

IN THE SUPREME COURT OF THE STATE OF NEVADA

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| IN THE MATTER OF THE ADMINISTRATION OF THE SSJ'S ISSUE TRUST, | Case No. 85927 District Court Case No. PR17-00445 | Electronically Filed Jun 22 2023 12:26 PM Elizabeth A. Brown |
| IN THE MATTER OF THE ADMINISTRATION OF THE SAMUEL S. JAKSICK, JR. FAMILY TRUST | PR17-00446 | Clerk of Supreme Court |
| STANLEY JAKSICK, INDIVIDUALLY AND AS CO- TRUSTEE OF THE SAMUEL S. JAKSICK, JR. FAMILY TRUST, AND AS TRUSTEE OF THE SSJ'S ISSUE TRUST, Appellant, vs. JAMES S. PROCTOR, CPA, CFE, CVA, CFF, IN HIS CAPACITY AS THE APPOINTED TRUSTEE OF THE JAKSICK FAMILY TRUST; KEVIN RILEY, INDIVIDUALLY AND AS FORMER TRUSTEE OF THE SAMUEL S. JAKSICK, JR. FAMILY TRUST, AND AS TRUSTEE OF THE WENDY A. JAKSICK 2012 BHC FAMILY TRUST; MICHAEL S. KIMMEL, INDIVIDUALLY AND AS CO- TRUSTEE OF THE SAMUEL S. JAKSICK, JR. FAMILY TRUST; TODD B. JAKSICK, INDIVIDUALLY AND AS CO- TRUSTEE OF THE SAMUEL S. JAKSICK, JR. FAMILY TRUST, | | |

| | |
|--|--|
| AND AS TRUSTEE OF THE SSJ'S ISSUE TRUST; AND WENDY JAKSICK, INDIVIDUALLY, Respondents. | |
|--|--|

RESPONDENT'S APPENDIX

VOLUME III

Cecilia Lee, Esq. (NSBN 3344)
Elizabeth Fletcher, Esq. (NSBN 10082)
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*Attorneys for Appellee James S. Proctor, Temporary Trustee of the
Samuel S. Jaksick, Jr. Family Trust*

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AFFIRMATION

Pursuant to NRS 239B.030, the undersigned does hereby affirm that the preceding document does not contain the personal information of any person.

Dated this 22nd day of June, 2023.

FLETCHER & LEE

/s/ Cecilia Lee, Esq.
Cecilia Lee, Esq. (NSBN 3344)
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PROOF OF SERVICE

Pursuant to NRAP 25(d), I certify that I am an employee of Fletcher & Lee, 448 Ridge Street, Reno, Nevada 89501, and that on June 22, 2023, I served the Respondent's Appendix, Volume III via notice by electronic means to registered users of the court's electronic filing system consistent with NEFCR 9 as follows:

Carolyn Renner

Kent Robison

Zachary Johnson

R. Spencer

Cecilia Lee

Donald Lattin

Adam Hosmer-Henner

Elizabeth Fletcher

Mark Connot

I further state that I am familiar with the practice of Fletcher & Lee for service of documents via electronic email and that, in accordance with that standard practice, on June 22, 2023, I caused to be electronically mailed the Respondent's Appendix, Volume III to the following:

J. Douglas Clark, Esq. For Probate Estate For Wendy A. Jaksick –

Doug@Jdouglasclark.Com

Alexi Jaksick Fields – Alexifields@Yahoo.Com

John A. Collier, Esq. For Luke Jaksick – jac@kalickicollier.com

/s/ Liz Dendary, CP

Liz Dendary, CP

Certified Paralegal

CODE: 1230
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Attorneys for Trustee James S. Proctor, CPA, CFE, CVA, CFF

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

In the Matter of the Administration of the
SSJ'S ISSUE TRUST.

Case No. PR17-00445

Dept. No. 15

In the Matter of the Administration of the
SAMUEL S. JAKSICK, JR. FAMILY TRUST.

CONSOLIDATED

Case No. PR17-00446

Dept No. 15

**FIRST APPLICATION FOR APPROVAL AND PAYMENT OF
COMPENSATION TO FLETCHER & LEE
AND NOTICE OF HEARING THEREON**

Pursuant to the Samuel S. Jaksick, Jr. Family Trust Agreement dated June 29, 2006 (the "Family Trust"), as amended, and this Court's Order Granting Application to Appoint Counsel entered on July 8, 2021, James S. Proctor, CPA, CFE, CVA, CFF, in his capacity as the duly appointed Trustee of the Family Trust (the "Trustee"), by and through his attorneys of record, Cecilia Lee, Esq. and Elizabeth Fletcher, Esq., Fletcher & Lee, hereby applies to the Court for an order authorizing payment of compensation of attorney's fees to Fletcher & Lee. The Court has set the Application for hearing on November 23, 2021 at 1:30 p.m. before the Hon. David Hardy, Washoe County Courthouse, Reno, Nevada. Any oppositions to this Petition shall be filed with the Court at least 48 hours before the hearing. In support of this Application, the Trustee

respectfully represents as follows:

1. According to The Samuel S. Jaksick, Jr. Family Trust Agreement (as Restated) executed by Samuel S. Jaksick, Jr. on June 29, 2006 (the “Family Trust Agreement”), the Trustee is authorized to employ attorneys and the “expense of employment of such personnel is to be a proper expense of the trust and not of the Trustee personally.” Id. ¶17. The Trustee “may consult legal counsel chosen by the Trustee on any matter relating to the administration of the trust, including, but not limited to, the Trustee’s fiduciary duties and responsibilities with respect to the Trust. All of the fees and expenses incurred as a result of such consultations are to be charged as an expense of the trust and are not to reduce the Trustee’s compensation.” Id., p. 33 ¶M.

2. In previous Orders, the Court has ordered the Family Trust to pay for 100% of the fees incurred by its attorneys in representing the trustees and that the fees shall be treated as general trust administration expenses. See Order After Equitable Trial entered March 12, 2020, pp. 17, 21 ¶(a), 22 ¶(e); see also Order Resolving Submitted Matters entered June 10, 2020, pp. 4-5. The Trustee understands that former co-trustees did not formally seek approval of attorneys’ fees and costs for their trustee defense before paying counsel, suggesting that prior court approval may not be required for the current Trustee to pay his own lawyers. However, individual counsel for Todd Jaksick and for Stan Jaksick have objected to the first invoice of Fletcher & Lee dated July 31, 2021, both as to amount and as to timing of payment. Both of these issues are addressed in this Application, which the Trustee submits for approval by the Court in the interests of transparency and in fulfillment of his role as an independent and objective Court-appointee.

3. The Trustee was appointed by the Order Appointing Temporary Trustee (“Appointment Order”) entered by the Court on February 25, 2021. In that order, the Court held

From February 18, 2021, until further order of this Court, Todd and Stanley Jaksick are not entitled to trustee fees or reimbursement or payment from the Family Trust for professional fees, including attorney’s fees related to this litigation or the Family Trust, with the exception of attorney’s fees related to the appeal in this matter (case No. 81470) currently pending in the Nevada Supreme Court. This Order is not intended [sic] disrupt the appellate proceedings, the relationships between the trustee and their attorneys, the payment of attorney’s fees from the Family Trust for the appellate proceedings, or the payment of legal fees or other professional

1 expenses for Todd and Stanley that were incurred prior to February 18,
2 2021. The Temporary Trustee may recommend the payment of attorney's
3 fees to the trustees' trust attorneys if the fees were incurred to effect the
4 orderly and efficient transition of trust administration from the Co-Trustees
5 to the Temporary Trustee.

6 Appointment Order, p. 2, ll. 11-22.

7 4. On July 8, 2021, the Court entered the Order Granting Application to Appoint
8 Counsel, approving Fletcher & Lee as counsel for the Temporary Trustee, *nunc pro tunc*, effective
9 as of June 8, 2021.

10 5. All professional services for which allowance of compensation is requested in this
11 First Application for Approval and Payment of Compensation to Fletcher & Lee (the
12 "Application") were performed by Fletcher & Lee on behalf of, and at the request of, the Trustee.
13 The terms of employment to which the Trustee has agreed, subject to the approval of this Court,
14 are that the Trustee will compensate Fletcher & Lee on an hourly basis as follows:

| | |
|--------------------------|---|
| Cecilia Lee, Esq. | \$500.00/hour, reduced to \$450.00/hour |
| Elizabeth Fletcher, Esq. | \$400.00/hour, reduced to \$350.00/hour |
| Paralegals | \$195.00/hour |

16 6. The source of compensation will be the Family Trust. No retainers were paid in
17 this case. The only entity seeking compensation in this Application is Fletcher & Lee. A
18 description of services performed by Fletcher & Lee is included in the Statements attached hereto
19 as Exhibit 1 and incorporated herein by reference. A Summary Sheet is attached hereto as Exhibit
20 2.

21 7. The period covered in this Application is June 8, 2021, through October 31, 2021,
22 2021. During this nearly five month time period, 0.50 hours were expended by Ms. Lee at an
23 hourly rate of \$500.00 per hour; 113.40 hours were expended by Ms. Lee at an hourly rate of
24 \$450.00 per hour; 0.40 hours were expended by Ms. Lee at an hourly rate of \$350.00 per hour;
25 5.40 hours were expended by Ms. Fletcher at an hourly rate of \$350.00 per hour; and 43.30 hours
26 were expended by the firm's paralegal, Elizabeth Dendary, at an hourly of \$195.00 per hour for
27 professional services rendered on behalf of the Trustee. The total amount of fees sought is
28 \$61,753.50.

1 8. The effective rate of billing for attorneys is \$445.36 per hour. The overall effective
2 hourly rate is \$378.86 per hour. A breakdown of the fees is attached hereto as Exhibit 3.

3 9. There were no costs incurred during the period covered in this Application on
4 behalf of the Trustee.

5 10. A copy of the proposed Order granting this Application is attached as Exhibit 4.

6 11. In summary, the services performed during the period covered by this Application
7 are as follows: In summary, the Appointment Order sets forth the Trustee's overall task to
8 determine the Family Trust's assets, liabilities, claims and a recommended plan of payment of the
9 obligations and distribution to beneficiaries. Appointment Order, p. 3, ll. 2-10. Consistent with
10 this Appointment Order, the Court gave clear direction to the Trustee at the August 5, 2021 to
11 investigate the Settlement Agreement between Stan and Todd dated January 31, 2019, the value
12 of the Trust's assets and various liabilities. In aid of the Trustee's role as an independent and
13 objective Court-appointee, counsel assisted the Trustee in his efforts to achieve the Court's
14 directives.

15 Counsel assisted the Trustee in connection with an offer from Mana Investments to
16 purchase the 50 percent shareholder interest of the Family Trust in Toiyabe Investment Co., the
17 indirect owner in lots located in the Montreux community. Counsel filed a Petition for
18 Instructions, which the Court granted with the input of all parties. Throughout the period covered
19 by this Application, counsel has worked with the Trustee on his efforts to market and sell the
20 Family Trust's 50 percent interest in Toiyabe Investment Co. Counsel advised the Trustee
21 regarding his consent to a proposed sale of the real property owned in Storey County by Base
22 Camp, LLC. The Court granted the Trustee's request for instructions to consent to the sale. The
23 Trustee was subsequently informed that the buyer backed out of the sale, which resulted in a
24 second request for instructions to approve the Trustee's consent to the second proposed sale. That
25 petition is before the Court, pending any objections by the parties.

26 Counsel advised the Trustee regarding various aspects of his initial interim report and
27 prepared for and attended the August 5, 2021 status hearing, at which the Court also considered
28 and ruled on the Trustee's Petition for Instructions regarding the Toiyabe sale. Following that

1 hearing and at the Court's direction, counsel investigated the Settlement Agreement, which
2 involved analysis of the document, the proceedings whereby it was approved, as well as the August
3 29, 2019 Co-Trustees' Agreement, this Court's various orders and the organic trust documents.
4 Because the Settlement Agreement and the August 29, 2019 Co-Trustees' Agreement include,
5 among other things, specific provisions regarding payment of various fees to Stan and Todd in
6 their capacities as trustees and in their individual capacities, counsel also assisted the Trustee in
7 determining the status of fee requests and filings by the various parties and, at least based on the
8 most recent filings as of April 2020, an overall view of the costs attributed to the Family Trust and
9 the overall costs to the parties of the litigation.

10 Based on information the Trustee was able to gather from various sources, including Kevin
11 Riley, CPA, there were additional documents the Trustee required from Stan Jaksick and from
12 Todd Jaksick in order to determine the scope of the liabilities of the Trust and potential assets. The
13 requests were stated to counsel for these parties in letters dated October 19, 2021. In general, the
14 requests address several general topics related to the Trustee's assigned duties. The first is to
15 obtain information about the amount each claims is owed from the Family Trust to be paid to him
16 or on his behalf; the basis in agreement or other document for the liability of the Family Trust for
17 that liability; and the amounts that have been paid by the Family Trust to each in any capacity.¹

18 The October 19, 2021 requests for documents also seek to obtain information on the alleged
19 account(s) receivable owed by Stan Jaksick or entities he controls to either Toiyabe Investments
20 or Montreux Development. The Court will recall that this was argued at the August 5, 2021 status
21 hearing. Todd's attorneys argued the existence of the accounts receivable as an asset of Toiyabe;
22 the Trustee asked for the documents that support the argument. Conversely, Stan's attorney denied
23 the liability; the Trustee asked for the documents that support his position. As the 50 percent
24 shareholder of Toiyabe, the value of the Family Trust's interest may be affected by the existence
25 and collectability of a substantial account receivable.

26 A third major topic of the requests for documents is in connection with sales of lots by

27 ¹ The financial statements refer to a number of contingent liabilities to Todd Jaksick, qualified by
28 the uncertain effect of the Settlement Agreement.

1 Montreux Development and the disposition of sales. The Court will recall that this was a topic of
2 argument at various hearings in 2020 relating to enforcement and approval of the Settlement
3 Agreement. More recently, in September 2021, counsel for Todd transmitted information to the
4 undersigned about broker's recommended listings of some of the Montreux lots that led to
5 investigation of public records for recent sales and asked the Trustee to investigate. The public
6 records indicate that four lots have been sold and/or transferred by Montreux Development,
7 including in mid-September 2021 for \$609,900. The October 19, 2021 letters asked both Stan and
8 Todd for information as to the sales, specifically information about the disposition of sales
9 proceeds going back to 2013.

10 To date, counsel has had productive communication with counsel for both parties about the
11 scope and purpose of the requests, even if some do not agree that the scope and nature of some
12 requests have legitimate purpose or are within the Trustee's duties. Counsel for both parties have
13 represented that they will provide documents.²

14 As a result of the services provided since June 2021, counsel for the Trustee is in a position
15 to advise the Trustee regarding the effect of the Settlement Agreement, the August 29, 2019 Co-
16 Trustees' Agreement, this Court's orders and the underlying trust agreement as amended or
17 restated on the liabilities of the Family Trust. These services are directly tied to this Court's
18 Appointment Order to enable the Trustee to propose a payment plan of the Trust's liabilities.

19 12. On the basis of the time expended, the nature, extent and value of the service, and
20 the costs of comparable services in matters other than a probate case, the Trustee believes the
21 compensation sought by Fletcher & Lee is reasonable, the services were necessary, and the services
22 were beneficial to the Trustee's performance of his Court-appointed duties.

23 13. No agreement or understanding exists between Fletcher & Lee and any other person
24 or entity for the sharing of the compensation sought in this Application.

25
26 _____
27 ² Counsel for both of the co-trustees have recommended that Mr. Proctor turn to Kevin Riley,
28 CPA, for some information. Mr. Proctor has already mined that source, to the effect that CPA
Riley does not have the extent of information that parties seem to believe he does. Hence, the need
to return directly to the parties for the source information.

1 14. There have been no prior awards of compensation to Fletcher & Lee as counsel for
2 the Trustee in this case.

3 15. The Family Trust currently has funds available to pay at least a portion of the
4 compensation sought in this Application to Fletcher & Lee. However, counsel for Todd Jaksick
5 (“Todd”) and for Stan Jaksick (“Stan”) individually has objected to both the amount of fees in the
6 July 31, 2021 invoice and the timing of payment.³ Specifically, counsel contends that Fletcher &
7 Lee is not entitled to be paid until the fees incurred in representing Todd and Stan in their capacities
8 as former trustees are paid. There are a number of reasons why their position is not entirely well-
9 founded or, at least, requires additional information in order to analyze and respond to it fully.
10 However, for purposes of this Application and in anticipation of additional liquidity pending the
11 sale of Family Trust assets, the Trustee submits the following as the intermediate resolution of the
12 payment scheme objection raised by Stan and Todd.

13 The first and most straightforward reason why the position of Todd and Stan is only
14 partially correct is contained in the Appointment Order. As quoted above, the Appointment Order
15 plainly directs that Stan and Todd are not to receive reimbursement or payment for their attorney’s
16 fees related to the litigation or the Family Trust. The sole exception is in connection with the appeal,
17 Case No. 81470. The Appointment Order carved out one exception: the fees incurred in the
18 pending appeal to defend the co-trustees.

19 The next sentence of the Appointment Order is consistent: it embodies the Court’s intention
20 not to disrupt the appeal or the parties’ relationships with their counsel, “or the payment of legal
21 fees or other professional expenses for Todd and Stanley Jaksick there were incurred prior to
22 February 18, 2021.” Id., p. 2, ll. 15-18. The choice of words is significant: “not to disrupt[.]”
23 There is not sufficient money in the Family Trust to satisfy those fees in part or in full; the Court
24 appears to have acknowledged that fact by not authorizing or requiring those payments at this time.
25 Along similar lines, the Court’s direction to the Trustee to recommend a plan regarding the payment
26 of Family Trust obligations is consistent with the Court’s acknowledgement that the Family Trust

27 ³ The Trustee intends no disrespect by referring to parties by their first names, which is done solely
28 for ease of reference and appears to have been a common practice throughout these cases.

1 lacks assets to satisfy the expenses of representing the co-trustees in full at this time and that these
2 will be included in an overall payment recommendation. Id., p. 3, ll. 8-10.

3 Thus, the Appointment Order holds that counsel who represent the co-trustees (but not Stan
4 and Todd personally) are entitled to be paid for the expenses of the appeal. The Trustee has asked
5 these parties to provide their invoices of all amounts they claim are owed by the Family Trust, from
6 which he will be able to determine the amounts incurred as expenses in the appeal. As these are
7 amounts that appear to be in the same priority as the Trustee's current costs of trust administration,
8 in the very least, these should all be treated *in pari passu* and paid accordingly.

9 It should go without saying that the need to expend more judicial or Family Trust resources
10 on this issue will undoubtedly be ameliorated, at least in part, by the sale of sufficient Family Trust
11 assets to generate sufficient funds to pay the Family Trust administrative expenses in full. As set
12 forth above, the Trustee has asked Stan and Todd to document the amount they respectively claim
13 is owed to be paid to them or on their behalf from the Family Trust, both in their capacity as trustees
14 and in their individual capacity. With that information and based on his analysis of this Court's
15 orders, the Settlement Agreement, the August 29, 2019 Co-Trustees' Agreement, the various
16 Indemnity Agreements and the organic trust documents, the Trustee will be in a position to
17 recommend what is and what is not a legitimate administrative or other expense of the Family Trust
18 and the order of priority for payment (administrative expense, creditor expense, or beneficial
19 distribution). To the extent necessary, the Trustee will enlist this Court's involvement to resolve
20 any disputes as to his recommendation. The Trustee's proposed interim resolution here does not
21 address these issues at this time.

