

3 The Supreme have held how strict the requirements of NRS 17.214 are:

4 "Accordingly, "[t]he judgment creditor or the judgment creditor's successor in  
5 interest *shall* notify the judgment debtor of the renewal of the judgment by sending a copy of the  
6 affidavit of renewal by certified mail, return receipt requested. . . ." NRS 17.214(3) (emphasis  
7 added); Markowitz v. Saxon Special Servicing, 129 Nev. 660, 665, 310 P.3d 569, 572  
8 (2013) ("The word 'shall' is generally regarded as mandatory."). Because NRS 17.214(3) was not  
9 strictly complied with, the district court did not err by denying appellants' motion for declaratory  
10 relief and application to enforce a foreign judgment"

11 JOHN LYNCH, AN INDIVIDUAL; AND KELLIE FUHR, Appellants, v. YEHIA AWADA,  
12 AN INDIVIDUAL, Respondent. No. 73561. Supreme Court of Nevada. Filed September 28,  
13 2018

14 Plaintiff failed to 'deliver' to the mail carrier within 3 days. Therefore, defendant motion to strike  
15 should be granted.

#### 16 **5. PLAINTIFF VIOLATED NRCP - RULE 11(A).**

#### 17 **RULE 11(A) - Signing Pleadings, Motions, and Other Papers; Representations to the Court;** 18 **Sanctions**

19 (a) **Signature.** Every pleading, written motion, and other paper must be signed by at least  
20 one attorney of record in the attorney's name — or by a party personally if the party is  
21 unrepresented. The paper must state the signer's address, email address, and telephone number.  
22 Unless a rule or statute specifically states otherwise, a pleading need not be verified or  
23 accompanied by an affidavit. The court must strike an unsigned paper unless the omission is  
24 promptly corrected after being called to the attorney's or party's attention.

23 Plaintiff failed to serve within 3 days by sending an UNSIGNED AFFIDAVIT without exhibits  
24 and even tho, has been brought to the attention of Plaintiff, they have failed to correct in a timely  
25 manner. Therefore, defendant motion to strike should be granted.

1 Based on the above law, Defendant respectfully requests the court to strike Plaintiff  
2 affidavit of judgment renewal against Defendant and declare judgment void.

3  
4 III. CONCLUSION AND REQUEST

5 Defendant requests the court to 1) Strike Plaintiffs' Affidavit of Judgment Renewal  
6 given their inability to satisfy the strict requirements of NRS 17.214 and 2) confirm that  
7 Plaintiff judgment(s) are void, expired and ineligible for renewal.  
8

9 DATED this 14<sup>th</sup> day of February 2022.

10 Respectfully submitted,

11  
12  
13 /s/ Alex Penly

14 \_\_\_\_\_  
15 Alex Penly  
16 8529 Fox Brook Street  
17 Las Vegas, NV 89139  
18 Email: [Alexpenly@msn.com](mailto:Alexpenly@msn.com)  
19 Telephone: 702-761-1634  
20 In Pro Per  
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1 CERTIFICATE OF SERVICE

2 Pursuant to NRCP 5(b), on this 14<sup>th</sup> day of February 2022, a true and complete copy of  
3 the foregoing document entitled DEFENDANT ALEX PENLY'S MOTION TO STRIKE THE  
4 AFFIDAVIT OF JUDGMENT RENEWAL was served on the following interested parties by the  
5 action(s) indicated below:  
6

7 MARK J. CANNOT (10010)  
8 KEVIN M. SUTEHALL (9437)  
9 FOX ROTHSCHILD LLP  
10 1980 Festival Plaza Drive, Suite 700  
11 Las Vegas, Nevada, 89135  
12 *Attorney for Plaintiffs*

13 Method of Service

14 X Electronic Service: I caused said document(s) to be delivered by electronic means  
15 upon all eligible electronic recipients via the United States District Court CM/ECF  
16 system or Clark County District Court E-Filing system (Odyssey)

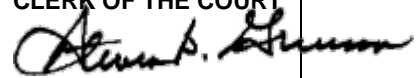
17 /s/ Alexander Penly

18 Alex Penly  
19 8529 Fox Brook Street  
20 Las Vegas, NV 89139  
21 Email: Alexpenly@msn.com  
22 Telephone: 702-761-1655  
23 In Pro Per  
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**DISTRICT COURT  
CLARK COUNTY, NEVADA**

\*\*\*\*

Electronically Filed  
2/15/2022 12:13 PM  
Steven D. Grierson  
CLERK OF THE COURT



Milton Woods, Cirrus Aviation Services  
Inc  
vs  
Eagle Jet Aviation Inc, Alex Penley, et al