22 16. The Trustee has reviewed and approved this Application.

23 17. Based on the foregoing, the Trustee requests that the Court enter an order (1)
24 approving \$61,753.50 for compensation for professional services rendered by Fletcher & Lee as
25 reasonable, necessary and beneficial; and (2) consistent with the Appointment Order, authorizing
26 the Trustee to immediately pay the approved compensation *in pari passu* with the attorneys' fees
27 incurred in representing the co-trustees in that capacity in the pending appeal.

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AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the personal information of any person.

DATED this 8th day of November, 2021.

FLETCHER & LEE

/s/ Cecilia Lee, Esq.
CECILIA LEE, ESQ.
ELIZABETH FLETCHER, ESQ.

REVIEWED AND APPROVED

/s/ James S. Proctor
JAMES S. PROCTOR, CPA, CFE, CVA, CFF

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCp 5(b), I certify under penalty of perjury that I am an employee of Fletcher
3 & Lee, 448 Ridge Street, Reno, Nevada 89501, and that on the 8th day of November, 2021, I
4 served a true and correct copy of the **FIRST APPLICATION FOR APPROVAL AND**
5 **PAYMENT OF COMPENSATION TO FLETCHER & LEE AND NOTICE OF HEARING**
6 **THEREON** on the parties set forth below by:

7 X Service by eFlex:

8 DONALD ALBERT LATTIN, ESQ. for MICHAEL S. KIMMEL, KEVIN RILEY,
9 TODD B. JAKSICK
10 KENT RICHARD ROBISON, ESQ. for SAMMY SUPERCUB, LLC, SERIES A,
11 DUCK LAKE RANCH LLC, TODD B. JAKSICK, INCLINE TSS, LTD.
12 HANNAH E. WINSTON, ESQ. for SAMMY SUPERCUB, LLC, SERIES A,
13 DUCK LAKE RANCH LLC, TODD B. JAKSICK, INCLINE TSS, LTD.
14 MARK J. CONNOT, ESQ. for WENDY A. JAKSICK
15 JAMES PROCTOR
16 ADAM HOSMER-HENNER, ESQ. for STANLEY JAKSICK
17 PHILIP L. KREITLEIN, ESQ. for STANLEY JAKSICK, SAMUEL S. JAKSICK,
18 JR. FAMILY TRUST
19 JOHN A. COLLIER, ESQ. for LUKE JAKSICK
20 CAROLYN K. RENNER, ESQ. for MICHAEL S. KIMMEL, KEVIN RILEY,
21 TODD B. JAKSICK
22 STEPHEN C. MOSS, ESQ. for STANLEY JAKSICK, SAMUEL S. JAKSICK,
23 JR. FAMILY TRUST
24 SARAH FERGUSON, ESQ. for STANLEY JAKSICK, SSJ'S ISSUE TRUST,
25 SAMUEL S. JAKSICK, JR. FAMILY TRUST

26 X Service by electronic mail:

27 ZACHARY JOHNSON, ESQ. for WENDY A. JAKSICK –
28 zach@dallasprobate.com
29 R. KEVIN SPENCER, ESQ. for WENDY A. JAKSICK –
30 kevin@dallasprobate.com
31 ALEXI JAKSICK FIELDS – alexijaksickfields@yahoo.com

32 A copy of this Certificate of Service has been electronically served to all parties or their
33 lawyer. This document does not contain the personal information of any person as defined by
34 NRS 603A.040.

35 /s/ Elizabeth Dendary, CP
36 ELIZABETH DENDARY, CP
37 Certified Paralegal
38

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INDEX OF EXHIBITS

| Exhibit | Description | Number of Pages |
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| 1 | Fletcher & Lee Billing Statements | 29 pages |
| 2 | Summary Sheet | 2 pages |
| 3 | Breakdown of Fees | 1 page |
| 4 | Proposed Order Granting Application | 2 pages |

EXHIBIT 1

EXHIBIT 1



Invoice submitted to:

Invoice #: 11803

James S. Proctor, CPA, CFE, CVA, CFF
Meridian Advantage
200 Ridge St., Suite 240
Reno, NV 89501

July 31, 2021

In Reference To: SSJ's Issue Trust
Samuel S. Jaksick, Jr. Family Trust
Consolidated Case No. PR17-00445
Second Judicial District Court, Washoe County, Nevada

Professional Services

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|---|-------------------|---------------|
| 6/9/2021 | CL Services Briefly review documents provided by Mr. Proctor. | 0.50 500.00/hr | 250.00 |
| 6/10/2021 | CL Services Telephone call with Jim Proctor regarding brief history and facts of the Trust, offer to purchase one of the Trust's interests; discuss strategy and plan of action. Review files for NDA to send to him; draft email to Mr. Proctor regarding the same. Initial meeting with paralegal to commence the work on filing a motion to employ and things for her to follow up on. | 1.75 450.00/hr | 787.50 |
| | ED Services Review Probate Court consolidated dockets; save same to client file. Review order appointing temporary trustee. Review order setting status hearing. Calendar status hearing and reminder a few days prior to obtain Zoom information. Review Probate Court Guidelines. Review Probate Division Rules. Review WCDR 10 and 12 and 57. Draft application to appoint counsel. Draft verification. Draft certificate of service; review parties who receive electronic service via eFlex. Draft order. Email to Attorney Lee regarding same. | 2.00 195.00/hr | 390.00 |
| 6/11/2021 | CL Services Telephone call with Jim Proctor regarding trust amendments; court minutes and transcripts. | 0.20 450.00/hr | 90.00 |
| 6/14/2021 | CL Services Review and revise the application to employ; review minutes from the March 10 conference call; review and revise my supporting declaration and proposed order; draft email to Mr. Proctor regarding the same; request review, comment and approval. | 0.75 450.00/hr | 337.50 |
| | ED Services Work with Attorney Lee to finalize application to appoint counsel, declaration in support thereof, and order. Revise pleadings as | 0.30 195.00/hr | 58.50 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|----|--|-------------------|---------------|
| | | necessary to conform to Court rules. | | |
| 6/16/2021 | ED | Services Review Court minutes from conference call held on March 10, 2021. | 0.10 195.00/hr | 19.50 |
| | ED | Services Review Todd Jaksick and Michael Kimmel and Kevin Riley's joint confidential mediation statement. Create summary document. Email to Attorney Lee regarding same. | 0.30 195.00/hr | 58.50 |
| 6/21/2021 | CL | Services Review and respond to email from Mr. Proctor regarding application to employ and upcoming status hearing. | 0.20 450.00/hr | 90.00 |
| | CL | Services Correspond by email with Mr. Proctor regarding his instructions. Attempt to contact the Court by phone through Judge Hardy's JA. Draft email to JA regarding the request to continue the hearing. Forward to new JA; draft follow up to correct the typo on the date of the hearing. | 0.40 350.00/hr | 140.00 |
| | CL | Services Correspond further by email with client regarding upcoming status hearing. Correspond by email with Sheila Mansfield, Judge Hardy's JA, regarding continuing the status hearing. Relay information to client and request his availability for August 5. Revise application to employ counsel to address revisions requested by client; draft email to Mr. Proctor regarding the same; request his review and approval. | 0.50 450.00/hr | 225.00 |
| | CL | Services Draft email to counsel requesting their position on continuance of the status hearing. | 0.25 450.00/hr | 112.50 |
| | CL | Services Review and revise Notice of Resetting Status Hearing. | 0.20 450.00/hr | 90.00 |
| | ED | Services Phone call with Attorney Lee regarding Trustee's status and need to continue status hearing. Review emails between Attorney Lee and Department 15 staff. Review Second Judicial District Court Rules regarding resetting hearings. Compile service list of counsel and parties' email addresses; send same to Attorney Lee. Draft notice of resetting status hearing. | 0.80 195.00/hr | 156.00 |
| 6/24/2021 | ED | Services Create redline version of the notice of resetting status hearing to reflect which parties responded to Attorney Lee's email requesting consent to continue the status hearing to August 5. | 0.10 195.00/hr | 19.50 |
| | ED | Services Receive approval from Attorney Lee to file and serve the notice of resetting status hearing. File same with Court; serve via eFlex; save confirmation to client file. Receive filing notice from Court; save file-stamped notice to client file. Email notice to Temporary Trustee. Serve notice via email to parties that do not receive service | 0.30 195.00/hr | 58.50 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
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| | | electronically pursuant to certificate of service. Exchange emails with Sheila Mansfield regarding notice. | | |
| 6/29/2021 | ED | Services Meet with Attorney Lee; discuss response filed by Kent Robison on behalf of Todd Jaksick. Review Court's calendar for July 1 to confirm status conference has been reset. Discuss strategy with Attorney Lee. | 0.20 195.00/hr | 39.00 |
| | CL | Services Review "response" filed by Kent Robison and Don Lattin. Confirm that July 1 docket shows hearing is vacated. | 0.30 450.00/hr | 135.00 |
| | ED | Services Meet with Attorney Lee and discuss current status and discussions with Temporary Trustee. Forward Todd Jaksick's response to notice of resetting status hearing to Temporary Trustee. | 0.10 195.00/hr | 19.50 |
| 7/7/2021 | CL | Services Review and respond to email from client; recommendations regarding strategy. Review application to employ to incorporate client's suggestions; revise declaration and order. Review the court's records to confirm adequate and accurate transmission of the draft application to all parties. Draft email to all counsel and parties regarding the application; request their position. | 1.50 450.00/hr | 675.00 |
| | CL | Services Correspond by email with Mr. Proctor regarding the sale and his communication with other potentially interested parties. | 0.20 450.00/hr | 90.00 |
| | CL | Services Review and respond to email from Sheila Mansfield regarding change of time of hearing. Draft email to client regarding the same; request his availability. | 0.10 450.00/hr | 45.00 |
| 7/8/2021 | CL | Services Review emails regarding change in hearing time and confirmation of the new hearing time on August 5. Calendar accordingly. Review email from JA Mansfield regarding change in court procedures to allow hearing in person on August 5. Draft email to client regarding the same. | 0.30 450.00/hr | 135.00 |
| | CL | Services Review email from Adam Hosmer-Henner regarding position with respect to Application to employ. Revise the application to include additional comments from the Trustee, to reflect responses and lack thereof from other parties; revise the declaration to include the same. Arrange for filing and service of the Application and transmission of the proposed order to the Court's JA Mansfield. | 0.50 450.00/hr | 225.00 |
| | ED | Services Receive filing approval from Attorney Lee. File application to appoint counsel with Court. File exhibit 1, declaration, with Court as continuation. Receive confirming email from Court. Download and save filed application and exhibit to client file. Download service confirmation from Court and save same to client file. Submit order to Court via email | 0.40 195.00/hr | 78.00 |

RA0424

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| | | to Judicial Assistant Sheila Mansfield. Serve application via email to Zachary Johnson, Kevin Spencer, and Alexi Jaksick Fields. | | |
| 7/8/2021 | CL | Services Review email from Zach Johnson with questions for the Trustee and Trustee's response. Review email from Adam Hosmer-Henner with additional questions about the sale offer; forward to the Trustee with request for instructions. | 0.35 450.00/hr | 157.50 |
| | ED | Services Receive Court's order granting application to appoint counsel; save same to client file. Exchange emails with Sheila Mansfield regarding same. Discuss order with Attorney Lee. Draft notice of entry of order. | 0.20 195.00/hr | 39.00 |
| | CL | Services Review and revise as necessary notice of entry of order granting application to employ; instructions to paralegal for filing and service. | 0.30 450.00/hr | 135.00 |
| | ED | Services Receive filing approval from Attorney Lee. File notice of entry of order granting application to appoint counsel and exhibit 1 thereto with Court. Receive confirmation from Court of filing acceptance and service. Download filed notice and save same to client file. Serve notice via email to Zachary Johnson, Kevin Spencer, and Alexi Jaksick Fields. Download and save notice of electronic filing to client file. Email copy of notice to Temporary Trustee. | 0.20 195.00/hr | 39.00 |
| 7/12/2021 | CL | Services Review paralegal Dendary's memo on history of the trusts and settlement statement for January 2019 settlement conference for background information on the trusts and the litigations. | 0.40 450.00/hr | 180.00 |
| 7/14/2021 | CL | Services Review email from Kent Robison, from Zach Johnson and Kevin Spencer to the Trustee. Draft email to Trustee regarding these emails and response to them. Correspond by email with Kevin Spencer. | 0.40 450.00/hr | 180.00 |
| 7/15/2021 | CL | Services Telephone call with client regarding outstanding issues and inquiries; instructions on proceeding and strategy. | 0.60 450.00/hr | 270.00 |
| 7/19/2021 | CL | Services Draft emails in response to multiple inquiries from counsel for various parties; forward as necessary to the Trustee. Correspond by email with Trustee's office regarding additional information needed. Draft email to Kevin Riley requesting copies of various tax documents. | 1.20 450.00/hr | 540.00 |
| 7/20/2021 | CL | Services Review email from Kent Robison and list of additional questions about the offer to purchase and Trustee's standing to sell assets. Draft email in response. Draft email to Trustee regarding the same; recommendations. | 0.30 450.00/hr | 135.00 |

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| 7/20/2021 | CL | Services Telephone calls with Adam Hosmer-Henner regarding the sale and issues relating to Mr. Robison's list of questions; sale issues and connection with buyer. Review various documents regarding the trust, the litigation, the applicable statutes. Prepare first draft of motion for instructions. Telephone calls with Andy Robinson in trustee's office regarding information I need and various aspects of the case. Follow up emails with Mr. Robinson. Draft email to Trustee regarding the draft motion; outline particular issues and recommendations. | 4.90 450.00/hr 2,205.00 |
| | ED | Services Work with Attorney Lee and Andy Robinson on documents for draft motion to sell. Meet with Attorney Lee throughout the afternoon to discuss status and additional tasks to be completed. | 0.30 195.00/hr 58.50 |
| | CL | Services Telephone call with Kevin Riley regarding documents he has provided to Mr. Proctor and the documents he will only release to entity officers or managing members, even though the Trust owns an interest in each membership. Draft email to Andy Robinson regarding the same. Draft email to Adam Hosmer-Henner regarding the same. | 0.30 450.00/hr 135.00 |
| | CL | Services Telephone call with Adam Hosmer-Henner regarding entities for which his client is manager/officer; request that his client ask for financial statements and tax returns from Kevin Riley and, upon receipt, to forward them to the Trustee. | 0.10 450.00/hr 45.00 |
| | CL | Services Draft email to counsel to Todd Jaksick to request that Todd make direct request of Kevin Riley to release tax returns and financial statements of entities for which Todd is officer or manager. Telephone call with Andy Robinson regarding the same; strategy. | 0.30 450.00/hr 135.00 |
| 7/21/2021 | CL | Services Confer with Mr. Proctor regarding Petition for Instructions on the sale of the Toiyabe Investment Co. interest. Review the petition to incorporate his requested revisions. Review the redacted appraisal to pertain to the six lots owned indirectly by Toiyabe. Arrange for creation of dropbox for the offer and for the redacted appraisal. Review and revise draft petition for hearing, draft order setting hearing and draft order granting the petition for instructions. Make final revisions to the petition for instructions; prepare exhibits and certificate of service. Finalize and arrange for filing and service of the two petitions; delivery of the two proposed orders to the Court. | 1.90 450.00/hr 855.00 |
| | ED | Services Review letter to Temporary Trustee and extract exhibits to save same in client file as separate documents; discuss same with Attorney Lee. | 0.20 195.00/hr 39.00 |
| | ED | Services Receive appraisal via Dropbox from Andy Robinson; download same and save to client file. Review appraisal documents from Mr. Robinson in comparison to version previously saved in client file; discuss same | 0.60 195.00/hr 117.00 |

RA0426

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
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| | with Attorney Lee. Phone call to Mr. Robinson requesting redacted version of appraisal and various components of appraisal report, including review of appraisal conducted by Lee Smith. Receive redacted appraisal report from Mr. Robinson via Dropbox; download same and save to client file. Discuss redacted appraisal with Attorney Lee. | | |
| 7/21/2021 | ED Services Meet with Attorney Lee and discuss documents to share with all parties. Create Dropbox folder and add purchase offer and redacted appraisal; send Dropbox to all parties. | 0.40 195.00/hr | 78.00 |
| | ED Services Meet with Attorney Lee; discuss petitions and strategy for same. Draft petition for hearing. Draft proposed order. Prepare exhibits to petition for instructions. Draft proposed order. Meet with Attorney Lee again and receive approval to file/serve. File petition for hearing with Court. File petition for instructions regarding sale of trust asset and exhibits thereto with Court. Email proposed orders to Sheila Mansfield. Receive filing confirmation from Court for petition for hearing. Receive filing confirmation from Court for petition for instructions. Download and save each petition with file-stamp to client file. Email petition for hearing and petition for instructions to Zachary Johnson, Kevin Spencer, and Alexi Jaksick Fields. Email petitions to Temporary Trustee. | 1.10 195.00/hr | 214.50 |
| | CL Services Review email from Kent Robison with list of questions; draft email in response. Forward to the Trustee. Review email from Mr. Robison to my request that his client obtain the financials and tax returns for entites in which Todd is the manager or officer; review Mr. Proctor's suggested response; draft email to Mr. Robison in response. Forward to Trustee with recommendations. | 0.50 450.00/hr | 225.00 |
| | ED Services Per Attorney Lee's instructions, upload full Dan Leck appraisal report dated December 10, 2020 to shared Dropbox folder to which all parties have access. | 0.10 195.00/hr | 19.50 |
| | CL Services Review email from Zach Johnson regarding prior motion to compel the trustees to produce appraisals; review the motion and the minutes of court he provided. Confirm with the Trustee's office that the only appraisal received is the Dan Leck report. Draft email to Mr. Johnson regarding the same. | 0.30 450.00/hr | 135.00 |
| | CL Services Lengthy telephone call with client regarding inquiries about the Petition for Instructions; obtaining financial records and taxes from the entities owned by the Trust; strategy and instructions for responding to the various parties. | 0.75 450.00/hr | 337.50 |
| 7/22/2021 | ED Services Meet with Attorney Lee; discuss schedule of entities the Family Trust has an interest in as prepared by Andy Robinson. Phone call to Andy | 0.20 195.00/hr | 39.00 |

RA0427

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| | | Robinson to request same. | | |
| 7/22/2021 | ED | Services Receive entity schedule from Andy Robinson; save same to client file; review same; compare to entities listed on Family Trust 2020 Financial Statement. Email to Attorney Lee regarding same. | 0.10 195.00/hr | 19.50 |
| | CL | Services Review email from Kevin Spencer; draft email in response to his questions. Review spreadsheets provided by Trustee's office regarding entities in which the estate has an interest. Draft email to Kent Robison with a list of the entities for which we need his client to request financial statements and tax returns from Kevin Riley. Telephone call with Sheila Mansfield regarding appearance by phone for the Trustee at the August 5 hearing. Draft motion to appear telephonically; file and serve. Review and revise as necessary proposed order granting motion. | 2.10 450.00/hr | 945.00 |
| | ED | Services Receive filing approval from Attorney Lee. Submit motion to appear telephonically to Court for filing; await confirmation of filing. Draft order granting hearing. Receive filing approval from Attorney Lee to submit order to Court once motion is filed. | 0.40 195.00/hr | 78.00 |
| | ED | Services Review Court's standard notice of hearing form. Draft notice of hearing on petition for instructions regarding sale of trust asset. Receive approval from Attorney Lee to finalize and file once the Court enters the order on the petition to set for hearing. | 0.20 195.00/hr | 39.00 |
| | ED | Services Receive Motion to Appear Telephonically from Court; save same to client file. Serve motion on Zach Johnson, Kevin Spencer, and Alexi Jaksick Fields via email. Discuss with Attorney Lee submission of order granting motion to Court after opportunity for responses; calendar reminder to submit order. | 0.20 195.00/hr | 39.00 |
| | CL | Services Telephone call from Andy Robinson regarding discrepancies he is finding in the historical records of interests the Trust held in various entities; discuss strategy; status report. | 0.30 450.00/hr | 135.00 |
| 7/26/2021 | ED | Services Review court docket and confirm no oppositions to the motion to appear telephonically have been filed. Submit order to Sheila Mansfield. | 0.10 195.00/hr | 19.50 |
| 7/27/2021 | ED | Services Receive Court's order granting telephonic appearances; save same to client file; review same. Draft notice of entry of order. Finalize notice of hearing on petition for instructions regarding sale of trust asset with hearing information. Email order, notice of entry and notice of hearing to Attorney Fletcher for review and approval to file/serve. | 0.30 195.00/hr | 58.50 |

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
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| 7/27/2021 | EF Services Receive and review Order Granting Telephonic Appearances; review and approve for filing and service the Notice of Entry of Order Granting Telephonic Appearances and Notice of Hearing on Petition for Instructions regarding Sale of Trust Asset | 0.20 350.00/hr | 70.00 |
| | ED Services Receive filing and service approval from Attorney Fletcher. Submit the notice of entry of order and exhibit 1 thereto to Court. Submit the notice of hearing on petition for instructions to Court. Receive filing confirmation from Court. Download and save to client file the file-stamped notice of entry of order and exhibit 1 thereto. Download and save to client file service confirmation of notice of entry and exhibit 1 thereto. Download and save to client file the file-stamped notice of hearing. Download and save to client file service confirmation of notice of hearing. Serve the notice of entry of order and notice of hearing on Zach Johnson, Kevin Spencer, and Alexi Jaksick Fields via email. Forward same to Temporary Trustee and Andy Robinson. Calendar hearing on petition for instructions. | 0.50 195.00/hr | 97.50 |
| 7/28/2021 | CL Services Review email from the Court and the orders on the August 5 hearings. | 0.30 450.00/hr | 135.00 |
| | CL Services Review email from Trustee's office; review and make revisions to the draft of the final report; draft email to the Trustee regarding the same; recommendations. | 1.00 450.00/hr | 450.00 |
| | ED Services Phone call with Attorney Lee; discuss finalization of status report for filing with the Court. Create status report cover page with affirmation, certificate of service and index of exhibits. Finalize report itself. Prepare status report. Prepare exhibits thereto. Email finalized report with exhibits to Attorney Lee for review and approval to file/serve. | 0.30 195.00/hr | 58.50 |
| | CL Services Review and revise as necessary final version of the trustee's report; arrange for filing and serve by ECF and by email on parties who do not receive electronic service; arrange for delivery of a copy to the Trustee and his assistant. | 0.75 450.00/hr | 337.50 |
| | ED Services Phone call with Attorney Lee; discuss two revisions needed to status report and exhibit 1 thereto; receive filing approval. Finalize report and exhibits. Submit same to Court for filing and electronic service. Receive filing notice from Court; save status report and exhibits to client file; combine same into one document. Serve status report and exhibits via email to Zach Johnson, Kevin Spencer, and Alexi Jaksick Fields. Email copy of status report and exhibits to Temporary Trustee and Andy Robinson. | 0.40 195.00/hr | 78.00 |
| 7/30/2021 | CL Services Review motion of Wendy Jaksick to appear at August 5 hearings by phone. Review Court's order granting Trustee's motion and setting | 0.30 450.00/hr | 135.00 |

James S. Proctor, CPA, CFE, CVA, CFF
Invoice #: 11803

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| | | <u>Hrs/Rate</u> | <u>Amount</u> |
|---|---|-----------------|---------------------------|
| | status hearing and hearing on Trustee's petition for instructions on August 5 by Zoom. Review Notice of Entry and Notice of Hearing on the same. | | |
| 7/30/2021 CL | Services | 0.20 | 90.00 |
| | Review notice of appearance by counsel for Todd Jaksick; instructions to paralegal to revise service and contact list accordingly. Review notice of disassociation of counsel for Todd Jaksick; instructions to paralegal to revise service and contact list accordingly. | 450.00/hr | |
| For professional services rendered | | 35.80 | \$13,423.00 |
| Balance due | | | <u><u>\$13,423.00</u></u> |

RA0430



Invoice submitted to:

Invoice #: 11832

VIA MAIL AND EMAIL: James S. Proctor, CPA, CFE, CVA, CFF
Meridian Advantage
200 Ridge St., Suite 240
Reno, NV 89501

August 31, 2021

In Reference To: SSJ's Issue Trust
Samuel S. Jaksick, Jr. Family Trust
Consolidated Case No. PR17-00445
Second Judicial District Court, Washoe County, Nevada

Professional Services

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|----------|----|---|-------------------|---------------|
| 8/2/2021 | CL | Services Review and respond to email from client regarding preparation for upcoming hearings. | 0.20 450.00/hr | 90.00 |
| 8/3/2021 | ED | Services Obtain Zoom link for hearings on Thursday; add to calendar. Email to Temporary Trustee and Andy Robinson with Zoom link and link to Court's Zoom protocols. | 0.10 195.00/hr | 19.50 |
| 8/4/2021 | CL | Services Confer with trustee regarding timing for due diligence and marketing on sale. | 0.20 450.00/hr | 90.00 |
| 8/5/2021 | CL | Services Review response filed on behalf of Todd Jaksick to the Petition for Instructions. Telephone call with Adam Hosner-Henner regarding the same. Telephone call with Trustee regarding the response; strategy for the hearings. Review pleadings in preparation for hearing; prepare outline of argument. | 2.50 450.00/hr | 1,125.00 |
| | CL | Services Attend hearing on Petition for Instructions and status report of Trustee. Review email from Kent Robison received minutes before the hearing started; draft email to Trustee regarding the same. Confer with Trustee during breaks in the hearing. Prepare first draft of order regarding access to Kevin Riley and his files. Draft email to Trustee regarding the same. Correspond by email with the Trustee regarding the disposition of the payment of accounting and appraisal fees. Draft email to counsel who were present at the hearing with proposed solution on the payment of the fees. | 4.50 450.00/hr | 2,025.00 |
| 8/9/2021 | CL | Services Review and respond to email from Trustee regarding revisions to the proposed order regarding access to accountants' records; revise the | 0.50 450.00/hr | 225.00 |

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
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| | draft order, finalize and arrange for transmission to the court. | | |
| 8/9/2021 | ED Services Meet with Attorney Lee; receive update after hearing last week and strategy for Trustee's additional duties. Finalize order granting Trustee access to financial information with court code and submit same via email to Sheila Mansfield. | 0.30 195.00/hr | 58.50 |
| | CL Services Review and respond to email from Sheila Mansfield regarding the proposed order on access to the accountants' records. | 0.10 450.00/hr | 45.00 |
| | CL Services Review Court's minutes from August 5 hearing. Review my notes and draft lengthy correspondence to trustee regarding follow up. Calendar all deadlines ordered by the Court. | 1.75 450.00/hr | 787.50 |
| | CL Services Review and respond to email from Trustee regarding plan of action following the August 5 hearing. Review and respond to email from Trustee regarding his communication with Kevin Riley, SJ Ranch renewal; review Nevada SOS website for further information on SJ Ranch; attempt to find information on Ken Huff; recommendations to the Trustee. Review and respond to email from Trustee regarding potential sale of Painted Rock property; recommendations. | 1.40 450.00/hr | 630.00 |
| | CL Services Upon receipt of order on access to CPAs, draft email to Trustee regarding the same. Review email from Kevin Rile regarding the same. | 0.25 450.00/hr | 112.50 |
| | CL Services Review Trustee's responses to my emails. Draft email to Adam Hosmer-Henner regarding information from Todd Jaksick on managers of the various entities in which the Trust has an interest. | 0.20 450.00/hr | 90.00 |
| 8/10/2021 | CL Services Review emails from Randy Ventuacci to the Trustee regarding the sale of the Painted Rock property, timing, intentions of the parties and information provided to the Trustee, which was minimal. Draft email to the Trustee in response. | 0.25 450.00/hr | 112.50 |
| | CL Services Outline issues to go over with the Trustee and to do list. Lengthy call with the Trustee regarding the same. Draft email to Kent Robison regarding the Base Camp purchase and sale agreement, request meeting with Todd Jaksick. | 1.50 450.00/hr | 675.00 |
| | CL Services Correspond further by email with Kent Robison regarding meeting with Todd Jaksick; request again a copy of the Painted Rock sale documents. | 0.15 450.00/hr | 67.50 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|----|--|-------------------|---------------|
| 8/10/2021 | ED | Services Send email to Attorney Lee regarding scheduling of meeting between Trustee and Todd Jaksick and respective counsel. | 0.10 195.00/hr | 19.50 |
| | ED | Services Send email to Attorney Lee regarding notice of entry of order granting Trustee access to information. | 0.10 195.00/hr | 19.50 |
| | CL | Services Review trustee's email to Randy Venturacci with the list of information needed to evaluate the sale and get court approval. Review and transmit to the Trustee the email from Mr. Robison to the effect he does not have the Base Camp sale documents. | 0.25 450.00/hr | 112.50 |
| | ED | Services Review email from Attorney Lee regarding meeting between Trustee and Todd Jaksick. Exchange emails with Trustee regarding availability for meeting with Todd Jaksick and his counsel. Discuss same with Attorney Lee. | 0.20 195.00/hr | 39.00 |
| | CL | Services Review emails from Trustee and enclosed copies of the PSA and counteroffer signed by both parties. Draft email to Trustee regarding the same. | 0.90 450.00/hr | 405.00 |
| | CL | Services Review and revise as necessary notice of entry of the access order; arrange for filing and service. | 0.30 450.00/hr | 135.00 |
| | ED | Services Receive filing approval from Attorney Lee. Submit notice of entry of order granting Trustee access to Family Trust information to Court with exhibit 1 thereto; receive confirmation of submission. Receive filing confirmation; download notice of entry and save to client file with exhibit 1 thereto. Serve notice of entry of order via email to Zach Johnson, Kevin Riley, and Alexi Jaksick Fields. Save e-service confirmation to client file. | 0.20 195.00/hr | 39.00 |
| 8/11/2021 | ED | Services Receive forwarded email from Attorney Lee containing link to sharepoint from Todd Jaksick's counsel. Visit link and download files; save same to client file. Forward same to Trustee and Andy Robinson. Email to Attorney Lee regarding same. | 0.20 195.00/hr | 39.00 |
| | CL | Services review email from Kent Robison with certain Base Camp documents; instructions to paralegal for saving and transmitting to client. | 0.20 450.00/hr | 90.00 |
| 8/12/2021 | CL | Services Review letter from Kent Robison regarding his requests for items to include in the order. Draft email to Trustee regarding the same; recommendations. Review email from Adam Hosmer-Henner regarding his requests for items to include in the order; draft email to trustee regarding the same; recommendations. Review email from Mr. | 1.50 450.00/hr | 675.00 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|----|--|-------------------|---------------|
| | | Hosmer-Henner regarding his comments to Mr. Robison's email and Trustee's response. Lengthy telephone call with Trustee regarding these issues and how to address the requests; develop plan of action on the order and on the sale of Painted Rock. | | |
| 8/12/2021 | CL | Services Communicate with Harvey Fennel regarding the sale of the Montreux lots. | 0.20 450.00/hr | 90.00 |
| | CL | Services In response to further emails from Trustee, draft email to all counsel to confirm that I have received all parties' submissions regarding the proposed order and the payment of appraisal and accountant fees. | 0.20 450.00/hr | 90.00 |
| | CL | Services Prepare modified order to incorporate the requested changes from Adam Hosmer-Henner and most of the changes from Kent Robison. Draft email to the Trustee regarding the same; request review and comment. | 1.60 450.00/hr | 720.00 |
| | CL | Services Telephone call with Melissa Molyneux regarding employment of broker for the sale. | 0.50 450.00/hr | 225.00 |
| 8/13/2021 | CL | Services Review and respond to emails from Trustee regarding the proposed order, strategy, his correspondence with Kevin Riley. Revise the proposed order to reflect the Trustee's comments. Prepare my declaration in support of the entry of the order. Review and respond to email from Kent Robison regarding the inquiry about the payment of accountant and appraisal fees. Make further revisions to the declaration; finalize along with the proposed order. Prepare certificate of service and index of exhibits. Finalize, file and serve by ECF and email. Arrange for transmission of the proposed order to Sheila Mansfield. | 2.50 450.00/hr | 1,125.00 |
| | ED | Services Receive filing and service approval from Attorney Lee. Submit declaration in support of entry of order granting petition for instructions and exhibit 1 thereto to Court. Receive filing confirmation from Court. Download file-stamped copy of declaration and exhibit 1; save same to client file. Serve declaration and exhibit via email to Zach Johnson, Kevin Spencer, and Alexi Jaksick Fields. Email the proposed order in Word format to Sheila Mansfield. Forward declaration and exhibit to Trustee. | 0.30 195.00/hr | 58.50 |
| | CL | Services Follow up call from Ms. Molyneux regarding issues with being the broker. | 0.20 450.00/hr | 90.00 |
| | CL | Services Telephone call with Harvey Fennel regarding options for involvement in the transaction, has a business valuator, other land expertise and lots of | 0.30 450.00/hr | 135.00 |

RA0434

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|----|---|-------------------|---------------|
| | | sales in Montreux. | | |
| 8/15/2021 | CL | Services Review emails between Trustee and Kevin Riley regarding information on certain entities. Review email from Randi Vertacucci to the Trustee in response to Trustee's questions about the Painted Rock sale; draft email to the Trustee with recommendations. | 0.50 450.00/hr | 225.00 |
| 8/18/2021 | CL | Services Review email from Andy Robinson regarding status of tax returns for various entities; draft email in response. | 0.20 450.00/hr | 90.00 |
| | CL | Services Review letter from Kent Robison to Kevin Riley regarding authority from Todd Jaksick to release all information to the Trustee on entities Todd controls; review further email between Kevin Spencer and Kent Robison regarding the same. | 0.20 450.00/hr | 90.00 |
| | CL | Services Review email from Kent Robison consenting to payment of appraisal and accountant fees. | 0.10 450.00/hr | 45.00 |
| | CL | Services Review emails between Kevin Riley and Trustee regarding information being provided to the Trustee. Review emails from Trustee regarding communication with Randy Venturacci and instructions on filing a motion to sell. | 0.30 450.00/hr | 135.00 |
| | CL | Services Draft email to Trustee regarding my conversations with brokers on the Toiyabe sale; recommendations. | 0.20 450.00/hr | 90.00 |
| | CL | Services Begin work on draft motion to approve Trustee's consent to sale of Painted Rock property. | 2.00 450.00/hr | 900.00 |
| 8/19/2021 | CL | Services Complete first draft of Petition regarding consent to sale of Base Camp property; prepare Proctor Declaration; prepare exhibits. Prepare the petition to set a hearing. Correspond by email with the trustee regarding the exhibits. Draft email to client with copy of the Petition, exhibits and declaration; request review and approval. | 2.00 450.00/hr | 900.00 |
| | ED | Services Various discussions with Attorney Lee regarding petition and exhibits. Review petition for instructions regarding consent to sale of asset of Base Camp LLC and Trustee's declaration in support thereof. Revise references to exhibits. Prepare exhibits to petition with necessary modifications as discussed with Attorney Lee. Add certificate of service to Trustee's declaration. Send email to Attorney Lee regarding petition, exhibits and declaration for review. | 0.70 195.00/hr | 136.50 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|----|---|-------------------|---------------|
| 8/19/2021 | CL | Services Correspond with the Trustee regarding the pleadings; revise the Petition for Instructions and the Hearing Petition to incorporate the Trustee's suggested revisions. Prepare the draft order granting the Hearing Petition. Finalize all pleadings; file with the Court and serve all parties; lodge the order with the Court's JA. | 1.40 450.00/hr | 630.00 |
| | CL | Services Confer with attorney Fletcher and Ms. Dendary regarding status of the case and issues before the court. | 0.40 450.00/hr | 180.00 |
| | ED | Services Meet with Attorney Fletcher and Attorney Lee; receive updates on case status and strategy regarding upcoming deadlines and hearings. | 0.30 195.00/hr | 58.50 |
| | ED | Services Receive filing approval from Attorney Lee. Submit to Court the petition for instructions regarding consent to sale of asset owned by Base Camp LLP and exhibits 1-4 thereto; save confirmation to client file. Receive filing confirmation from Court. Download file-stamped petition and exhibits; save same to client file. Submit Trustee's declaration in support of petition for instructions to Court; save confirmation to client file. Receive filing confirmation from Court. Download file-stamped declaration and save same to client file. Download service report for petition for instructions and save same to client file. Download service report for declaration and save same to client file. Submit petition for hearing on petition for instructions to Court; receive confirmation and save same to client file. Receive filing confirmation from Court. Download and save file-stamped petition for hearing to client file. Send email to Sheila Mansfield with Word version of order setting hearing on petition for instructions. Serve via email the petition for instructions, Trustee's declaration, and the petition for hearing on Zach Johnson, Kevin Spencer, and Alexi Jaksick Fields. Forward email to Trustee and Andy Robinson. Download and save to client file the service report for the petition for hearing. | 0.70 195.00/hr | 136.50 |
| | EF | Services Meeting with Cecilia Lee to discuss status of case and upcoming hearings; receive and review emails from Elizabeth Dendary regarding proposed order submitted to court | 0.60 350.00/hr | 210.00 |
| 8/20/2021 | CL | Services Review and respond to email from Sheila Mansfield regarding setting the hearing for September 2; forward to client. | 0.20 450.00/hr | 90.00 |
| | CL | Services Review emails from other parties regarding the September 2 hearing date. | 0.10 450.00/hr | 45.00 |
| 8/23/2021 | ED | Services Receive Court's order setting hearing on petition for instructions; save same to client file and review same. Draft notice of entry of order. Draft notice of hearing on petition for instructions. Send email to Attorney Fletcher with copy of order and drafted notice of entry and drafted notice | 0.30 195.00/hr | 58.50 |