Case No.: 07A546250

Department 27

**NOTICE OF HEARING**

Please be advised that the Defendant Motion to Strike Affidavit(s) of Renewal of Judgment and Untimely Reply in Support of Affidavit in the above-entitled matter is set for hearing as follows:

**Date:** March 17, 2022

**Time:** 9:30 AM

**Location:** RJC Courtroom 16A  
Regional Justice Center  
200 Lewis Ave.  
Las Vegas, NV 89101

**NOTE: Under NEFCR 9(d), if a party is not receiving electronic service through the Eighth Judicial District Court Electronic Filing System, the movant requesting a hearing must serve this notice on the party by traditional means.**

STEVEN D. GRIERSON, CEO/Clerk of the Court

By: /s/ Imelda Murrieta  
Deputy Clerk of the Court

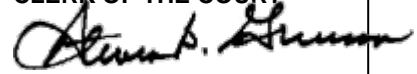
**CERTIFICATE OF SERVICE**

I hereby certify that pursuant to Rule 9(b) of the Nevada Electronic Filing and Conversion Rules a copy of this Notice of Hearing was electronically served to all registered users on this case in the Eighth Judicial District Court Electronic Filing System.

By: /s/ Imelda Murrieta  
Deputy Clerk of the Court

R0445





1 **OPPM**  
MARK J. CONNOT (10010)  
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5 *Attorneys for Defendants*

6  
7  
8 **DISTRICT COURT**

9 **CLARK COUNTY, NEVADA**

10 MILTON J. WOODS and CIRRUS  
11 AVIATION SERVICES, INC., a Washington  
Corporation,

12 Plaintiffs,

13 v.

14 EAGLE JET AVIATION, INC., a Nevada  
Corporation; ALEX PENLY; STUART M.  
15 WARREN; PRIVATE JET SERVICES, INC.,  
a Nevada Corporation; MILT'S EAGLE,  
16 LLC, a Nevada Limited Liability Company;  
and Does I-X, inclusive,

17 Defendants.  
18

Case No. 07A546250  
Dept. No. 27

**OPPOSITION TO DEFENDANT'S  
MOTION TO STRIKE AFFIDAVITS OF  
RENEWAL OF JUDGMENT AND  
UNTIMELY REPLY IN SUPPORT OF  
AFFIDAVIT**

DATE OF HEARING: MARCH 17, 2022  
TIME OF HEARING: 9:30 AM

19  
20 MILTON J. WOODS and CIRRUS AVIATION SERVICES, INC., by and through their  
21 attorney MARK J. CONNOT of FOX ROTHSCHILD, LLP, herewith respectfully OPPOSE  
22 Defendant Alex Penly's ("Defendant") Motion to Strike herein. This Opposition is limited to  
23 matters raised in defendant's Motion to Strike and is primarily based upon defendant's continued  
24 failure to adequately understand Nevada's relevant laws and procedures. laws. This Opposition is  
25 made and based on the following Memorandum of Points and Authorities, all of the pleadings and  
26 papers on file herein, and the arguments of counsel at any hearing on this matter. For the reasons  
27 set forth below, Defendant's Motion to Strike should be DENIED.  
28

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Defendant continues to engage plaintiffs in a futile back-and-forth motion practice by  
4 making further baseless and far-fetched allegations to challenge the validity of Plaintiffs'  
5 Affidavit(s) for Renewal of Judgments. Defendant has attacked plaintiffs' affidavits for renewal  
6 from every possible angle, no matter how meritless, driven by a thinly veiled motive to avoid  
7 fulfilling his judgment to plaintiffs. Defendant's conduct not only demonstrates a blatant disrespect  
8 for his legal obligations to plaintiffs, but also for this Court's time and resources.

9 Despite defendant's numerous factual and legal inconsistencies in this Motion to Strike,  
10 defendant makes one statement that plaintiffs can agree with which is that "the only truth that exists  
11 is that which has already been decided." *Plaintiff's Motion to Strike at 1*. This statement is correct  
12 insofar as the 'truth' being referenced is that defendant Alex Penly has an outstanding judgment he  
13 must fulfill to plaintiffs that he unjustifiably seeks to avoid. Unfortunately, this Motion to Strike is  
14 the next iteration of defendant's futile and bad faith attempts to avoid his legal obligations to  
15 plaintiffs and must be DENIED as such.

16 **II. FACTUAL BACKGROUND**

17 To review, the following encompasses a brief history of the procedural posture of our case:

18 1. Judgment Against Defendant on September 18, 2015

19 This Court first entered judgment against Defendant on September 18, 2015. In its  
20 subsequent January 27, 2016 Notice of Entry of Judgment, the Court states that "Plaintiff, Cirrus  
21 Aviation Services, Inc., shall have and recover from Defendant, Alex Penly, a Judgment in the sum  
22 of One Million Five Hundred Thousand Dollars (\$1,500,000) with interest thereon" as well as a  
23 "Judgment in the sum of Eighty Thousand Dollars (\$80,000.000) with interest thereon. *Order of*  
24 *Judgment at 2*. A substantial portion of this judgment is still outstanding, which led to plaintiffs'  
25 filing of Affidavits for Renewal of Judgment pursuant to NRS 17.214.

26 2. Affidavits for Renewal of Judgment on January 10<sup>th</sup>, 2022

27 Pursuant to Nevada Rule of Civil Procedure ("NRCPP") 5(b), on January 10<sup>th</sup>, 2022, Fox  
28 Rothschild served copies of Affidavit(s) for Renewal of Judgment filed in this matter on January

1 7, 2022, by United States Certified Mail/Return Receipt Requested as set forth below to Alex Penly,  
2 Director and Alan Sklar, Registered Agent: Affidavit of Renewal of Judgment – Cirrus Aviation  
3 Inc. - \$ 80,000.00; Affidavit of Renewal of Judgment – Cirrus Aviation Inc. - \$ 1,500,000.00; and  
4 Affidavit of Renewal of Judgment – Milton Woods - \$ 80,000.00. Thereafter, the Certificate of  
5 Service was properly Electronically Filed on January 11, 2022 at 3:49 PM by the Clerk of the Court.  
6 Defendant received service of the Affidavits in timely fashion.

7 3. Defendant's Opposition to Affidavits for Renewal on January 21, 2022

8 Defendant responded to Plaintiffs' Affidavit(s) for Renewal of Judgment by filing an  
9 Opposition in which he sought to strike plaintiffs' judgments as void, expired, and ineligible for  
10 renewal. Defendant based this Opposition on numerous factual and legal inconsistencies, which  
11 plaintiffs rebutted in their Reply.

12 4. Plaintiffs' Reply to Defendant's Opposition on February 8, 2022

13 Plaintiffs filed and served defendant with a procedurally sound Reply in Support of Renewal  
14 of Judgment on February 8, 2022. Plaintiffs' Reply was timely filed because a Reply is due seven  
15 days prior to a hearing. The applicable rules states that: "An opposition to a motion that contains  
16 a motion related to the same subject matter will be considered as a countermotion. A moving party  
17 may file a reply memorandum of points and authorities *not later than 7 days before the matter is*  
18 *set for hearing*, by the clerk, if a *hearing was requested* or set by the court." Nev. R. Prac. Eighth  
19 Jud. Dist. Ct. 2.20 § (f-g).

20 Here, Defendant's Opposition boldly stated 'HEARING REQUESTED' on its title page.  
21 This means that the rule applied that a reply in response to an opposition would be due seven days  
22 prior to a hearing if one were set. No hearing was set in this matter. Thus, there was no specific  
23 date for plaintiffs to file a Reply by. This makes Plaintiffs' filing of the Reply on February 8<sup>th</sup>,  
24 2022 procedurally proper.

25 5. Defendant's Motion to Strike Affidavits of Renewal on February 14, 2022

26 Defendant filed this Motion to Strike on February 14<sup>th</sup>, 2022. In response, plaintiffs set  
27 forth this Opposition.  
28

1     **III.     LEGAL AUTHORITY AND ARGUMENT**

2             This memorandum will address defendant's contentions in the order they were raised in  
3 defendant's Motion to Strike.

4             1.     Plaintiffs complied with NRS 17.214 (1)(a)(2).

5             As defendant alleged in his Opposition to Renewal, defendant again claims here that  
6 plaintiffs violated NRS 17.214(1)(a)(2). This code section states that an affidavit filed with the  
7 clerk of the court where the judgment is entered and docketed "must be titled as an 'Affidavit of  
8 Renewal of Judgment' and must specify [if recorded]: the name of the county and the document  
9 number or the number and the page of the book in which it is recorded." NRS 17.214(1)(a)(2).  
10 Plaintiffs' Affidavit for Renewal of Judgment properly states that "the judgment was recorded in  
11 the Clark County Recorder's office" as "Instrument No. 20160201-0002431." *Affidavit at 1.*

12             Defendant alleges that plaintiff violated this statute because in its Affidavit for Renewal of  
13 Judgment omits mention that "the judgment in question is recorded twice." *Defendant's Motion to*  
14 *Strike at 2.* Defendant further argues that plaintiff "did not notate all recordings" to clearly "link  
15 and clear the record," which is allegedly a further violation of the cited statute. The fact of the  
16 matter is that here, a mention of the two recordings of judgments is unnecessary to full fulfillment  
17 of the statute's directives. Again, defendant is mistaken in these allegations because he fails to  
18 comprehend the plain text of the statute.