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|--|-----------------|---------------|
| | of hearing for review and approval to file/serve. | | |
| 8/23/2021 | EF Services | 0.30 | 105.00 |
| | Receive and review Order Setting Hearing on Petition for Instructions Regarding Consent to Sale of Asset Owned by Base Camp LLC; review and approve for filing the Notice of Entry of Order Setting Hearing on Petition for Instructions Regarding Consent to Sale of Asset Owned by Base Camp LLC, the Notice of Hearing on Order Setting Hearing on Petition for Instructions Regarding Consent to Sale of Asset Owned by Base Camp LLC and the Certificate of Service of Notices; oversee service of pleadings | 350.00/hr | |
| | ED Services | 0.20 | 39.00 |
| | Receive filing and service approval from Attorney Fletcher. Submit notice of entry of order setting hearing on petition for instructions to Court for filing; save confirmation to client file. Receive filing notice from Court. Download and save file-stamped notice of entry of order to client file. Save filing confirmation to client file. Submit notice of hearing on petition for instructions to Court for filing; save confirmation to client file. Receive filing notice from Court. Download and save file-stamped notice of hearing to client file. Save filing confirmation to client file. Serve notice of entry of order and notice of hearing via email to Kevin Spencer, Zach Johnson, Alexi Jaksick Fields, and Randy Venturacci. Forward email to Trustee and Andy Robinson. | 195.00/hr | |
| | ED Services | 0.10 | 19.50 |
| | Exchange emails with Sheila Mansfield regarding in-person hearing on September 2. Exchange emails with Zach Johnson regarding same. Email to Trustee regarding in-person hearing on September 2. | 195.00/hr | |
| 8/25/2021 | EF Services | 0.20 | 70.00 |
| | Receive and review Notice of Entry of Order Granting Petition for Instructions Regarding Consent to Sale of Asset Owned by Base Camp LLC and Certificate of Service of same; email to Elizabeth Dendary approving filing | 350.00/hr | |
| 8/26/2021 | ED Services | 0.20 | 39.00 |
| | Receive filing and service approval from Attorney Fletcher. Submit notice of entry of order granting petition for instructions regarding sale of trust asset with exhibit 1 thereto to Court. Receive confirmation from Court of submission and save same to client file. Receive filing confirmation from Court; download and save the file-stamped notice and exhibit 1 to client file. Download and save eFlex automatic e-service receipt to client file. Serve the notice via email to Zach Johnson, Kevin Spencer, and Alexi Jaksick Fields. Forward same to Trustee. | 195.00/hr | |
| | ED Services | 0.10 | 19.50 |
| | Exchange emails with Trustee regarding appearance at hearing on September 2 and Court's order authorizing payment of fees. | 195.00/hr | |
| 8/27/2021 | ED Services | 0.10 | 19.50 |
| | Send copy of notice of hearing on petition for instructions regarding consent to sale of asset of Base Camp LLC and notice of entry of order | 195.00/hr | |

RA0437

VIA MAIL AND EMAIL: James S. Proctor, CPA, CFE, CVA, CFF
Invoice #: 11832

Page 8

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
|---|--|-------------------|---------------------------|
| | setting hearing to Randy Venturacci via email per his request. | | |
| 8/27/2021 EF | Services Receive and review emails from Jim Proctor and Cecilia Lee regarding Order permitting due diligence process | 0.10 350.00/hr | 35.00 |
| 8/31/2021 EF | Services Receive and respond to email from James Proctor, Temporary Trustee, regarding preparation for hearing set for September 2; read Petition for Instructions Regarding Consent to Sale of Asset Owned by Base Camp LLC, all exhibits attached thereto and Declaration of James Proctor, CPA, in support of the Petition; outline hearing argument | 1.00 350.00/hr | 350.00 |
| For professional services rendered | | 36.15 | \$14,976.50 |
| Previous balance | | | \$13,423.00 |
| Balance due | | | <u><u>\$28,399.50</u></u> |

RA0438



Invoice submitted to:

Invoice #: 11861

VIA MAIL AND EMAIL: James S. Proctor, CPA, CFE, CVA, CFF
Meridian Advantage
200 Ridge St., Suite 240
Reno, NV 89501

September 30, 2021

In Reference To: SSJ's Issue Trust
Samuel S. Jaksick, Jr. Family Trust
Consolidated Case No. PR17-00445
Second Judicial District Court, Washoe County, Nevada

Professional Services

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
|----------|--|-------------------|---------------|
| 9/1/2021 | EF Services Telephone call with James Proctor, Temporary Trustee of the Jaksick Trust, regarding potential sale of a Trust asset; receive and revise as necessary a draft email from Mr. Proctor to potential buyers regarding the sale of asset of the Jaksick Trust; respond to Mr. Proctor with revisions; review prior emails with counsel | 0.40 350.00/hr | 140.00 |
| | EF Services Telephone call with James Proctor, Temporary Trustee of the Jaksick Trust, regarding the hearing set for September 2 | 0.20 350.00/hr | 70.00 |
| 9/2/2021 | EF Services Prepare for and attend hearing on Petition for Instructions Regarding Consent to Sale of Asset Owned by Base Camp LLC; meeting with James Proctor, Temporary Trustee, after the hearing; review and approve proposed order and send to James Proctor; email to Cecilia Lee regarding court's instructions for future hearings | 1.50 350.00/hr | 525.00 |
| | ED Services Draft order granting petition for instructions regarding consent to sale of asset owned by Base Camp LLC. Send draft order to Attorney Fletcher via email. Exchange emails with Sheila Mansfield regarding same. | 0.20 195.00/hr | 39.00 |
| 9/3/2021 | EF Services Receive and respond to email from Cecilia Lee, Esq., regarding proposed Order Granting Petition for Instructions Regarding Consent to Sale of Asset Owned by Base Camp LLC; revise proposed Order accordingly and send to James Proctor, CPS, Temporary Trustee, for review and approval; receive approval from Trustee; finalize Order and instructions to submit; receive signed Order and send to Randy Venturacci and James Proctor | 0.50 350.00/hr | 175.00 |
| | ED Services Receive approval from Attorney Fletcher. Submit order granting petition for instructions regarding consent to sale of asset owned by Base Camp | 0.10 195.00/hr | 19.50 |

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
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| | LLC to Court via email to Sheila Mansfield. | | |
| 9/7/2021 | ED Services Review Court's order granting petition for instructions regarding consent to sale of asset owned by Base Camp LLC. Draft notice of entry of order. Incorporate Attorney Fletcher's service on Randy Venturacci into the certificate of service. Send email to Attorney Fletcher with the drafted notice of entry of order for review and approval to file/serve. | 0.10 195.00/hr | 19.50 |
| 9/8/2021 | ED Services Receive filing approval from Attorney Fletcher. Submit notice of entry of order and exhibit thereto to Court for review and approval to file/serve; receive confirmation of submission and save same to client file. Receive filing confirmation email from Court; download and save file stamped notice of entry to client file; attach exhibit thereto. Serve notice of entry with exhibit on Zach Johnson, Kevin Spencer, and Alexi Jaksick Fields via email. Download and save to client file the electronic service confirmation from the Court. Forward email to Trustee. | 0.20 195.00/hr | 39.00 |
| | EF Services Receive, review and approve for filing and service Notice of Entry of Order Granting Petition for Approval of Trustee's Decision to Sell Real Property owned by Basecamp, LLC; email to Elizabeth Dendary | 0.20 350.00/hr | 70.00 |
| 9/9/2021 | EF Services Receive email from Kent Robison regarding Ag Credit loan; forward to James Proctor, Temporary Trustee, with recommendations | 0.20 350.00/hr | 70.00 |
| 9/13/2021 | CL Services Review and respond as necessary to numerous emails and the Court's order setting the hearing on the petition for instructions. | 0.40 450.00/hr | 180.00 |
| 9/14/2021 | CL Services Review emails between Trustee and Ms. Fletcher regarding communication with third parties regarding the Toiyabe sale. Review emails between Trustee and Don Lattin regarding payment of his firm's fees. Review correspondence with Mr. Venturacci regarding entry of the order approving the sale of Base Camp. Review email update from the Trustee on numerous issues; draft email in response. Draft email to Kent Robison in response to his demand that the Ag Credit payment be made immediately. Forward to Trustee. Draft further email to Trustee regarding procedure/court approval for paying certain Trust expenses. | 0.90 450.00/hr | 405.00 |
| | CL Services Review email from Kent Robison with additional questions. Draft email to Trustee regarding the same, information I have already and that I need from him to answer Mr. Robison's questions. | 0.20 450.00/hr | 90.00 |
| 9/21/2021 | CL Services Correspond with Trustee regarding upcoming meeting, response to email from Kent Robison. | 0.20 450.00/hr | 90.00 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|----|---|-------------------|---------------|
| 9/21/2021 | CL | Services Review notice of disassociation of counsel filed on behalf of Kristen Matteoni. Instructions to paralegal to follow up with our contact information and whether we need to revise form of certificate of service. | 0.20 450.00/hr | 90.00 |
| | CL | Services Review minute of the September 2 hearing on sale of Base Camp. | 0.10 450.00/hr | 45.00 |
| 9/22/2021 | CL | Services Review and respond to multiple emails from the Trustee regarding various issues. | 0.40 450.00/hr | 180.00 |
| | CL | Services Correspond further by email with client on various issues, including his preparation for meeting with Stan Jaksick on September 24. | 0.30 450.00/hr | 135.00 |
| 9/23/2021 | CL | Services Telephone call with client regarding meeting with Adam Hosmer-Henner and Stan Jaksick; strategy. | 0.50 450.00/hr | 225.00 |
| 9/24/2021 | CL | Services Telephone call with client regarding his communication with Ag Credit; his meeting with Adam Hosmer-Henner and Stan Jaksick; instructions to follow up with Kent Robison. | 0.50 450.00/hr | 225.00 |
| | CL | Services Draft email in response to email from Kent Robison and to address the issues the Trustee wanted covered; forward to the Trustee. | 0.20 450.00/hr | 90.00 |
| 9/27/2021 | CL | Services Review notice of change of address for Kreitlein firm; instructions to paralegal for follow up. | 0.10 450.00/hr | 45.00 |
| | CL | Services Review correspondence from Kent Robison; review several times and analyze the Settlement Agreement; outline questions and issues to follow up on. | 2.50 450.00/hr | 1,125.00 |
| | CL | Services Draft email to Trustee regarding my analysis of the Settlement Agreement, specific issues that need to be addressed. Correspond further by email with the Trustee regarding the same. | 0.40 450.00/hr | 180.00 |
| 9/29/2021 | ED | Services Research ownership information for 5 parcels of land and market status of each parcel. Send email to Trustee and Attorney Lee regarding same. | 0.30 195.00/hr | 58.50 |
| | CL | Services Review email from Kent Robison and string leading up to his. Review excel spreadsheet attached. Draft email to client regarding the same, recommendations; instructions to paralegal regarding follow up. Correspond throughout the day with paralegal and client regarding the | 0.90 450.00/hr | 405.00 |

| | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|--|-----------------|--------------------|
| | same. | | |
| 9/30/2021 | CL Services | 1.00 | 450.00 |
| | Correspond by email with client regarding Montreeux lot transfers. | 450.00/hr | |
| | Lengthy telephone call with the Trustee regarding these issues and others; strategy. | | |
| | For professional services rendered | 12.70 | \$5,185.50 |
| | Previous balance | | \$28,399.50 |
| | Balance due | | \$33,585.00 |



Invoice submitted to:

Invoice #: 11876

VIA MAIL AND EMAIL: James S. Proctor, CPA, CFE, CVA, CFF
Meridian Advantage
200 Ridge St., Suite 240
Reno, NV 89501

October 31, 2021

In Reference To: SSJ's Issue Trust
Samuel S. Jaksick, Jr. Family Trust
Consolidated Case No. PR17-00445
Second Judicial District Court, Washoe County, Nevada

Professional Services

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|-----------|----|--|-------------------|---------------|
| 10/4/2021 | CL | Services Lengthy telephone call with Trustee regarding his call with Stan Jaksick and counsel; develop plan of action and assignments for each of us. | 0.60 450.00/hr | 270.00 |
| | CL | Services Meet with paralegal Dendary regarding follow up on the MDX sales and investigation of the five Nestle Court lots; documents relating to the Settlement Agreement; anticipated declaration from her in connection with final approval for the sale of the Toiyabe interest; outline plan of action. Draft email to Adam Hosmer-Henner regarding documents in connection with the Montreux sales and Operating Agreements. Forward to the Trustee. | 1.00 450.00/hr | 450.00 |
| | CL | Services Work extensively with paralegal throughout the day regarding analysis of recorded documents, subdivision agreements, plat maps and deeds of trust on properties owned by MDG; compare with information in the Dan Lech appraisal. Review spreadsheet of information and make revisions. | 1.40 450.00/hr | 630.00 |
| | ED | Services Meet with Attorney Lee; discuss research needed related to Montreux Development Group LLC and Toiyabe Investments Co. Conduct research on Washoe County Assessor's website and Washoe County Recorder's website as necessary; save research findings to client file. Create spreadsheet summarizing research findings with comparison to Dan Leck's appraisal. Discuss same with Attorney Lee throughout the research process and obtain additional directions. Finalize research findings in spreadsheet for transmission to Trustee. | 3.30 195.00/hr | 643.50 |
| | CL | Services Review documents regarding the approval of the settlement agreement; indemnification agreement. Review and make final versions to the | 1.50 450.00/hr | 675.00 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|------------|----|---|-------------------|---------------|
| | | spreadsheet on the MDX property, recent sales and other recorded documents that may affect value. Review and respond to emails from the Trustee regarding Settlement Statements on the two recent sales; provide a copy of the spreadsheet to the Trustee with explanations. | | |
| 10/5/2021 | ED | Services Review court docket between 2019-2021; locate all pleadings related to the settlement agreement between Todd Jaksick and Stan Jaksick; download and save same to client file. Send lengthy email to Attorney Lee outlining the pleadings saved that relate to the settlement agreement, including petitions, oppositions, replies, hearing statements, court minutes, and orders. | 1.00 195.00/hr | 195.00 |
| | ED | Services Conference call with Attorney Lee and Trustee regarding spreadsheet of real properties owned by Montreux Development Group LLC and various recorded deeds, plat maps, and subdivision improvement agreement. | 0.40 195.00/hr | 78.00 |
| | CL | Services Continue review of documents relating to settlement agreement. | 2.50 450.00/hr | 1,125.00 |
| | CL | Services Conference call with client and Ms. Dendary regarding spreadsheet of information on real property owned by MDX. | 0.60 450.00/hr | 270.00 |
| 10/6/2021 | CL | Services Correspond by email throughout the day with Trustee regarding follow up on issues we discussed yesterday. | 0.40 450.00/hr | 180.00 |
| | CL | Services Correspond by email with Trustee regarding the estate tax return for 2013; review pertinent pages of the return; draft email to Trustee regarding the same. | 0.30 450.00/hr | 135.00 |
| | CL | Services Continue review of documents regarding the settlement agreement, Toiyabe interests and other sales of Montreux lots. | 3.40 450.00/hr | 1,530.00 |
| 10/11/2021 | CL | Services Review additional pleadings and documents in connection with analysis of settlement agreement. | 3.75 450.00/hr | 1,687.50 |
| | ED | Services Conduct research of various entities through the Nevada Secretary of State, Washoe County Assessor, and Washoe County Recorder. Save relevant information to client file. Meet with Attorney Lee and discuss research findings; receive further research to conduct. | 0.60 195.00/hr | 117.00 |

RA0444

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|------------|----|---|-------------------|---------------|
| 10/12/2021 | ED | Services Draft lengthy declaration outlining the real property and entity research conducted on October 4 and October 11. | 1.00 195.00/hr | 195.00 |
| | ED | Services Meet with Attorney Lee and obtain transcript information for order (10/11/2021). Exchange emails with Sheila Mansfield regarding transcript order. Phone call to Court Reporter regarding same. Discuss same with Attorney Lee. Send email to Maupin Cox Legoy requesting copy of transcript. | 0.30 195.00/hr | 58.50 |
| | CL | Services Confer with paralegal regarding the status of the transcript from the October 14 hearing; instructions to obtain the transcript from Maupin Cox; review emails between Ms. Dendary and Jen Salisbury. | 0.30 450.00/hr | 135.00 |
| | ED | Services Meet with Attorney Lee; discuss strategy and Attorney Lee's research findings regarding settlement agreement; receive new research assignments. | 0.50 195.00/hr | 97.50 |
| | CL | Services Meet with paralegal regarding instructions on additional pleadings to locate. Continue work on settlement agreement pleadings. Draft email to client regarding status. | 2.00 450.00/hr | 900.00 |
| | ED | Services Review case pleadings relating to appeal; save same to client file. Review Supreme Court case pleadings; save the docketing statements to client file; review same. Begin drafting memorandum summarizing appeals. | 1.50 195.00/hr | 292.50 |
| 10/13/2021 | ED | Services Finish reviewing Nevada Supreme Court pleadings; save as necessary pleadings to client file. Finish drafting memorandum summarizing same. Send email to Attorney Lee with copy of memorandum for review. | 0.70 195.00/hr | 136.50 |
| | CL | Services Review emails regarding status of Base Camp (Painted Rock) sale and advice from counsel on damages against buyer; review Trustee's comments. Draft email to Trustee with recommendations. | 0.20 450.00/hr | 90.00 |
| | CL | Services Review memo of research from paralegal regarding status of the appeal, issues identified by the various parties on appeal. | 0.25 450.00/hr | 112.50 |
| | CL | Services Review pleadings in connection with approval of settlement agreement; Indemnification Agreement. Instructions to paralegal to follow up on certain issues. | 4.30 450.00/hr | 1,935.00 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|------------|----|---|-------------------|---------------|
| 10/13/2021 | ED | Services Receive email from Attorney Lee regarding additional transcript needed. Exchange emails with Sheila Mansfield regarding same. Phone call with Litigation Services regarding same. Exchange emails with Jen Salisbury regarding same. Save transcript to client file and forward same to Attorney Lee. | 0.20 195.00/hr | 39.00 |
| | CL | Services Review emails regarding additional sale agreement for Painted Rock; draft email to Trustee regarding the same; recommendations. | 0.20 450.00/hr | 90.00 |
| 10/14/2021 | CL | Services Lengthy telephone call with Trustee regarding my research on the settlement agreement; numerous issues; strategy. | 1.50 450.00/hr | 675.00 |
| 10/18/2021 | CL | Services Prepare draft letter to Adam Hosmer-Hemmer regarding documents to request from his client. Draft letter to counsel to Todd Jaksick individually and as trustee regarding the same. Revise the letters. Meet with paralegal regarding the same; input from her review of various portions of the record. Draft email to client regarding the same; request review and approval. | 3.75 450.00/hr | 1,687.50 |
| | ED | Services Meet with Attorney Lee; receive status report of document review and letters to counsel requesting additional documents and information; discuss strategy. | 0.20 195.00/hr | 39.00 |
| 10/19/2021 | CL | Services Review emails from the Trustee regarding demand from Kent Robison of Kevin Riley to pay his firm various fees for representing Todd. Review the letter to Mr. Riley and attachment. Draft email to the Trustee regarding the same; recommendations. | 0.25 450.00/hr | 112.50 |
| | CL | Services Lengthy call with Trustee regarding requests for documents to the former trustees; issues relating to sale of Toiyabe; notice period for motion to sell; strategy. | 1.10 450.00/hr | 495.00 |
| | CL | Services Review notes and other documents and make substantial revisions to the demand letters to former co-trustees; transmit to trustee by email for review and approval. | 2.10 450.00/hr | 945.00 |
| | CL | Services Review additional changes to the letters to counsel for the former trustees; make further revisions in conformity; correspond by email with the Trustee regarding the same; further ideas to consider; prepare final version of each letter with attachment; transmit to each counsel and forward to Trustee. Correspond by email with counsel for Wendy Jaksick to schedule a call; correspond by email with Trustee regarding | 2.20 450.00/hr | 990.00 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|------------|----|--|-------------------|---------------|
| | | additional questions for Wendy's lawyers. | | |
| 10/20/2021 | CL | Services Review email from Kent Robison and attached letter to Adam Hosmer-Henner. Draft email in response. Forward all of this correspondence to the Trustee with recommendations. | 0.25 450.00/hr | 112.50 |
| | CL | Services Lengthy conference with paralegal Dendary regarding investigation and research on various issues. | 0.75 450.00/hr | 337.50 |
| | ED | Services Conference call with Attorney Lee; discuss various areas of research needed and receive assignments. | 0.75 195.00/hr | 146.25 |
| | CL | Services Review email from Adam Hosmer-Henner regarding response to my correspondence; forward to the Trustee. | 0.10 450.00/hr | 45.00 |
| | ED | Services Review court record. Download voluminous briefing regarding attorneys' fees and costs and parties' costs; save to client file in organized manner. Begin reviewing same and create spreadsheet summary. | 2.90 195.00/hr | 565.50 |
| 10/21/2021 | ED | Services Continue reviewing briefs relating to attorneys' fees and costs; summarize same in spreadsheet. | 0.70 195.00/hr | 136.50 |
| 10/22/2021 | CL | Services Telephone call with Trustee regarding various issues for status report, Mana proposal, strategy. Review and respond to email from Zach Johnson regarding meeting with him and Kevin Spencer. | 0.70 450.00/hr | 315.00 |
| | CL | Services Review and respond to email from Kent Robison; review the letter requesting to documents to confirm his reference to one of the requests; forward emails to Trustee; recommendations and request for instructions. Correspond further by email with the Trustee regarding the same. Draft follow up email to Kent Robison with a copy of the October 19 letter I sent to Adam Hosmer-Henner; forward to the Trustee. | 0.50 450.00/hr | 225.00 |
| 10/24/2021 | CL | Services Review portions of transcript from November 19, 2020 hearing. Outline additional issues to cover with Wendy's lawyers. | 1.40 450.00/hr | 630.00 |
| 10/25/2021 | CL | Services Conference call with Don Lattin and Kent Robison regarding responses to the requests set forth in the October 19 letter. Review notes and file for agreement between the Trustees that Mike Kimmel executed; draft email to Don Lattin regarding the same. | 0.75 450.00/hr | 337.50 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|------------|----|---|-------------------|---------------|
| 10/25/2021 | ED | Services Continue reviewing briefing on memoranda of costs and verified petitions for attorney's fees filed by the parties in the litigation. Summarize same in spreadsheet. Meet with Attorney Lee as necessary to discuss findings. Send spreadsheet to Attorney Lee with explanation. | 3.40 195.00/hr | 663.00 |
| | CL | Services Continue review of documents relating to the Settlement Agreement and trust liabilities; confer throughout the day with Ms. Dendary on the fee issues. Correspond by email with the Trustee on various issues. Lengthy telephone call with the Trustee regarding his call with Todd, my call with Todd's lawyers. Correspond by email with Wendy's lawyers. | 5.50 450.00/hr | 2,475.00 |
| | ED | Services Meet with Attorney Lee; discuss information received from Trustee. Research Buckhorn Land & Livestock LLC with Nevada Secretary of State; save same to client file. Review Family Trust's 2020 financial statement for ownership percentage. | 0.25 195.00/hr | 48.75 |
| 10/26/2021 | CL | Services Review paralegal's spreadsheets on attorneys' fees and costs based on court filings; lengthy conference with paralegal regarding the same and revisions to get to an analysis of exactly what the Family Trust's liabilities are for fees and costs, the effect of the settlement agreement and the August 29, 2019 agreement between the three trustees. | 2.90 450.00/hr | 1,305.00 |
| | ED | Services Review trust documents regarding indemnification and fees, priorities. | 1.70 195.00/hr | 331.50 |
| | ED | Services Lengthy meeting with Attorney Lee to discuss fees and costs of counsel in this litigation. Discuss chart and various issues regarding same; strategy. | 1.60 195.00/hr | 312.00 |
| | CL | Services Review and respond to email from Trustee regarding attorneys' fees; brief summary of investigation of fees and costs sought and awarded as part of the trial. Correspond by email with Zach Johnson regarding meeting. | 0.25 450.00/hr | 112.50 |
| | ED | Services Revise spreadsheet of counsels' fees and costs to include additional information requested by Attorney Lee. Send email to Attorney Lee regarding same. | 0.20 195.00/hr | 39.00 |
| | CL | Services Review and respond to email from Trustee and portion of the 2021 financial statements; provide copy of the spreadsheet on fees and recommendations. | 0.25 450.00/hr | 112.50 |

| | | | <u>Hrs/Rate</u> | <u>Amount</u> |
|---|----|--|-------------------|--------------------|
| 10/26/2021 | ED | Services Finish reviewing trust documents. Send email to Attorney Lee outlining relevant trust terms and provisions for Trustee's assigned duties by Court. | 0.40 195.00/hr | 78.00 |
| 10/27/2021 | CL | Services Telephone call with the Trustee regarding liabilities of the trust for fees and costs; latest communication with Todd; issues still to resolve; strategy. | 1.50 450.00/hr | 675.00 |
| | CL | Services Draft email to client regarding the August 29, 2019 agreement between the trustees. Draft email to the Trustee with the memorandum on the issues on appeal. Draft email to Zach Johnson regarding the August 29, 2019 agreement and issues for our upcoming call. Attend conference call with Dallas lawyers regarding various issues, pending liabilities; potential resolution of the trust. Review email from Zach Johnson relaying information regarding Jackrabbit and other matters. | 1.00 450.00/hr | 450.00 |
| | CL | Services Draft email to trustee with summary of my call with Dallas lawyers. Review and respond to email from the Trustee regarding objections from Todd to payment of my firm's fees. Confer with paralegal Dendary regarding her investigation of priority of payment; discuss next steps to investigate liabilities of the Trust; plan of action. | 0.90 450.00/hr | 405.00 |
| | ED | Services Complete review of trust documents for all provisions governing trust distributions, trustee compensation, and attorney's fees. Research Nevada law relating to trust agreements, distributions, trustee's compensation, and jurisdiction of courts. Lengthy conference call with Attorney Lee; give report on research findings and summary; discuss strategy for additional research and receive assignments. | 3.70 195.00/hr | 721.50 |
| 10/28/2021 | CL | Services Draft email to client regarding additional source of information to obtain regarding trust liabilities. Draft email to Kent Robison and Don Lattin regarding the privilege/confidentiality issue they raised in response to my October 19 letter requesting documents; forward email to client. | 0.20 450.00/hr | 90.00 |
| | ED | Services Review indemnity agreement benefiting Todd Jaksick. Review settlement agreement between Todd Jaksick and Stan Jaksick. Review settlement agreement between co-Trustees of the Family Trust regarding attorney's fees. Send email to Attorney Lee regarding same. | 2.50 195.00/hr | 487.50 |
| For professional services rendered | | | 78.35 | \$28,168.50 |
| Previous balance | | | | \$33,585.00 |

VIA MAIL AND EMAIL: James S. Proctor, CPA, CFE, CVA, CFF
Invoice #: 11876

| | <u>Amount</u> |
|-------------|--------------------|
| Balance due | <u>\$61,753.50</u> |

EXHIBIT 2

EXHIBIT 2

CODE: 1230
FLETCHER & LEE
Elizabeth Fletcher, Esq.
Nevada Bar No. 10082
Cecilia Lee, Esq.
Nevada Bar No. 3344
448 Ridge Street
Reno, Nevada 89501
Telephone: 775.324.1011
Email: efletcher@fletcherlawgroup.com
Email: clee@fletcherlawgroup.com

Attorneys for Trustee James S. Proctor, CPA, CFE, CVA, CFF

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

In the Matter of the Administration of the
SSJ'S ISSUE TRUST.

Case No. PR17-00445

Dept. No. 15

In the Matter of the Administration of the
SAMUEL S. JAKSICK, JR. FAMILY TRUST.

CONSOLIDATED

Case No. PR17-00446

Dept No. 15

SUMMARY SHEET IN SUPPORT OF
FIRST APPLICATION FOR APPROVAL AND PAYMENT OF
COMPENSATION TO FLETCHER & LEE

ROLE IN THIS CASE: COUNSEL FOR TRUSTEE
JAMES S. PROCTOR, CPA, CFE, CVA, CFF

CURRENT APPLICATION:

Fees requested: \$61,753.50

Hours billed: 0.50 Cecilia Lee, Esq. - \$500.00/hour
113.40 Cecilia Lee, Esq. - \$450.00/hour
0.40 Cecilia Lee, Esq. - \$350.00/hour
5.40 Elizabeth Fletcher, Esq. - \$350.00/hour
43.30 Paralegals - \$195.00/hour

Overall attorney rate: \$445.36/hour
Overall effective rate: \$378.86/hour

Expenses requested: \$0.00

PREVIOUS AWARDS OF FEES AND EXPENSES:

There have been no prior awards of compensation to FLETCHER & LEE as counsel for the Trustee in this case.

EXHIBIT 3

EXHIBIT 3

Fee/Cost Breakdown for FLETCHER LEE
Application for Approval and Payment of Fees and Costs to FLETCHER LEE
Consolidated Case Nos. PR17-00445 and PR17-00446

Fees:

| Invoice Date | Fees | Costs | CL/\$500 | CL/\$450 | CL/\$350 | EF/\$350 |
|---------------|---------------------|-------------|----------------|------------------|----------------|----------------|
| 7/31/2021 | \$ 13,423.00 | \$ - | 0.50 | 24.30 | 0.40 | 0.20 |
| 8/31/2021 | \$ 14,976.50 | \$ - | | 29.75 | | 2.20 |
| 9/30/2021 | \$ 5,185.50 | | | 8.80 | | 3.00 |
| 10/31/2021 | \$ 28,168.50 | | | 50.55 | | |
| TOTAL: | \$ 61,753.50 | \$ - | \$ 0.50 | \$ 113.40 | \$ 0.40 | \$ 5.40 |

| Timekeeper | Hours | Hourly Rate | Fees |
|------------|---------------|---------------|---------------------|
| CL | 0.50 | \$ 500.00 | \$ 250.00 |
| CL | 113.40 | \$ 450.00 | \$ 51,030.00 |
| CL | 0.40 | \$ 350.00 | \$ 140.00 |
| EF | 5.40 | \$ 350.00 | \$ 1,890.00 |
| ED | 43.30 | \$ 195.00 | \$ 8,443.50 |
| | 163.00 | TOTAL: | \$ 61,753.50 |

| | | |
|--------------------------------|------------------|---------------------|
| Overall Attorney Rate: | \$ 445.36 | \$ 51,280.00 |
| Overall Effective Rate: | \$ 378.86 | |

Summary:

| | |
|---------------|---------------------|
| FEES: | \$ 61,753.50 |
| COSTS: | \$ - |
| TOTAL: | \$ 61,753.50 |

EXHIBIT 4

EXHIBIT 4

1 CODE: 3060
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11 IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
12 IN AND FOR THE COUNTY OF WASHOE
13

14 In the Matter of the Administration of the
15 SSJ'S ISSUE TRUST.

Case No. PR17-00445

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16 In the Matter of the Administration of the
17 SAMUEL S. JAKSICK, JR. FAMILY
18 TRUST.

CONSOLIDATED

Case No. PR17-00446

Dept No. 15
19

20 **ORDER GRANTING**
21 **FIRST APPLICATION FOR APPROVAL AND PAYMENT OF**
22 **COMPENSATION TO FLETCHER & LEE**

23 This matter came before the Court on the duly noticed First Application
24 for Approval and Payment of Compensation to FLETCHER & LEE (the
25 "Application"), filed by James S. Proctor, CPA, CFE, CVA, CFF, in his capacity as
26 the appointed Trustee of the Jaksick Family Trust (the "Trustee"). Appearances
27 at the hearing were noted on the record.
28

1 The Court considered the Application, any oppositions thereto, and the
2 arguments and representations of counsel made at the hearing. The Court
3 placed its findings on the record in lieu of written findings of fact and conclusions
4 of law, which are incorporated hereby in their entirety by this reference. These
5 include, but are not limited to, the following: The Court finds that it has
6 jurisdiction to enter an order granting the Application. The Court finds that the
7 fees incurred on behalf of the Trustee are reasonable, necessary and beneficial
8 to the Family Trust. The Court finds that notice of the Application was properly
9 served on all parties.

10 WHEREFORE, good cause appearing,

11 IT IS HEREBY ORDERED that the Application is GRANTED.

12 IT IS HEREBY FURTHER ORDERED that the Temporary Trustee is
13 authorized to pay from the Jaksick Family Trust to Fletcher & Lee compensation
14 in the amount of \$61,753.50 for professional services rendered.

15 DATED this _____ day of _____, 2021.

16 **IT IS SO ORDERED.**

17 _____
18 DISTRICT JUDGE

19 Submitted by:

20 FLETCHER & LEE

21 /s/ Cecilia Lee, Esq.

22 CECILIA LEE, ESQ.
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CODE: 3835
FLETCHER & LEE
Elizabeth Fletcher, Esq.
Nevada Bar No. 10082
Cecilia Lee, Esq.
Nevada Bar No. 3344
448 Ridge Street
Reno, Nevada 89501
Telephone: 775.324.1011
Email: efletcher@fletcherlawgroup.com
Email: clee@fletcherlawgroup.com

Attorneys for Temporary Trustee James S. Proctor, CPA, CFE, CVA, CFF

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

In the Matter of the Administration of the
SSJ'S ISSUE TRUST.

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SAMUEL S. JAKSICK, JR. FAMILY TRUST.

CONSOLIDATED

Case No. PR17-00446

Dept No. 15

TRUSTEE'S SECOND INTERIM STATUS REPORT

James S. Proctor, CPA, CFE, CVA, CFF, in his capacity as the duly appointed Temporary Trustee of the Jaksick Family Trust, by and through his attorneys of record, Cecilia Lee, Esq. and Elizabeth Fletcher, Esq., Fletcher & Lee, hereby submits his Second Interim Status Report.

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AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the personal information of any person.

DATED this 9th day of November, 2021.

FLETCHER & LEE

/s/ Cecilia Lee, Esq.
CECILIA LEE, ESQ.

Pursuant to this Court's Order for Appointment of Temporary Trustee filed February 25, 2021 (Order) In the Matter of the Administration of the Samuel S. Jaksick, Jr Family Trust (Trust), Case No. PR17-00445 Dept. No. 15, the Temporary Trustee, James S. Proctor, hereby submits his second Status Report, dated November 5, 2021. The Temporary Trustee's first Status Report was dated July 26, 2021. The first Status Hearing was conducted on August 5, 2021.

OVERVIEW

As outlined in the first Status Report, I as Temporary Trustee, have operated the Trusteeship following appointment by the Court entered on February 25, 2021, upon the direction of the Court as documented in the Court's Order Finding Violation of NRS 163.115 and Ordering Additional Briefing to Determine Timing of the Removal of Trustees dated February 10, 2021. As the Court is well aware of the facts, circumstances and history of the case, this Report will not further enumerate on such.

For brevity, references to Stan Jaksick, Todd Jaksick, and Wendy Jaksick are listed as Stan, Todd, and Wendy, and are not meant to imply any type of familiarity or relationship with such. I will also reference myself as Trustee in this report. As further analyses and research are performed, I will continue to file additional Status Reports.

The Temporary Trustee (Trustee) was appointed on February 25, 2021 to administer the Trust and proceed as an independent and objective third party. That is how the administration has been and will be conducted. The Trustee is informing the Court of issues and questions that have arisen during the short period of administration. As outlined below the Court needs to be aware of the issues and questions so that the Trustee can continue to administer the Trust. The parties and their legal counsel may not agree with certain assertions, opinions, conclusions or questions about unclear items or have differences of opinions. The Trustee is informing the Court so that there is a clear understanding of the issues facing the Trust, and the Court can make further determinations so the Trustee can objectively administer the Trust. The facts are what they are and the Trustee is attempting to best administer the Trust given those facts and circumstances.

TRUST CASH

Currently, the Trust has \$106,024 cash on hand in an interest-bearing checking account at RBC Wealth Management (RBC). There are no sources of income expected in the immediate future aside from any property sales as outlined below.

CLARIFICATIONS OF 1ST STATUS REPORT

During the first Status Hearing, attorney Don Lattin reported that the American AgCredit (AgCredit) 2020 payment had been paid. I had reported in the first Status Report that I could not trace the payment to the accounting records of the Trust as maintained in the QuickBooks (QB) accounting software. Based upon the information that Mr. Lattin provided I was able to trace the payment to the accounting records of the Trust. Based upon further conversations with AgCredit,

it was determined that a significant part of the 2020 payment was made by a type of cash deposit account at AgCredit that had funds available for payment. Only part of the 2020 payment was paid out of the Trust's cash account at RBC. The AgCredit cash deposit account did not have any monies available for the 2021 payment, and no further amounts have been deposited into that account in 2021. Additional information is presented below in the AgCredit section.

AMERICAN AgCREDIT (AgCredit)

As outlined in the first Status Report a payment of \$126,795 was due in September 2021, and the Trust did not have the funds available for payment. The loan with American AgCredit dates back to before Samuel Jaksick's death and the Trust is a Co Borrower on the obligation. Over the years it appears that the AgCredit has been secured by various real property interests with various Co-Borrowers and Guarantors. The amount outstanding is approximately \$368,900. I have entered into discussions with AgCredit to put into place a payment plan or forbearance agreement. AgCredit has recently provided an Application for Restructure. It is anticipated that the Sept. 2021 payment will be paid through an asset sale and I am proposing a 6-month period for payment. AgCredit may accelerate future payments as part of any forbearance agreement to which they will agree. As part of the restructure plan the Trust will request that AgCredit release as Guarantors or Co-Borrowers shown on those entities that still exist but no longer have any assets. Thus, those entities could be closed and the Trust reduce the expenses of maintaining those entities. The proposed payment plan and application are in progress.