19             Plaintiffs strictly complied with this code section by 1) listing the name of the county and/or  
20 2) recorded judgment's document number and page. These directives are the ONLY instructions  
21 mandated by NRS 17.214 (1)(a)(2). Plaintiffs complied with these instructions.

22             The excerpts and statements from plaintiffs' Affidavit demonstrate plaintiffs' fulfillment of  
23 each requirement under the plain text of NRS 17.214 (1)(a)(2). Defendant mistakenly believes,  
24 with no basis in fact or law, that a party is required to notate every instance of a recording of a  
25 judgment in its Affidavit(s) for Renewal of Judgment. This directive is NOT mandated by the code  
26 section. Upon review of the file and the statute, it is unquestionable that plaintiffs strictly complied  
27 with NRS 17.214(1)(a)(2).  
28

1           2.     Plaintiffs complied with NRS 17.214 (1)(b)(3) by timely serving Defendant with  
2                     the Affidavit(s) of Renewal of Judgment.

3           Defendant next makes the futile and baseless allegation that plaintiffs substantively and  
4 procedurally violated NRS 17.214 in its service of affidavits upon defendant. Defendant argues  
5 that, “plaintiff untimely served an unsigned affidavit ... and [as such] the entire judgment should  
6 be set aside.” *Defendant’s Motion to Strike at 2*. However, when reviewing defendant’s argument  
7 alongside the facts demonstrating plaintiffs’ compliance with this code section, it is once again  
8 clear that defendant is solely motivated by a desire to avoid fulfilling his judgment to plaintiffs.

9                     a. Plaintiffs’ Statutory Strict Compliance Defeats Defendant’s Procedural  
10                     Allegations re: Non-Timeliness of Service of Affidavit(s).

11           Plaintiffs complied with their responsibility under NRS 17.214 to serve defendant with the  
12 Affidavits for Renewal within three-days of their court filings thereof. In adhering to this directive,  
13 plaintiffs’ agent inserted a parcel of mail containing the Affidavit(s) into a postal office drop box  
14 on January 10<sup>th</sup>, 2022. This mail was properly postmarked on January 10<sup>th</sup>, 2022.

15           The rule under NRCP 5(B) supports the fact of plaintiffs’ strict compliance with NRS  
16 17.214’s three-day rule. In Nevada, NRCP 5(B) governs service in general for pleadings and other  
17 papers and states that “service [of moving papers] is complete upon the mailing of the item.” NRCP  
18 5(B). This rule means that plaintiffs’ service of the affidavits to defendant was complete upon the  
19 ‘mailing’ of the item. Plaintiffs’ agent mailed the item on January 10<sup>th</sup>, which fell within the three-  
20 day period that began on January 7<sup>th</sup>. Thus, the statutory directive of the three-day rule within NRS  
21 17.214 was strictly followed to the letter. It is irrelevant that the mailed parcel was neither accepted  
22 nor processed until January 11<sup>th</sup> because plaintiffs’ service of the affidavit had been ‘complete upon  
23 mailing.’

24           Here, the facts show that plaintiffs filed, recorded, and served the affidavit of renewal within  
25 the three-day time frame mandated by NRS 17.214. The slight delay of mere hours between  
26 plaintiffs’ mailing of the affidavit and the USPS’ processing of the mail parcel was not due to  
27 plaintiffs’ own conduct. Instead, the delay which defendant falsely categorizes as non-compliance  
28

1 resulted from delays within the regular course of mail. As such, there was no violation of NRS  
2 17.214.

3 b. Plaintiffs' Substantial Compliance Defeats Defendant's Substantive Allegations  
4 re: Lack of Signatures on Served Affidavit(s).

5 Defendant argues that plaintiffs violated NRS 17.214 with the allegation that "plaintiff  
6 untimely served an unsigned affidavit which was missing exhibits to defendant." *Defendant's*  
7 *Motion to Strike at 5*. Defendant contends that this alleged violation alone is grounds to grant his  
8 Motion to Strike. However, his allegations of improper form and content regarding the affidavits  
9 are made in futility because plaintiffs substantially adhered to NRS 17.214.

10 Substantial compliance regarding form and content of a duly served affidavit under this  
11 code section is sufficient. The *Leven* court interpreted the legislative intent behind NRS 17.214's  
12 timing requirements and concluded that to fulfill the requirements of this statute, 'time and manner'  
13 requirements must be complied with strictly, "whereas substantial compliance may be sufficient  
14 for "form and content" requirements." *Leven v. Frey*, 123 Nev. 399, 408 (2007). Defendant argues  
15 that plaintiffs served an 'unsigned affidavit' and it may be the case that plaintiffs' agent made an  
16 honest clerical error and served defendant with one unsigned affidavit for renewal. However, every  
17 other affidavit was signed, and the properly signed affidavit was filed with the court. This amounts  
18 to substantial compliance. Furthermore, this very human clerical error did not prejudice defendant  
19 in any way. The substance of the unsigned affidavit is true and correct which sufficed to put  
20 defendant on notice of its pertinent facts. In fact, defendant did receive proper notice of the signed  
21 version of this affidavit upon plaintiffs' filing of the Affidavits of Renewal with the Court.