LEGAL COUNSEL – FLETCHER & LEE

Having performed a number of similar engagements over the years I am acutely aware and sensitive of incurring fees and costs that can ultimately affect the assets of an entity, and take into consideration the cost versus the benefit of areas of administration, including incurring professional fees. In engaging Ms. Cecilia Lee of Fletcher & Lee it was my intention to have her assist in drafting certain legal documents necessary for the administration of the Trust, for example the sale of the Trust's interest in Toiyabe Investments, and any other properties or assets. What has become evident, is that her legal services are absolutely necessary to assist me as Trustee in the interpretation of certain pleadings, Orders, and documents. While I am adept at reading and interpreting legal and other documents based upon over 30 years of experience, a number of documents in this case involve complex and obscure legal interpretation. These have a direct and consequential effect on the assets and liabilities of the Trust and what might eventually be available for distribution to the beneficiaries of the Trust. Ms. Lee's and her firm's assistance have been absolutely necessary and invaluable in the administration and analyses of the assets and obligations of the Trust. Our discussions have determined a number of issues that the Court needs to be aware of and as outlined in this Report. These include, but are not limited to, determination between administrative, creditor and beneficiary claims, the interpretation of the Settlement Agreements and assistance in obtaining necessary documentation of legal fees incurred and paid by the Trust.

Fletcher and Lee has separately filed an Application for Fees for the services performed. The Trustee has signed off on the Application with approval and will be asking the Court to approve the amount of the fees requested and the proposal for priority of payment of those fees. In order to effectuate a priority payment, the Trustee will work with counsel who have represented the co-trustees in their capacity as trustees in the appeal.

TRUST ASSETS AND TRUST LIABILITIES AND OBLIGATIONS¹

The Trust's financial condition was presented in the CPA prepared compiled financial statements as of February 26, 2021. The financial statements reported the Trust assets and liabilities and included additional detail and explanations in the footnotes to the financial statements. As was disclosed in the financial statements, and as outlined in the first Status Report, certain values and amounts reported were the representation of the two Trustees – Stan and Todd. The tax returns and the Financial Statement footnotes and supporting schedules provide detail on closely held businesses in which the Trust has equity. The information presented in the February 26, 2021 Trust Financial Statements was not current for all entities.

As part of the procedures performed by the Trustee and his staff, there was additional analysis and research of the amounts reported². Thus, the Trust assets, liabilities, and obligations may differ from the financial statements and tax returns. The Trust's assets can be estimated to range from **\$3,650,000** to **\$4,800,000**, rounded (**Exhibit 1**). The Trusts liabilities and obligations are estimated to be **\$3,660,000**, rounded (**Exhibit 1**).

As outlined, many of these amounts are estimates, and some are based upon appraisals, representations of the two Trustees, analyses of collectability and monetization of debt, including related party (insider) debts. I have received additional information and documents subsequent to the financial statements and have requested further substantiating documents. These amounts presented are as of the date of this Report and are preliminary. As more information becomes available or more readily defined and substantiated, revised summaries will be provided to parties' counsel for further consideration and discussion, without the need to wait and schedule Status Hearings.

SETTLEMENT AGREEMENT

At the first Status Hearing on August 5, 2021, it was requested by parties' legal counsel to further analyze the Settlement Agreement. As the Court is aware, there were two Settlement Agreements; one dated January 31, 2019 and one dated August 29, 2019 (**Exhibit 2**). Many of the aspects and terms may not affect the Trust as they appear to be between Todd and Stan. I have not analyzed or been involved in those areas, though I am aware not all of the terms have been performed between Todd and Stan. What does appear to affect the Trust are the terms of the legal fees and capital calls to be paid by the Trust. The Settlement Agreements do not address any claims or assertions of Wendy. I am aware that the Court approved the January 31, 2019 Settlement Agreement.

¹ While the Temporary Trustee is a CPA and Certified Valuation Analyst (CVA) the amounts presented in this Report and its exhibits or attachments are estimates and representations from parties and from the Trust books and records. Thus, the amounts and numbers reported are not valuation reports in accordance with professional standards that result in detail, summary, or calculation of value reports. While financial information is presented, some of which is from financial statements and tax returns, this information has not been subjected to any audit or review procedures by us as defined by the American Institute of Certified Public Accountants (AICPA) during this engagement. The terms "audit" and "review" are described and defined in pronouncements promulgated by the AICPA. Accordingly, this Report should not be construed, or referred to, as an audit, examination, or review of the Trust's financial information by Meridian Advantage and the Trustee.

² Many of the amounts reported in the compiled financial statements were also reported on the Trust's tax returns.

The objective duty of the Trustee is to all the beneficiaries of the Trust. As such I had questions as to the enforceability and effect on the Trust of certain aspects of the Settlement Agreements. Particularly, I have questions as to the liability of the Trust for legal fees incurred by Todd and Stan while acting in their individual capacities, as opposed to their capacities as Co-Trustees, and the extent of the Trust's liability to Todd for amounts he has claimed under the Indemnification Agreement. In order to better define the liability of the Trust I sought legal counsel from Fletcher and Lee as outlined above.

To assist the Court, a recap is presented (**Exhibit 3**) of the legal fees incurred, allocated, and ordered. As outlined below the information available to the Trustee and the CPA does not account for all the payments of fees and allocated to individual, Co-Trustee, Issue Trust, or other representation. I am in the process of obtaining further information from Stan and from Todd on the amount of fees they have incurred as co-trustees in the litigation, the amount they have incurred in their individual capacities, the amounts that have been paid by the Trust to satisfy either of these categories, and the amounts each claims is still owed to be satisfied by the Trust. Upon receipt of those amounts, my counsel and I will be in a position to determine if there is dispute as to the effect of the two Settlement Agreements on the Trust and whether I will need to return to this Court for guidance on resolving any disputes. Although my counsel has analyzed the Settlement Agreements and the representations of the parties as they brought the issues relating to the January 31, 2019 Settlement Agreement before this Court for enforcement and then for approval, it is premature to outline that analysis until I know the nature and extent of the parties' claims regarding the amounts owed in fees and for what capacity (co-trustee representation/individual representation), the amounts that have been paid by the Trust and the parties' respective positions regarding indemnification rights and obligations of the Trust. A copy of Ms. Lee's letter dated October 19, 2021 to Adam Hosmer-Henner, Esq. is attached hereto as **Exhibit 7**. A copy of Ms. Lee's letter dated October 19, 2021 to Kent Robison, Esq. and Donald Lattin, Esq, is attached hereto as **Exhibit 8**.

MONTREUX DEVELOPMENT GROUP, LLC & TOIYABE INVESTMENT CO.

As part of the Trustee's procedures, we analyzed the recent financial transactions of Montreux Development Group, LLC (MXDG) and Toiyabe Investment Co. (Toiyabe) (**Exhibit 4**). As the Court may recall, the Trust owns a 50% stock ownership in the S Corporation Toiyabe Investment Company. In turn, Toiyabe has a 95.06% ownership interest in Montreux Development Group (MXDG), the LLC that owns lots in the Montreux development. Toiyabe does not directly own the lots in the Montreux development.

The analyses were of recent tax returns of MXDG and Toiyabe dating back to 2017. I deemed that this was necessary due to the Trust's ownership in Toiyabe, and that there have not been capital distributions to Toiyabe from MXDG. I believe that to be part of the Trustee's duties in administering the Trust and determining its assets, liabilities, and obligations. The analyses are not a forensic analysis or accounting, and are preliminary. Based upon the analyses I have deemed it necessary to request additional information dating back to 2013. Toiyabe has not received capital distributions and the amount of related party debt to and from Toiyabe and Montreux dates back prior to 2017. The related party debts, as outlined throughout this Report affect the Trust's financial position and the determination of the assets, liabilities and obligations. A summary of the investigation of the publically available information on the recent transaction is set forth in the

Declaration of Elizabeth Dendary, a copy of which is attached here to as **Exhibit 9** and incorporated hereby by this reference.

INTERCOMPANY RELATED PARTY TRANSACTIONS

As outlined in the first Status Report, the analysis of the Trust financial statements and tax returns disclosed significant intercompany, related party (insider) transactions. Additional analyses and research have been performed. The analyses that were performed were necessary to determine what is owed to the Trust and what the Trust owes. The analyses are not meant to be as extensive as a forensic analysis or accounting and were performed to better determine the financial condition of the Trust.

To reiterate what has been outlined to the Court before, there have been significant transactions with related parties (insiders, intercompany) amongst the different entities that the Trust has ownership. The Trust's ownership is 100% in some entities, and in others, a partial ownership interest, including only a minority interest. There were approximately **105** accounts of related party debts amongst all the different entities, whether recorded as notes receivables, notes payable, accounts receivable, advances, due to, due from, loans, payables, accrued compensation, or promise to pay (**Exhibit 5**)³.

Once all the intercompany amounts for receivables and payables are netted against each other and amounts are adjusted as to what might be actually realized, the possible amount that the Trust may be able to collect is approximately \$404,000 (**Exhibit 5**).

The sources for the intercompany amounts are the Trust's financial statements, tax returns and QB accounting records as well as the respective entities' tax returns. In some instances, there were multiple accounts or line items for receivables or payables to the same entities. Amounts were recorded through cash transactions as well as through adjusting journal entries. The analyses were performed from the records available, and not as detailed in, or meant to be a forensic analysis or accounting.

In arriving at an estimate of what the Trust might actually be able to realize from the intercompany or related party amounts it was necessary to make certain adjustments and eliminations. Some entities recorded amounts payable to the Trust, and the Trust has a 100% ownership interest in. Thus, ultimately the Trust would be paying itself monies when an entities assets were sold. For example, White Pine Lumber records one line item of debt to the Trust of \$157,390. The Trust has a 100% ownership interest in this entity. If assets are sold by White Pine Lumber those proceeds pass through to the Trust by its ownership interest. White Pine Lumber will not pay the Trust for the debt and on its ownership interest. Thus, the recaps that record an estimated value on White Pine Lumber already consider its assets, and it would be duplicative if the Trust also includes the White Pine Lumber receivable. Thus, the Trust doesn't include the receivable as an asset, and the realizable debt to the Trust is eliminated on White Pine Lumber.

³ Some of the information and data reported are exported directly from the Trust accounting records as maintained in the QuickBooks (QB) accounting software and the CPA's Working Trial Balance. Thus, there may be misspellings, abbreviations, or other items that appear to be incorrect or erroneous, but that is how they are recorded in QB, and not an error or misspelling in the Report or its Exhibits. In QB some entities are referred to under multiple and inconsistent abbreviations as well.

Some other small receivables and payables were eliminated to a net realizable value of zero, as those entities no longer exist and their assets have been liquidated, i.e., it doesn't appear that the assets can be monetized for collection.

NORTHERN WASHOE COUNTY INVESTMENTS:

As the Court may recall, the Trust has an ownership interest in other entities that hold assets located throughout Washoe County and Storey County. The Trust ownership interests include entities in which it owns 100% interest, and others that the Trust only has a minority ownership interest (**Exhibit 6**). Those entities include:

- Buckhorn Land & Livestock (Winnemucca Ranch)
- Duck Flat Ranch
- Basecamp LLC
- Samuel S Jaksick Jr. IV LLC
- BBB Investments
- Gerlach Green Energy
- SJ Ranch
- White Pine Lumber
- Lake-Ridge Corp.

In order for the Trust to meet its obligations, assets in these entities will need to be sold. It appears that some underlying real property is more easily marketable than others. Much of the real property is in remote areas and some are subject to conservation easements that limit the use of the real property.

Basecamp is in the process of being sold. The first purchaser was not able to perform on its offer. A second purchase offer is in the process of closing. A Motion has been submitted to the Court for the Trust to be able to participate in the sale. The second purchase offer is for \$725,000. The Trust has an 18.75% ownership in Basecamp.

Duck Flat Ranch, in which the Trust has a 49% ownership, has a parcel of 40 acres listed for sale. The remaining 80 acres will need to be listed for sale if the other owner does not want to purchase the Trust's interest. The research into this is continuing.

The real property in the entities SJ Ranch and Samuel S Jaksick Jr. IV, LLC have been sold as reported in the first Status Report

The Trust has a 25% ownership in Buckhorn Land & Livestock (fka Winnemucca Ranch). I understand that the underlying real property is subject to a conservation easement with the Natural Resources Conservation Service (NRCS) of the USDA. In my discussion with Todd there may be interested parties that could purchase the Trust's 25% ownership interest. This interest along with the White Pine Lumber interest below, appear to be the most viable to recognizing some cash from the underlying real property and more readily marketable. The research into this is continuing.

BBB Investments, in which the Trust has a 49% ownership interest, owns land toward Gerlach, and near the Burning Man sites. I understand that prior to the Covid-19 pandemic, Todd was in

contact with the Burning Man organization to possibly purchase the land in BBB. The research into this is continuing.

The Trust has a 45% ownership in Gerlach Green Energy. Based upon discussion with Todd, this appears to have limited value, and there may be some remediation liabilities. This is being investigated further. It is not anticipated that the Trust will recognize any value to this illiquid asset, but it is being researched further.

Lake-Ridge Corp. is an entity in which the Trust has a 50% ownership interest. The entity owns 3 slivers of land near or by the Lakeridge Golf Course. It appears that 2 of those parcels are too small for building and the value would be limited. I am aware that there have been some land sales in that area by adjoining property owners to ensure no building and protection of ingresses and easements. This may be a possibility for the 2 smaller parcels. I understand that the 3rd parcel consisting of approximately 8 acres may have some easement and title issues. The research into this is continuing.

The Trust has 100% ownership in White Pine Lumber. I understand that there is a 30 year conservation easement in effect, which limits the use and development of the real property. There is a large disparity in appraised values between 2 appraisals. As outlined above, the underlying real property may have the most likelihood of being sold. The research into this is continuing, including listing the property with a realtor.

Arrangements are underway to meet and confer with the two appraisers that have appraised some of the above real estate. It is hoped that a discussion may resolve the difference in opinion of appraised values as well as resolving values to possible water rights that some properties have associated with them.

PURCHASE OFFER

As outlined in the first Status Report, during May 2021, the Trustee received an offer to purchase the Trust's 50% ownership interest in Toiyabe Investment Co. (Toiyabe) for \$2,038,000. The other 50% ownership interest is owned by Stan. Toiyabe owns 95.06% interest in Montreux Development Group (MXDG) which in turn owns developable custom, high-end residential lots in Montreux, a private residential and golf course community, located between Reno and Lake Tahoe.

Stan has estimated the value of the Trust's portion of Toiyabe at \$2.5 million while Todd has estimated the value at \$3.5 million. An independent appraisal performed by Daniel Leck, MAI, appraises the lot values owned by MXDG as of October 28, 2020, at \$7.22 Million.

At the Status Hearing on August 5, 2021 there was discussion of further soliciting others for a purchase of the Trust's 50% stock ownership in Toiyabe, aside from the offer received from MANA Investments. The Court allowed the parties' counsel to suggest and recommend to the Trustee additional marking ideas. The Trustee's first Status Report also discussed the concept of applying discounts for marketability and minority interest (or lack of control), that is necessary to apply to the sale of a 50% ownership in a closely held S Corporation. The Trust does not own a direct ownership in MXDG nor its underlying lots. The Trust has a 50% stock ownership in

Toiyabe. This presents a real challenge for the Trust to fully recognize substantial value to its stock ownership.

The Trustee contacted law firms, CPA firms, realtors, high-end contractors/developers, trust companies, and private investors. There were fewer than ½ dozen responses, and all expressed concern in purchasing a minority (50%) interest in Toiyabe. To generate further interest I discussed with several, to make an offer of a more than 50% interest, recognizing that the amount above a 50% interest would not inure to the Trust. There were no offers to purchase a greater than 50% interest either. The only and closest offer to the MANA offer was from two investors that would pool their monies for a \$2 million offer. They too expressed a reluctance to purchase only a 50% stock ownership, and were concerned about additional capital needed for development expenses and legal fees.

The realtors expressed an interest in the selling of the lots held in MXDG, but not the sale of the stock ownership.

The Trustee continues to solicit others for any interest in purchasing the 50% Toiyabe ownership interest. The Trustee continues to negotiate and work with MANA to finalize terms. In the event Stan is not able to provide sufficient information before a sale document is executed, the potential account receivable(s) that may be owed by Stan or entities he controls to MXDG, to Toiyabe, and the disposition of the proceeds of sale of lots by Montreux are issues the Trustee is attempting to preserve for the Trust.

A Sell Hearing will be scheduled to submit the MANA offer to the Court for approval. The Motion to Sell will include more detailed information on the purchase offer, including but not limited to the terms, dates, and Purchase Agreement.

CONCLUSION

This second Status Report seeks additional direction from the Court so that a more accurate and relevant valuation of the Trust's assets and obligations can be determined. The Trustee is continuing to identify questions and areas of concern, and perform analyses.

The Trustee anticipates that he may be required to return to Court for disposition of the following:

- Determine the extent of legal fees and cost reimbursements to be made to Todd Jaksick.
- Determine the extent of legal fees and cost reimbursements to be made to Stan Jaksick.
- Determine if the Trust is obligated for legal fees and costs incurred by Todd Jaksick in his individual capacity, rather than as Co-Trustee.
- Determine if the Trust is obligated for legal fees and costs incurred by Stan Jaksick in his individual capacity, rather than as Co-Trustee.
- Determine the extent of the Trust's liability to Todd Jaksick under the provisions of the Trust's indemnification provisions.
- Determine if the Trustee needs to analyze Montreux Development transactions prior to 2017 for the determination of amounts owed to the Trust and owed by the Trust.

The Trustee is also developing a priority mechanism for payment of the Trust's obligations. It appears that the trust assets may not be sufficient to fully pay the Trust's obligations and make distributions to the beneficiaries. A priority scheme cannot be completed until more detailed information is provided regarding the nature and extent of the Trust's liabilities to the co-trustees as outlined herein.

In order to limit the costs and fees of the Trusteeship this second Status Report is abridged and abbreviated, but the Trustee is available to the Court for any additional questions or comments. The Trustee will continue to inform the Court as to the progress and status of the Trusteeship.

Respectfully Submitted,
MERIDIAN ADVANTAGE



James S. Proctor, CPA, CFE, CVA, CFF
As Temporary Trustee for the Samuel S. Jaksick, Jr Family Trust

November 5 2021

CERTIFICATE OF SERVICE

Pursuant to NRCp 5(b), I certify under penalty of perjury that I am an employee of Fletcher & Lee, 448 Ridge Street, Reno, Nevada 89501, and that on 9th day of November, 2021, I served a true and correct copy of the **TRUSTEE'S SECOND INTERIM STATUS REPORT** on the parties set forth below by:

 X Service by eFlex:

DONALD ALBERT LATTIN, ESQ. for MICHAEL S. KIMMEL, KEVIN RILEY,
TODD B. JAKSICK
KENT RICHARD ROBISON, ESQ. for SAMMY SUPERCUB, LLC, SERIES A,
DUCK LAKE RANCH LLC, TODD B. JAKSICK, INCLINE TSS, LTD.
HANNAH E. WINSTON, ESQ. for SAMMY SUPERCUB, LLC, SERIES A,
DUCK LAKE RANCH LLC, TODD B. JAKSICK, INCLINE TSS, LTD.
MARK J. CONNOT, ESQ. for WENDY A. JAKSICK
JAMES PROCTOR
ADAM HOSMER-HENNER, ESQ. for STANLEY JAKSICK
PHILIP L. KREITLEIN, ESQ. for STANLEY JAKSICK, SAMUEL S. JAKSICK,
JR. FAMILY TRUST
JOHN A. COLLIER, ESQ. for LUKE JAKSICK
CAROLYN K. RENNER, ESQ. for MICHAEL S. KIMMEL, KEVIN RILEY,
TODD B. JAKSICK
STEPHEN C. MOSS, ESQ. for STANLEY JAKSICK, SAMUEL S. JAKSICK,
JR. FAMILY TRUST
SARAH FERGUSON, ESQ. for STANLEY JAKSICK, SSJ'S ISSUE TRUST,
SAMUEL S. JAKSICK, JR. FAMILY TRUST

 X Service by electronic mail:

ZACHARY JOHNSON, ESQ. for WENDY A. JAKSICK –
zach@dallasprobate.com
R. KEVIN SPENCER, ESQ. for WENDY A. JAKSICK –
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ALEXI JAKSICK FIELDS – alexijaksickfields@yahoo.com

A copy of this Certificate of Service has been electronically served to all parties or their lawyer. This document does not contain the personal information of any person as defined by NRS 603A.040.

/s/ Elizabeth Dendary, CP
ELIZABETH DENDARY, CP
Certified Paralegal

INDEX OF EXHIBITS

| Exhibit | Description | No. of Pages |
|----------------|---|---------------------|
| 1 | Samuel S. Jaksick, Jr. Family Trust Trust Assets, Liabilities & Obligations as of October 31, 2021 | 3 pages |
| 2 | Settlement Agreements dated January 31, 2019 and August 29, 2019, respectively | 11 pages |
| 3 | Samuel S. Jaksick, Jr. Family Trust Schedule of Legal Fees Incurred | 3 pages |
| 4 | Financial Transactions of Montreux Development Group, LLC and Toiyabe Investment Co. | 4 pages |
| 5 | Samuel S. Jaksick, Jr. Family Trust Estimated Realized Net Receivables and Payables as of October 31, 2021 | 7 pages |
| 6 | Samuel S. Jaksick, Jr. Family Trust Washoe County Property Valuations as of October 31, 2021 | 1 page |
| 7 | Letter dated October 19, 2021 to Adam Hosmer-Henner, Esq. | 6 pages |
| 8 | Letter dated October 19, 2021 to Kent Robison, Esq. and Donald Lattin, Esq. | 6 pages |
| 9 | Declaration of Elizabeth Dendary, CP | 6 pages |

EXHIBIT 1

EXHIBIT 1

Exhibit 1
Samuel S. Jaksick Family Trust
Trust Assets, Liabilities & Obligations
As of October 31, 2021

| | <u>Low Estimate</u> | <u>High Estimate</u> |
|--|--------------------------|----------------------------|
| Cash in Bank | \$ 106,024 | \$ 106,024 |
| Estimated Trust's portion of net realizable intercompany & related party receivables - payables | 404,744 | 404,744 |
| Property Valuation | <u>3,146,198</u> | <u>4,296,838</u> |
| Estimated Trust Assets | <u>3,656,966</u> | <u>4,807,606</u> |
| Estimated Payables and Trust Claims | 3,203,545 | 3,203,545 |
| Estimated Income Tax on Asset Sales (A) | 94,000 | 94,000 |
| AgCredit - Note Payable | <u>368,907</u> | <u>368,907</u> |
| Total Liabilities and Obligations | <u>3,666,452</u> | <u>3,666,452</u> |
| Excess Asset over Liabilities and Obligations | <u><u>\$ (9,486)</u></u> | <u><u>\$ 1,141,154</u></u> |

(A) = The tax liability is related to the Toiyabe Investment Co. stock and Basecamp, LLC property sales.

Exhibit 1
Samuel S. Jaksick, Jr. Family Trust
Washoe County Property Valuations
10/31/2021

| Entity | Trust Interest | Total Assets per 2020 Tax Return | Leck Appraisal 12/10/21 | Trust % of Leck Appraised Value | Trust Portion of Stan Jaksick Valuation Investments 2/26/2021 | Trust Portion of Todd Jaksick Valuation Investments 2/26/2021 | Pending Sales Offer |
|--|----------------|----------------------------------|-------------------------|---------------------------------|---|---|---------------------|
| Montreux Development Group | 50.00% | \$ 4,817,896 | \$ 7,220,000 | \$ 3,431,666 | \$ 2,500,000 | \$ 3,500,000 | \$ 2,038,000 |
| Buckhorn Land and Livestock, LLC (formerly Winnemucca Ranch, LLC) | 25.00% | 2,568,859 | 4,000,000 | 1,000,000 | 816,000 | 816,000 | - |
| Duck Flat Ranch, LLC | 49.00% | 469,857 | 124,000 | 60,760 | 219,000 | 219,000 | - |
| Basecamp, LLC | 18.75% | 202,743 | - | - | 56,000 | 56,000 | 725,000 |
| Montreux Golf Holding Company LLC | 1.98% | 1,932,788 | - | - | 22,500 | 22,500 | - |
| Samuel S Jaksick Jr IV LLC | Sold | - | - | - | - | - | - |
| BBB Investments, LLC | 49.00% | 171,508 | 160,000 | 78,400 | 70,000 | 70,000 | - |
| Gerlach Green Energy LLC | 45.00% | 12,003 | - | - | 3,000 | 3,000 | - |
| Lake-Ridge Corp | 50.00% | - | - | - | - | - | - |
| SJ Ranch LLC | Sold | - | 58,000 | - | - | - | - |
| White Pine Lumber Co | 100.00% | 117,124 | 800,000 | 800,000 | - | - | - |
| | | \$ 10,292,778 | \$ 12,362,000 | \$ 5,370,826 | \$ 3,686,500 | \$ 4,686,500 | \$ 2,763,000 |

Exhibit 1
Samuel S. Jaksick Family Trust
Estimated Payables
As of October 31, 2021

| | | | | |
|----------------------------------|---------------|----|---------|--------------|
| BBB Investments | Capital Calls | \$ | 4,860 | |
| Duck Flat Ranch | Capital Calls | | 5,944 | |
| Jackrabbit Properties LLC | Capital Calls | | 304,000 | |
| Hoy Chrissinger Kimmel Vallas PC | Trustee Fees | | 8,100 | |
| Rossmann MacDonald & Benetti | Accounting | | 3,389 | |
| Robison, Sharp Sullivan & Brust | Legal | | 72,038 | |
| Wendy Jaksick per Settlement | Legal | | 300,000 | |
| Luke Jaksick - Trust | Estimated | | 70,000 | |
| Kreitlein Leeder Moss | Legal | | 6,638 | |
| Maupin Cox & Legoy | Legal | | 255,284 | |
| McDonald Carano | Legal | | 165,438 | \$ 1,195,691 |

Notes Payable:

| | | |
|---|---------|---------|
| Note Payable - Jaksick Family LLC | 174,526 | |
| Note Payable - Lakeridge Golf Course #5 | 9,065 | |
| Note Payable - Lakeridge Golf Course #4 | 17,142 | |
| Note Payable - Lakeridge Golf Course #3 | 17,885 | |
| Note Payable - Lakeridge Golf Course #6 | 21,931 | |
| Note Payable - Todd Jaksick | 92,625 | |
| Note Payable - Stan Jaksick | 231,432 | 564,606 |

Stanley Jaksick Claims and Payables:

| | | |
|---|---------|---------|
| Stan Jaksick - Prior Jackrabbit capital calls | 16,653 | |
| Stan Jaksick Legal Fees | 300,000 | 316,653 |

Todd Jaksick Claims and Payables:

| | | |
|---|--------------------------------------|---------------------|
| Claim #2 Todd Jaksick | 99,007 | |
| Claim #4 Todd Jaksick | 100,000 | |
| Claim #5 Todd Jaksick | 134,027 | |
| Claim #9 Todd Jaksick | (Net Jackrabbit Capital Call) 75,845 | |
| Todd Jaksick - Prior Jackrabbit capital calls | 67,716 | |
| Todd Jaksick - Legal Fees | 650,000 | 1,126,595 |
| Total Payables and Claims | | <u>\$ 3,203,545</u> |

EXHIBIT 2

EXHIBIT 2

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is entered into as of the 31st day of January 2019 ("Effective Date"), by and between STANLEY JAKSICK ("Stan"), individually, as beneficiary and Co-Trustee of the Samuel S. Jaksick, Jr. Family Trust, and as Trustee of the 2013 Stanley Jaksick Revocable Family Trust ("Stan's Trusts") on the one hand; and TODD JAKSICK ("Todd"), individually, as beneficiary and Co-Trustee of the Samuel S. Jaksick, Jr. Family Trust, as beneficiary and Trustee of the SSJ's Issue Trust, manager of Incline TSS, LLC, and Trustee of the Todd B. Jaksick Family Trust, TBJ Issue Trust, TBJ SC Trust, and TBJ Investment Trust ("Todd's Trusts") on the other. Stan and Todd are collectively referred to herein as the "Parties."

Recitals

- A. On August 2, 2017, Todd, in his capacity as Trustee of the SSJ's Issue Trust (the "Issue Trust"), filed a Petition for Confirmation of Trustee and Admission of Trust to the Jurisdiction of the Court, and for Approval of Accountings and Other Trust Administration Matters (Case No. PR17-00445), referred to hereafter as the "Issue Trust Litigation";
- B. Also on August 2, 2017, Todd, in his capacity as Co-Trustee of the Samuel S. Jaksick, Jr. Family Trust (the "Family Trust"), and Michael Kimmel as Co-Trustee of the Family Trust, filed a Petition for Confirmation of Trustee and Admission of Trust to the Jurisdiction of the Court, and for Approval of Accountings and Other Trust administration Matters (Case No. PR17-00446), referred to hereafter as the "Family Trust Litigation";
- C. On March 23, 2018, Stan filed separate Amended Objections and Counterpetitions against Todd in both the Issue Trust Litigation and the Family Trust Litigation ("Counterpetitions");
- D. On September 20, 2018, Todd filed a Supplement to Petition for Confirmation of Trustee and Admission of Trust to the Jurisdiction of the Court, and for Approval of Accountings and Other Trust Administration Matters in relation to the Issue Trust and on September 24, 2018, Todd filed a Supplement to Petition for Confirmation of Trustee and Admission of Trust to the Jurisdiction of the Court, and for Approval of Accountings and Other Trust Administration Matters in relation to the Family Trust;
- E. On October 12, 2018, Todd filed a Petition for Reconveyance of Trust Assets; and
- F. The Parties' respective claims and counterclaims against each other in the Issue Trust Litigation (Case No. PR17-00445) and the Family Trust Litigation (PR17-00446) pending in the Second Judicial District Court of the State of Nevada in and for Washoe County are collectively referred to herein as the "Lawsuit."

Now therefore, in consideration of the mutual promises and undertakings set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

- I. The foregoing recitals are true and correct and are incorporated herein by reference.
- II. The Parties agree on the following terms as a full and final settlement of all claims between the Parties:
 - A. The Parties agree to withdraw the Counterpetitions by Stanley and the Petition for Reconveyance of Trust Assets by Todd within two (2) calendars days of the Effective Date. The law firm of Maupin Cox & LeGoy and the law firm of McDonald Carano will substitute in as co-counsel for Stan in his capacity as co-Trustee of the Family Trust, with Philip Kreitlein remaining as co-counsel for Stan in his capacity as co-Trustee of the Family Trust. The Parties will provide their written informed consent and conflict waiver to this representation with the Family Trust to cover the legal fees incurred.
 - B. Stan will exchange and transfer his entire ownership and/or interest in Bright-Holland Corporation and simultaneously Todd will exchange and transfer his entire ownership and/or interest in Jaksick Family, LLC. Stan and Todd represent that these interests are being transferred free and clear of any liens and encumbrances.
 - C. Todd and Stan agree that all decisions in the Family Trust will be unanimous among all of the co-Trustees and that Todd and Stan will not take any action on the Family Trust without mutual approval. Any and all payments or distributions from the Family Trust will require two signatures from Todd and Stan.
 - D. In exchange for a capital contribution to Incline TSS, LLC of \$1,630,000 by Stan, of which \$235,000 has already been paid leaving a balance of \$1,395,000, Stan will be issued 27.595% membership interest in Incline TSS, LLC such that after issuance to Stan of 27.595% membership interest, Incline TSS, LLC will be owned as followed: Issue Trust (44.81%), Stan or Stan's Trusts (27.595%), and Todd or Todd's Trusts (27.595%). Stan and Stan's Trusts and Todd and Todd's Trusts shall have the right to designate their successors for Incline TSS, LLC. The capital contribution by Stan shall be made via a long-term note at 3% interest, with no prepayment penalties, with interest-only payments and a maturity date of 1/1/2026.
 - i. Stan's interest in Incline TSS shall immediately vest but may be proportionally reduced if the capital contribution is not made in full according to the terms of the note based on the then-fair market value of 1011 Lakeshore Boulevard ("Lake Tahoe House"). Upon the sale of the Lake Tahoe House owned by Incline TSS, LLC the sale proceeds

attributable to Stan's membership interest in Incline TSS, LLC shall be used to pay off the remaining balance of the note in full and treated as if Stan had fully satisfied his capital contribution. Upon sale, the proceeds of the Lake Tahoe House will be immediately distributed to the members based upon their membership interest.

- ii. A new operating agreement of Incline TSS and other documents will be drafted and amended so that Todd and Stan (or their respective trusts) each have a voting interest of 27.6% and the Issue Trust has a voting interest of 44.8%, but that Todd and Stan are co-managers, with co-equal authority over Incline TSS, LLC and the Lake Tahoe House, such that any decision relating to Incline TSS and the Lake Tahoe House shall only be made with the unanimous approval of Todd and Stan (or their respective trusts or designees). In the event of a disagreement between Stan and Todd, an unrelated third party will be mutually selected by Stan and Todd and if they cannot agree on a third party, then Alliance Trust Company, or a similar corporate trustee, will be appointed. Notwithstanding the foregoing, the voting shares of the Issue Trust (44.81%) shall have the right to sell the Lake Tahoe House without approval by the other members of Incline TSS, LLC.
 - iii. Stan will personally guarantee the Bank of America mortgage on the Lake Tahoe House on similar terms to Todd's personal guarantee.
- E. In exchange for annual option payments of \$5,000 during the Option Period, Stan will provide Todd with an option to purchase Stan's 20% interest in Buckhorn for a purchase price of \$1,050,000. The option will be provided as of the Effective Date will expire on December 1, 2025 ("Option Period"). If the option is exercised, Todd may satisfy the purchase price through a promissory note for \$1,050,000 at a 3% interest rate, secured through a pledge of the 20% interest, with no prepayment penalties, with interest-only payments and a maturity date of December 1, 2025.
- i. During the Option Period, Todd and Stan agree their mutual agreement will be required for any capital calls for Buckhorn without unanimous agreement.
- F. The indemnification agreement benefitting Todd will not be terminated but will be limited to the Ag Credit loan # 101, including all reimbursements, all note-forgiveness, and all loan payments until paid in full.
- i. The IRS refund, of approximately \$396,000, to the Family Trust was related to the indemnification agreement and will be used to pay down the Ag Credit loan # 101 to the maximum extent permitted by law and the Family Trust.
 - ii. Todd will take the Rouge Drive home off of Exhibit A to his Indemnification agreement and not make any past, present, or future

- claims against the Family Trust pursuant to or arising from the Rouge Drive home.
- iii. The Family Trust will pay or reimburse Todd, Stan, and Wendy Jaksick from the Family Trust for prior and future capital calls for Jackrabbit Properties, LLC through the 1/1/2021 RaboBank payment. After 1/1/2021, the Family Trust will not be responsible for any obligations related Jackrabbit Properties, LLC.
 - iv. The Ag Credit and RaboBank obligations will not delay distribution of the Family Trust, but the Family Trust shall distribute or set aside sufficient funds to satisfy the agreed upon amounts as discussed herein.
- G. With respect to attorney's fees paid or incurred by Todd or Stan in their individual or beneficiary capacities in Cases Nos. PR17-00445 and PR17-00446 or with respect to any attorney's fees associated with their indemnification agreements, Todd and Stan agree as follows:
- i. Todd and Stan agree that the Family Trust shall reimburse Todd in the amount of \$400,000 and Stan in the amount of \$250,000 for attorney's fees. Should there be an appeal of any action by Wendy Jaksick, then Todd can secure additional attorney's fees not to exceed \$150,000.
- H. Stan will transfer \$325,000 from the Stanley Jaksick Subtrust under the Family Trust to the Family Trust. The \$325,000 will be immediately used to fund the Grandchildrens' Trusts, the balance to remain in the Family Trust. \$75,000 from the Stanley Jaksick Subtrust has been distributed to Wendy Jaksick. Should Wendy Jaksick be adjudicated by a court of competent jurisdiction to have the \$75,000 already distributed to Wendy Jaksick not treated as a distribution or advance to Wendy Jaksick such that Wendy Jaksick is entitled to receive an additional \$75,000 from the Family Trust, then Stan agrees to reimburse the Family Trust for \$75,000.
- I. The Parties will work in good faith to distribute the Family Trust as soon as practicable and by December 31, 2019 if reasonably possible.
- J. Upon distribution of the Family Trust, Todd and Stan agree to provide for a distribution from the Family Trust to Luke Jaksick in an amount that is no less than the amounts distributed to a child of Todd or Stan under the Grandchildrens' Trusts.

III. This Agreement is effective upon execution, but contingent and conditioned upon resolution of Case Nos. PR17-00445 and PR17-00446 through a settlement with Wendy Jaksick that does not materially alter the terms of this Agreement, which settlement is not to be separately made with Wendy Jaksick by either Todd or Stan, or a litigated resolution at trial in the Lawsuit, not including appeals, that does not alter the material terms of this Agreement. The Parties agree not to take any action to thwart the terms of this Agreement during the contingency period. To the extent necessary, the Parties will seek and mutually cooperate to obtain court approval of this Agreement. The Parties specifically agree that the attorney's fees provision of this Agreement,

Section II(G), is not a material term of this Agreement and variance in these attorney's fees will not affect the validity of this Agreement.

IV. If the Agreement is not rendered final in accordance with Section III, the Parties agree that any and all applicable statutes of limitations, doctrine of laches, doctrine of estoppel, doctrine of waiver, statutes of repose, or any other applicable time limitations or deadline related in any way to the Lawsuit are suspended and tolled from the date of accrual or discovery of the claim.

V. By execution of this Agreement, the Parties acknowledge that it is a full and complete compromise, settlement and satisfaction of the Lawsuit between the Parties, and each Party hereby releases, satisfies and forever discharges the other Party, including predecessors and successors in interest, agents, officers, employees, attorneys, and assigns of the other Party from any and all causes of action, suits, debts, dues, sums of money, accounts, contracts, agreements, promises, liabilities, damages, judgments, executions, claims and demands whatsoever, whether in law or in equity, whether matured or unmatured, and whether known or unknown, developed or undeveloped or otherwise, which either Party ever had, now has, or hereafter can, shall or may have for, upon or by reason of any claim that was asserted or that could have been asserted from the beginning of the world to the date of full execution of this Agreement, from claims related to the Lawsuit referenced herein.