22 The accidental omission of a signature on one of the affidavits served to defendant is not  
23 dispositive evidence that plaintiffs violated of NRS 17.214. Instead, given the substantial  
24 completeness of the affidavits served to defendant and filed with the court, plaintiffs have not  
25 violated NRS 17.214 because their affidavits demonstrated the requisite level of compliance.

26 3. Plaintiffs complied with Nev. R. Prac. Eighth Jud. Dist. Ct. § 2.20

27 Defendant next contends that plaintiffs are in violation of Nevada's Rules of Practice for  
28 the Eighth Judicial District Court § 2.20, which he incorrectly cites as NRS 2.20 in his Motion to

1 Strike. These are different code sections. Nevertheless, defendant's contention is incorrect. As  
2 above stated, § 2.20(e) states that: "An opposition to a motion that contains a motion related to the  
3 same subject matter will be considered as a countermotion. A moving party may file a reply  
4 memorandum of points and authorities not later than 7 days before the matter is set for hearing, by  
5 the clerk, if a hearing was requested or set by the court. Nev. R. Prac. Eighth Jud. Dist. Ct. § 2.20(f-  
6 g). Plaintiffs filed and served defendant with a Reply in Support of Renewal of Judgment on  
7 February 8, 2022. Plaintiffs' Reply was timely filed because a Reply is due seven days prior to a  
8 hearing. As such, plaintiffs committed no violation under § 2.20.

9 4. NRAP 25(5)(c) is Inapplicable to these Proceedings.

10 Defendant next contends that plaintiffs violated Nevada Rules of Appellate Procedure  
11 ("NRAP") Rule 25. However, this procedural rule presently has no application to this matter or  
12 these proceedings. The cited rule governs appellate procedures. While defendant may feel that he  
13 is 'appealing' his judgment in a sense and therefore appellate rules 'apply,' 'appeal' is a legal term  
14 of art referring to a procedural posture of a case that has reached a certain level of judicial review.  
15 This matter is not on appeal. Instead, the Nevada Rules of Civil Procedure ("NRCPP") apply here.  
16 Given the inapplicability of the NRAP, plaintiffs could not have violated any of its sections or  
17 mandates. This argument is moot.

18 5. Plaintiffs complied with NRCPP Rule 11.

19 Lastly, defendant alleges that plaintiffs violated NRCPP 11(a). This code section governs  
20 signatures on pleadings, motions, and other papers. In pertinent part, the rule states that "the court  
21 must strike an unsigned paper unless the omission is promptly corrected." NRCPP 11(a). Defendant  
22 bases this alleged violation by stating that "plaintiff failed to serve within 3 days by filing an  
23 unsigned affidavit." *Defendant's Motion to Strike at 6*. However, this is incorrect because plaintiffs  
24 did serve the Affidavits within three days. Furthermore, any omission of a signature on any  
25 affidavit was promptly corrected, and defendant was not prejudiced by any such omission. Any  
26 Affidavit for Renewal that plaintiffs served to defendant, which may have omitted a signature or  
27 an exhibit due to a clerical error, was supplemented with the proper and correct information in  
28 plaintiffs' filings with the Court. As such, plaintiffs have complied with NRCPP 11(a).

1 **IV. CONCLUSION**

2 Plaintiffs respectfully request that this Court uphold Plaintiffs' renewal of outstanding  
3 judgments and DENY Defendant's motion to strike Plaintiffs' Affidavit of Renewal of Judgment.  
4 Plaintiffs respectfully request that this Court regard defendant's Motion for what it is: a meritless  
5 and unethical attempt to avoid fulfilling his outstanding judgment to plaintiffs.

6 DATED this 28<sup>th</sup> day of February, 2022.

7  
8 **FOX ROTHSCHILD LLP**

9 /s/ Mark J. Connot  
10 MARK J. CONNOT (10010)  
11 1980 Festival Plaza Drive, Suite 700  
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15 mconnot@foxrothschild.com  
16 *Attorneys for Defendants*  
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**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am an employee of Fox Rothschild LLP, and that on the 28<sup>th</sup> day of February, 2022, I served the above and foregoing **OPPOSITION TO DEFENDANT’S MOTION TO STRIKE AFFIDAVITS OF RENEWAL OF JUDGMENT AND UNTIMELY REPLY IN SUPPORT OF AFFIDAVIT** via electronic service through the Court’s E-File and Serve system as follows:

Alex Penly  
1287 Rolling Sunset Street  
Henderson, NV 89052  
Email: Alexpenly@msn.com  
*Pro Per*

/s/ Doreen Loffredo  
An Employee of Fox Rothschild LLP

**DISTRICT COURT  
CLARK COUNTY, NEVADA****Business Court****COURT MINUTES****March 17, 2022**

---

07A546250                      Milton Woods, Cirrus Aviation Services Inc  
   vs  
   Eagle Jet Aviation Inc, Alex Penley, et al

---

**March 17, 2022                      09:30 AM                      Defendant Motion to Strike Affidavit(s) of Renewal of Judgment  
and Untimely Reply in Support of Affidavit**

**HEARD BY:**              Alf, Nancy                                      **COURTROOM:** RJC Courtroom 16A

**COURT CLERK:** Jones, Michelle

**RECORDER:**              White, Brynn

**REPORTER:**

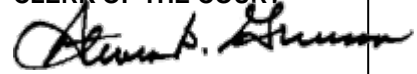
**PARTIES PRESENT:**

**Mark J Connot                                      Attorney for Counter Defendant, Plaintiff**

**JOURNAL ENTRIES**

Also present: J. Benson, Esq. on behalf of the Defendant.

Mr. Benson argued strict compliance was not followed through as service did not take place until the fourth day and based upon that one day delay, the judgments are void and should be stricken from the record regarding renewal. Mr. Benson requested the Court to enforce the strict timing requirements and hold the judgment as void for it's failure to strictly comply with the statute. Opposing argument by Mr. Connot argued that it was mailed within the three day period required by statute. Further, the Judgement Affidavit of Renewal was properly and timely renewed, the mailing was timely done within the three day period and he received the Affidavit of Service which is the notice requirement. Mr. Connot argued that for these reasons the motion should be denied and the judgment should stand. Mr. Connot stated counsel failed to comply with statutory requirements and the certificate of mailing by the certified mail shows it was untimely. Further, if the Court has any question about whether to adopt the certified mail, he would suggest an Evidentiary Hearing. Following argument and statements by counsel COURT ORDERED the motion will be denied for the following reasons: the Complaint goes back to 2007 to enforce an arbitration award that was confirmed in 2015, a Judgement was entered on January 20, 2016 and the Plaintiff complied with the responsibilities under the statute when they filed, recorded and served the Affidavit of Renewal within the three day time frame mandated by the statute. Further, the Court does not find that the motion is appropriate because Court finds that they complied with the NRS. COURT ORDERED, Mr. Connot to prepare the order and Mr. Benson to approve the form of the simple order and if there are any objections to the order, Mr. Benson can file them to preserve his record. Upon the inquiry of Mr. Benson, the Court clarified its findings that the Certificate of Service was the governing proof of service versus the certified mail.



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5 *Attorneys for Plaintiffs*

6  
7  
8 **DISTRICT COURT**

9 **CLARK COUNTY, NEVADA**

10 MILTON J. WOODS and CIRRUS  
11 AVIATION SERVICES, INC., a Washington  
Corporation,

12 Plaintiffs,

13 v.

14 EAGLE JET AVIATION, INC., a Nevada  
Corporation; ALEX PENLY; STUART M.  
15 WARREN; PRIVATE JET SERVICES, INC.,  
a Nevada Corporation; MILT'S EAGLE,  
16 LLC, a Nevada Limited Liability Company;  
and Does I-X, inclusive,

17 Defendants.  
18

Case No. 07A546250  
Dept. No. 27

**NOTICE OF ENTRY OF ORDER**

19 **PLEASE TAKE NOTICE** that on April 11, 2022, the Court in the above-entitled action  
20 entered an Order Denying Defendant Alex Penly's Motion to Strike Plaintiff Affidavits of Renewal  
21 of Judgment and Untimely Reply in Support of Affidavit, a copy of which is attached hereto.

22 DATED this 11<sup>th</sup> day of April, 2022.

23 **FOX ROTHSCHILD LLP**

24 /s/ Mark J. Connot  
25 MARK J. CONNOT (10010)  
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**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am an employee of Fox Rothschild LLP, and that on the 11<sup>th</sup> day of April, 2022, a copy of the foregoing **NOTICE OF ENTRY OF ORDER** was served via the Court's E-File and Serve system to those individuals listed on the Court's master e-service list.

/s/ Doreen Loffredo  
An Employee of Fox Rothschild LLP

1 **ODM**  
MARK J. CONNOT (10010)  
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5 *Attorneys for Plaintiffs*

6  
7  
8 **DISTRICT COURT**

9 **CLARK COUNTY, NEVADA**

10 MILTON J. WOODS and CIRRUS  
11 AVIATION SERVICES, INC., a Washington  
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12 Plaintiffs,

13 v.

14 EAGLE JET AVIATION, INC., a Nevada  
Corporation; ALEX PENLY; STUART M.  
15 WARREN; PRIVATE JET SERVICES, INC.,  
a Nevada Corporation; MILT'S EAGLE,  
16 LLC, a Nevada Limited Liability Company;  
and Does I-X, inclusive,

17 Defendants.  
18

Case No. 07A546250  
Dept. No. 27

**ORDER DENYING DEFENDANT ALEX  
PENLY'S MOTION TO STRIKE  
PLAINTIFF AFFIDAVITS OF RENEWAL  
OF JUDGMENT AND UNTIMELY  
REPLY IN SUPPORT OF AFFIDAVIT**

19 This matter came on for hearing on March 17, 2022 at 9:30 a.m., before the above-entitled  
20 Court via BlueJeans Video Conferencing System. Mark J. Connot, of the law firm Fox Rothschild  
21 LLP, appeared on behalf of Plaintiffs Milton J. Woods and Cirrus Aviation Services, Inc., and  
22 Joshua L. Benson, of the law firm Benson Allred Injury Law, appeared on behalf of Defendant  
23 Alex Penly.

24 The Court having considered the papers and pleadings on file herein and argument of  
25 counsel, and good cause appearing hereby orders as follows:

26 //

27 //

28 //

1           **IT IS HEREBY ORDERED** that Defendant's Motion to Strike Plaintiff Affidavits of  
2       Renewal of Judgment and Untimely Reply in Support of Affidavit is **DENIED**.

3           **IT IS SO ORDERED.**

4  
5       April 11, 2022

Dated this 11th day of April, 2022

*Nancy L Alf*

MA

7       Submitted by:

8       **FOX ROTHSCHILD LLP**

8F8 C66 5C36 1263  
Nancy Alf  
District Court Judge

9  
10      /s/ Mark J. Connot  
11      MARK J. CONNOT (10010)  
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16      mconnot@foxrothschild.com  
17      Attorneys for Plaintiffs

18      Approved as to Form and Content:

19      **BENSON ALLRED INJURY LAW**

20      /s/ Joshua L. Benson  
21      JOSHUA L. BENSON (10514)  
22      6250 N. Durango Drive  
23      Las Vegas, Nevada 89149  
24      (702) 820-0000 tel  
25      (702) 820-1111 fax  
26      josh@bensonallred.com

**From:** [Joshua Benson](#)  
**To:** [Connot, Mark J.](#); [Loffredo, Doreen](#)  
**Subject:** RE: [EXT] Eighth Judicial District Court - Proposed Order Returned - CO  
**Date:** April 11, 2022 11:13:40 AM

---

You may use my electronic signature.

Josh

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**From:** Connot, Mark J. <MConnot@foxrothschild.com>  
**Sent:** Monday, April 11, 2022 11:04 AM  
**To:** Loffredo, Doreen <dloffredo@foxrothschild.com>; Joshua Benson <josh@bensonallred.com>  
**Subject:** RE: [EXT] Eighth Judicial District Court - Proposed Order Returned - CO  
**Importance:** High

Joshua,

Please advise.

Mark

**Mark Connot**  
Partner  
**Fox Rothschild LLP**  
One Summerlin  
1980 Festival Plaza Drive, Suite 700  
Las Vegas, NV 89135  
(702) 699-5924 - direct  
(702) 308-1912 - cell  
[MConnot@foxrothschild.com](mailto:MConnot@foxrothschild.com)  
[www.foxrothschild.com](http://www.foxrothschild.com)

---

**From:** Loffredo, Doreen <[dloffredo@foxrothschild.com](mailto:dloffredo@foxrothschild.com)>  
**Sent:** April 7, 2022 4:31 PM  
**To:** Joshua Benson <[josh@bensonallred.com](mailto:josh@bensonallred.com)>  
**Cc:** Connot, Mark J. <[MConnot@foxrothschild.com](mailto:MConnot@foxrothschild.com)>  
**Subject:** RE: [EXT] Eighth Judicial District Court - Proposed Order Returned - CO

Doreen

**Doreen Loffredo**  
Client Service Specialist  
**Fox Rothschild LLP**  
(702) 699-5159 - direct  
[dloffredo@foxrothschild.com](mailto:dloffredo@foxrothschild.com)

**From:** Joshua Benson <[josh@benisonallred.com](mailto:josh@benisonallred.com)>  
**Sent:** April 7, 2022 4:04 PM  
**To:** Loffredo, Doreen <[dloffredo@foxrothschild.com](mailto:dloffredo@foxrothschild.com)>  
**Cc:** Connot, Mark J. <[MConnot@foxrothschild.com](mailto:MConnot@foxrothschild.com)>  
**Subject:** RE: [EXT] Eighth Judicial District Court - Proposed Order Returned - CO

Mark—

Resend it to me for my review.

Josh

---

**From:** White, Terrance <[Dept27LC@clarkcountycourts.us](mailto:Dept27LC@clarkcountycourts.us)>  
**Sent:** Thursday, April 7, 2022 3:44 PM  
**To:** 'Loffredo, Doreen' <[dloffredo@foxrothschild.com](mailto:dloffredo@foxrothschild.com)>  
**Cc:** Connot, Mark J. <[MConnot@foxrothschild.com](mailto:MConnot@foxrothschild.com)>; Joshua Benson <[josh@benisonallred.com](mailto:josh@benisonallred.com)>  
**Subject:** RE: [EXT] Eighth Judicial District Court - Proposed Order Returned - CO  
**Importance:** High

**All Parties** must sign and approve the Order. If Parties object to the Order, they can file an Objection on the record or redlining the Proposed Order. Please email the law clerk at [Dept27LC@clarkcountycourts.us](mailto:Dept27LC@clarkcountycourts.us) to inform them this is a CO. Also, include a word version of the Order, hearing transcript/video, and the objection/redlining of the Order for the Court's consideration.



**Terrance White JD, MBA, LLM**  
**Law Clerk**  
to the Honorable Nancy L. Allf  
Eighth Judicial District Court | Department 27  
Regional Justice Center Courtroom 16A  
Phone: (702) 671-0884  
Email: [Dept27LC@clarkcountycourts.us](mailto:Dept27LC@clarkcountycourts.us)

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**From:** Loffredo, Doreen [<mailto:dloffredo@foxrothschild.com>]  
**Sent:** Thursday, March 24, 2022 3:47 PM  
**To:** White, Terrance  
**Cc:** Connot, Mark J.; [josh@benisonallred.com](mailto:josh@benisonallred.com); Loffredo, Doreen  
**Subject:** [EXT] Eighth Judicial District Court - Proposed Order Returned - CO

[NOTICE: This message originated outside of Eighth Judicial District Court -- DO NOT CLICK on links or open attachments unless you are sure the content is safe.]

Good afternoon,

Attached is a copy of a proposed Order Denying Defendant Alex Penly's Motion to Strike Plaintiff Affidavits of Renewal of Judgment and Untimely Reply in Support of Affidavit in both word and pdf format. Prior to submitting the Order to the Department for signature, Mark Connot,

R0461



attorney for Plaintiffs, made several attempts to obtain review and approval from Joshua Benson, Mr. Penly's attorney. However, no response has been received. See attached emails.

Thank you.

Doreen

**Doreen Loffredo**

Client Service Specialist

**Fox Rothschild LLP**

(702) 699-5159 - direct

[dloffredo@foxrothschild.com](mailto:dloffredo@foxrothschild.com)

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**From:** [NoReply@clarkcountycourts.us](mailto:NoReply@clarkcountycourts.us) <[NoReply@clarkcountycourts.us](mailto:NoReply@clarkcountycourts.us)>

**Sent:** March 24, 2022 3:16 PM

**To:** Loffredo, Doreen <[dloffredo@foxrothschild.com](mailto:dloffredo@foxrothschild.com)>

**Subject:** [EXT] Eighth Judicial District Court - Proposed Order Returned

07A546250 - ODM - Milton J. Woods and Cirrus Aviation Services, Inc. v. Eagle Jet Aviation, Inc., et al.

Your proposed order or document requiring a judge's signature to the court has been returned for the following reason(s): All Parties must sign and approve the Order. If Parties object to the Order, they can file an Objection on the record or redlining the Proposed Order. Please email the law clerk at [Dept27LC@clarkcountycourts.us](mailto:Dept27LC@clarkcountycourts.us) to inform them this is a CO. Also, include a word version of the Order and the objection/redlining of the Order for the Court's consideration

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R0462

1 **CSERV**

2  
3 DISTRICT COURT  
4 CLARK COUNTY, NEVADA

5  
6 Milton Woods, Cirrus Aviation  
7 Services Inc

CASE NO: 07A546250

8 vs

DEPT. NO. Department 27

9 Eagle Jet Aviation Inc, Alex  
10 Penley, et al

11 **AUTOMATED CERTIFICATE OF SERVICE**

12  
13 This automated certificate of service was generated by the Eighth Judicial District  
14 Court. The foregoing Order Denying Motion was served via the court's electronic eFile  
system to all recipients registered for e-Service on the above entitled case as listed below:

15 Service Date: 4/11/2022

16 Kevin Sutehall	ksutehall@foxrothschild.com
17 Christopher Reade .	creade@premierlegalgroup.com
18 Gus W. Flangas .	gwf@fdlawlv.com
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20 Jay A. Shafer .	jshafer@premierlegalgroup.com
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