VI. The Parties represent and warrant that, in executing and entering into this Agreement, they are not relying and have not relied upon any representation, promise or statement made by anyone which is not recited, contained, or embodied in this Agreement. The Parties understand and expressly assume the risk that any fact not recited, contained, or embodied herein may turn out hereafter to be other than, different from, or contrary to the facts now known to them or believed by them to be true. Nevertheless, the Parties intend by this Agreement, and with the advice of their own, independently-selected counsel, to release finally, fully and forever the claims as provided herein and agree that this Agreement shall be effective in all respects notwithstanding any such difference in facts, and shall not be subject to termination, modification or rescission by reason of any such difference in facts.

VII. Each of the Parties represents and warrants that he or she has not assigned, conveyed or otherwise transferred to any person or entity any interest in any of the entities or rights affected by this Agreement. Each of the Parties to this Agreement further represents and warrants that it is authorized to enter into this Agreement and that any required consents, authorizations, or approvals have been obtained.

VIII. This Agreement contains the entire agreement between the Parties and may not be changed or terminated orally but only by a written instrument executed by the authorized representatives of the Parties after the date of this Agreement.

IX. The waiver of a breach of this Agreement shall not be construed as a waiver of any subsequent breach.

X. The terms and conditions of this Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any party. The Parties acknowledge that each of them has reviewed this Agreement and has had the opportunity to have it reviewed by their attorneys and that any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, including exhibits or amendments, if any.

XI. If any term of this Agreement or the application of any term of this Agreement should be held by a court of competent jurisdiction to be invalid, void or unenforceable, all provisions, covenants and conditions of this Agreement, and all of its applications, not held invalid, void or unenforceable, shall continue in full force and effect and shall not be affected, impaired or invalidated in any way.

XII. The laws of the State of Nevada applicable to contracts made or to be wholly performed there (without giving effect to choice of law or conflict of law principles) shall govern the validity, construction, performance and effect of this Agreement. Any lawsuit to interpret or enforce the terms of this Agreement shall be exclusively brought in a court of competent jurisdiction in Washoe County, State of Nevada. Prior to initiating any lawsuit, the Parties agree to submit their dispute to nonbinding mediation in Washoe County, State of Nevada for a period of at least sixty (60) days.

XIII. This Agreement may be executed in any number of counterparts, each of which when duly executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement. Any signature page of this Agreement may be detached from any counterpart without impairing the legal effect of any signatures, and may be attached to another counterpart, identical in form, but having attached to it one or more additional signature pages. This Agreement may be executed by signatures provided by electronic facsimile transmission (also known as "Fax" copies), which facsimile signatures shall be as binding and effective as original signatures.

XIV. This Agreement is made in compromise of disputed claims, differences and disputes and such settlement includes, but is not limited to, all claims and/or actions alleged, or which could have been alleged in connection with the Lawsuit. Neither this Agreement, nor the negotiation, execution, or performance hereof, shall be deemed to constitute an admission, directly or indirectly, by any Party of the truth of or of its liability or responsibility on account of or with respect to any of the matters or things asserted by any Party, and no Party shall suggest to the contrary in any other criminal or civil suit, action, or proceeding, whether or not pending, in which it may be a litigant, witness, or other participant. The negotiation, execution, and performance of this Agreement by the Parties is for the sole purpose of compromising and settling disputed claims and for buying peace and each released Party expressly denies any and all liability on account of any of the claims. This Agreement shall be effective as a full and final accord and satisfaction and release of each matter in connection with those matters as set forth herein.

XV. This Settlement Agreement shall be binding upon, extend to, and inure to the benefit of the successor trustees of the Family Trust and Issue Trust, heirs, successors, and

assigns of the Parties, to the officers, directors, employees, agents, and representatives of the parties hereto, and to all persons or entities claiming by, through or under any of the Parties.

XVI. The Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement. The Parties will mutually cooperate to draft and execute the corporate documents necessary to effectuate this Agreement.

XVII. Any determination regarding tax consequences, obligation, or treatment shall be the sole responsibility of the Parties. The Parties have had the opportunity to obtain their own tax advice and are not relying upon any representations made by another Party or by any attorney. Except as otherwise expressly provided herein, the Parties agree that they will bear their individual respective tax liabilities that may arise from this Agreement or carrying out its provision. If, however, any Party makes any filing or report with any governmental entity or agency inconsistent with his or her tax obligation, the Party or Parties taking such inconsistent action hereby covenant and agree, jointly and severally, to indemnify and hold harmless all affected Parties from all local, state and/or federal taxes, penalties and interest that such affected Parties may incur.

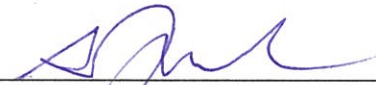
SIGNATURE PAGE FOLLOWS

DATED 1/31/2019



TODD JAKSICK, Individually, as beneficiary and Co-Trustee of the Samuel S. Jaksick, Jr. Family Trust and beneficiary and Trustee of the SSJ's Issue Trust, manager of Incline TSS, LLC, and Trustee of the Todd B. Jaksick Family Trust, TBJ Issue Trust, TBJ SC Trust, and TBJ Investment Trust

DATED 1-31-19



STANLEY JAKSICK, Individually, as beneficiary and Co-Trustee of the Samuel S. Jaksick, Jr. Family Trust, and as Trustee of the 2013 Stanley Jaksick Revocable Family Trust

Samuel S. Jaksick, Jr. Family Trust – Agreement of the Co-Trustees on August 29, 2019

On August 29, 2019, the co-Trustees of the Samuel S. Jaksick, Jr. Family Trust (“Family Trust”) – Stanley Jaksick, Todd Jaksick, and Michael Kimmel (collectively “co-Trustees”) – attended a trustee meeting at the offices of Bob Enzenberger, Esq. Based on the discussion of the co-Trustees at this meeting where they were represented and advised by counsel, the co-Trustees have agreed the following Family Trust administration actions:

- 1.) Todd Jaksick will transfer \$85,000 from the Todd Jaksick Subtrust under the Family Trust (“Todd’s Subtrust”) to the Family Trust by September 4, 2019.
 - a. The co-Trustees release and discharge Todd Jaksick for any and all causes of action related to these amounts without contingencies.
- 2.) Stanley Jaksick will transfer \$415,000 from the Stanley Jaksick Subtrust under the Family Trust (“Stan’s Subtrust”) to the Family Trust by September 4, 2019.
 - a. The co-Trustees release and discharge Stanley Jaksick for any and all causes of action related to these amounts without contingencies.
- 3.) Kevin Riley will verify any additional amounts that may need to be deposited into the Family Trust from Todd’s Subtrust and/or Stan’s Subtrust.
- 4.) By September 17, 2019, the Family Trust will (subject to any adverse ruling of the Court):
 - a. Pay the law firm of Maupin Cox & LeGoy the amount of \$105,620.39 for attorney’s fees and costs owed by the Family Trust.
 - b. Pay the law firm of Kreitlein Leeder & Moss the amount of \$50,752.23 for attorney’s fees and costs owed by the Family Trust.

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- c. Pay the law firm of McDonald Carano LLP the amount of \$143,195.64 for attorney's fees and costs owed by the Family Trust.
- d. ~~By September 17, 2019, the Family Trust will~~ pay the law firm of Robison Sharp Sullivan & Brust the amount of \$220,000 for attorney's fees and costs incurred in the representation of Todd Jaksick individually.
- e. When sufficient cash is available to the Family Trust, and prior to any additional payments or distributions from the Family Trust to the law firm of Robison Sharp Sullivan & Brust, the Family Trust will pay the law firm of McDonald Carano LLP the amount of \$137,500 for attorney's fees and costs incurred in the representation of Stanley Jaksick individually.

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f. Stanley Jaksick and Michael Kimmel agree not to object to attorney's fees that have been paid as of the date of this agreement to Robison Sharp Sullivan & Brust or Maupin Cox & LeGoy LLP from the SSJ's Issue Trust. Should the Court require the refund of attorney's fees from Robison Sharp Sullivan & Brust to the Issue Trust, McDonald Carano LLP will refund the \$137,500 payment to the Family Trust. However, this agreement does not prevent McDonald Carano LLP or Robison Sharp Sullivan & Brust from obtaining this amount or other amounts from the Family Trust on any other basis and does not deny McDonald Carano LLP or Robison Sharp Sullivan & Brust entitlement to these fees from any source.

Dated 8/29, 2019

Co-Trustees of the Samuel S. Jaksick, Jr.
Family Trust

By: 
Stanley Jaksick

By: 
Todd Jaksick


By: 
Michael Kimmel

EXHIBIT 3

EXHIBIT 3

Exhibit 3
Samuel S. Jaksick, Jr. Family Trust
Schedule of Legal Fees Incurred

| Firm | Party | Fees | Costs | Total | Fees Charged |
|--|-----------------|-----------------|--------------|-----------------|------------------------|
| Robison, Sharp, Sullivan & Brust (PR17-00445) | Todd Jaksick | \$ - | \$ 59,712.54 | \$ 59,712.54 | |
| Robison, Sharp, Sullivan & Brust (PR17-00446) | Todd Jaksick | - | 9,301.03 | 9,301.03 | \$ 69,013.57 |
| Fees & Costs Withdrawn | | | | | (69,013.57) |
| Robison, Sharp, Sullivan & Brust (Jury Trial) | Todd Jaksick | 705,690.50 | 68,834.07 | 774,524.57 | |
| Robison, Sharp, Sullivan & Brust (Equitable Trial) | Todd Jaksick | 103,375.00 | 4,749.67 | 108,124.67 | 882,649.24 |
| Maupin, Cox & LeGoy | Co-Trustees | - | 104,279.93 | 104,279.93 | |
| Maupin, Cox & LeGoy - Family Trust | Co-Trustees | 560,517.50 | - | 560,517.50 | |
| Maupin, Cox & LeGoy - Issue Trust | Todd, trustee | 324,933.00 | - | 324,933.00 | 989,730.43 |
| McDonald Carano & Kreitlein Leeder Moss | Co-Trustee Stan | - | 43,044.96 | 43,044.96 | |
| McDonald Carano | Co-Trustee Stan | 181,660.00 | - | 181,660.00 | 224,704.96 |
| Kreitlein Leeder Moss | Co-Trustee Stan | 220,030.00 | - | 220,030.00 | 220,030.00 |
| Fox Rothschild / Spencer & Johnson | Wendy | - | 336,523.94 | 336,523.94 | |
| Fox Rothschild / Spencer & Johnson | Wendy | \$ 1,522,992.25 | \$ 47,630.49 | \$ 1,570,622.74 | 1,907,146.68 |
| Total Fees Incurred | | | | | <u>\$ 4,224,261.31</u> |

Fees to be paid by - allocated to:

| | |
|--|------------------------|
| Family Trust, Co-Trustee Defense | \$ 962,207.50 |
| Todd, individually, reimburse Family Trust | 125,530.93 |
| Todd, individually, reimburse Issue Trust | 73,724.51 |
| Issue Trust | 324,933.00 |
| Wendy, payable to Todd | 613,289.74 |
| Wendy, payable to Stan | 43,044.96 |
| Family Trust & Issue Trust, payable to Wendy | 300,000.00 |
| | <u>2,442,730.64</u> |
| Un-allocated Fees To Be Paid | <u>1,781,530.67</u> |
| Total Fees Incurred | <u>\$ 4,224,261.31</u> |

NOTE: The fees paid have not been determined. Consequently, the outstanding balances are unknown.

Summary of Fees and Costs as Ordered by the Court

| Exhibit 3 Samuel S. Jaksick, Jr. Family Trust Schedule of Legal Fees Incurred | | | | | | |
|---|--------------------|--|-----------------|---------------|-----------------|--------------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Law Firm | Party | Timeframe | Fees | Costs | Total | To |
| Robison, Sharp, Sullivan & Brust (PR17-00445) | Todd, individually | 9/25/2017-3/11/2019 | \$ - | \$ 59,712.54 | \$ 59,712.54 | With |
| Robison, Sharp, Sullivan & Brust (PR17-00446) | Todd, individually | 12/21/2017-2/13/2019 | \$ - | \$ 9,301.03 | \$ 9,301.03 | With |
| Robison, Sharp, Sullivan & Brust (Jury Trial) | Todd, individually | 8/31/2016-5/16/2019 | \$ 705,690.50 | \$ 68,834.07 | \$ 774,524.57 | |
| Robison, Sharp, Sullivan & Brust (Equitable Trial) | Todd, individually | 3/18/2019-4/1/2020 | \$ 103,375.00 | \$ 4,749.67 | \$ 108,124.67 | |
| Maupin, Cox & LeGoy | Co-Trustees | 8/2/2017-8/29/2019 | \$ - | \$ 104,279.93 | \$ 104,279.93 | |
| Maupin, Cox & LeGoy - Family Trust | Co-Trustees | 11/13/2017-3/30/2020 | \$ 560,517.50 | \$ - | \$ 560,517.50 | |
| Maupin, Cox & LeGoy - Issue Trust | Todd, trustee | 1/4/2018-3/19/2020 | \$ 324,933.00 | \$ - | \$ 324,933.00 | |
| McDonald Carano & Kreitlein Leeder Moss | Co-Trustee Stan | 10/10/2017-2/28/2019 | \$ - | \$ 43,044.96 | \$ 43,044.96 | |
| McDonald Carano | Co-Trustee Stan | 1/31/2019-3/31/2020 | \$ 181,660.00 | \$ - | \$ 181,660.00 | |
| Kreitlein Leeder Moss | Co-Trustee Stan | 10/4/2017-2/6/2020 | \$ 220,030.00 | \$ - | \$ 220,030.00 | |
| Fox Rothschild Spencer & Johnson | Wendy | 8/16/2018-6/28/2019 11/9/2017-11/22/2019 | \$ - | \$ 336,523.94 | \$ 336,523.94 | |
| Fox Rothschild Spencer & Johnson | Wendy | 7/6/2018-6/27/2019 6/28/2017-7/31/2019 | \$ 1,522,992.25 | \$ 47,630.49 | \$ 1,570,622.74 | Family (u |
| | | TOTALS | \$ 3,619,198.25 | \$ 605,063.06 | \$ 4,224,261.31 | |
| | | | | | | |
| Summary of Litigation Liabilities | | | | | | |
| Family Trust, Co-Trustee Defense | \$ 962,207.50 | | | | | |
| Todd, individually, reimburse Family Trust | \$ 125,530.93 | | | | | |
| Todd, individually, reimburse Issue Trust | \$ 73,724.51 | | | | | |
| Issue Trust | \$ 324,933.00 | | | | | |
| Wendy, payable to Todd | \$ 613,289.74 | (unallocated between Family Trust and Issue Trust) | | | | |
| Wendy, payable to Stan | \$ 43,044.96 | | | | | |
| Family Trust & Issue Trust, payable to Wendy | \$ 300,000.00 | | | | | |

Exhibit 3
Samuel S. Jaksick, Jr. Family Trust
Schedule of Legal Fees Incurred

| | | | | | | | |
|------------------------------------|----------------------|---------------|------|----------------------|----------------------|-------------|--|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Maupin, Cox & LeGoy - Family Trust | Co-Trustees | \$ 560,517.50 | \$ - | \$ 560,517.50 | Family Trust Todd | 100% 25% | |
| Maupin, Cox & LeGoy - Issue Trust | Todd, trustee | \$ 324,933.00 | \$ - | \$ 324,933.00 | Issue Trust Todd | 25% | |
| | | TOTAL | | \$ 885,450.50 | | | |
| | | | | | | | |
| Amended Judgment entered 7/6/2020 | | | | | | | |
| MCL Total Fees | \$ 885,450.50 | | | | | | |
| Reduction of \$88,428.75 | \$ (88,428.75) | | | | | | |
| Balance | \$ 797,021.75 | | | | | | |
| | | | | | | | |
| Todd's 25% | \$ 199,255.44 | | | | | | |
| | | | | | | | |
| Family Trust % of Total MCL Fees | 63% | | | | | | |
| Issue Trust % of Total MCL Fees | 37% | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Todd's 25% for Family Trust | \$ 125,530.93 | | | | | | |
| Todd's 25% for Issue Trust | \$ 73,724.51 | | | | | | |
| Total | \$ 199,255.44 | | | | | | |

EXHIBIT 4

EXHIBIT 4

Exhibit 4
Montreux Development Group, LLC
Historical Income Statements
12/31/2020

| | 2017 | 2018 | 2019 | 2020 | Four Year Total |
|---------------------------------|--------------|--------------|------------|--------------|--------------------|
| Revenue | \$ - | \$ 1,085,000 | \$ 530,000 | \$ 507,500 | \$ 2,122,500 |
| Cost of Goods Sold | - | 184,620 | 98,698 | 71,465 | 354,783 |
| Gross Profit | - | 900,380 | 431,302 | 436,035 | 1,767,717 |
| Operating Expenses | | | | | |
| Advertising | 32,643 | - | 100 | 1,750 | 34,493 |
| Automobile | 850 | 227 | - | - | 1,077 |
| Bank Charges | 173 | 1,005 | 307 | 48 | 1,533 |
| Computer Expense | 475 | - | 1,892 | 5,483 | 7,850 |
| Dues and Subscriptions | 525 | 2,058 | 935 | (500) | 3,018 |
| Miscellaneous | 460 | - | - | - | 460 |
| Employee Benefits | 1,000 | 12,838 | 3,266 | - | 17,104 |
| Insurance | 3,200 | 2,416 | 2,520 | 2,707 | 10,843 |
| Legal and Professional | 42,986 | 25,373 | 15,871 | 12,463 | 96,693 |
| Office Expense | 304 | 65 | 379 | 309 | 1,057 |
| Postage | 104 | - | - | - | 104 |
| Rent Expense | 126 | 344 | 429 | 1,200 | 2,099 |
| Repairs and Maintenance | - | - | 403 | 1,500 | 1,903 |
| Salaries | 23,779 | 56,473 | 28,995 | - | 109,247 |
| Association Fees | 22,525 | 13,780 | 19,800 | 9,317 | 65,422 |
| Bad Debts | - | - | - | 995,649 | 995,649 |
| Taxes and Licenses | 8,975 | 11,663 | 57,504 | 23,128 | 101,270 |
| Telephone | - | - | 112 | - | 112 |
| Travel | 38 | - | 28 | - | 66 |
| Total Operating Expenses | 138,163 | 126,242 | 132,541 | 1,053,054 | 1,450,000 |
| Operating Income | (138,163) | 774,138 | 298,761 | (617,019) | 317,717 |
| Guaranteed payments to partners | 25,133 | 159,100 | 222,500 | 150,000 | 556,733 |
| Operating Income/(Loss) - EBIT | (163,296) | 615,038 | 76,261 | (767,019) | (239,016) |
| Interest Expense | - | - | - | - | - |
| Operating Income/(Loss) - EBIT | (163,296) | 615,038 | 76,261 | (767,019) | (239,016) |
| Other Income (Expenses) | | | | | |
| Interest and Dividend Income | 6,131 | 112,939 | 33,765 | 2,974 | 155,809 |
| Other Income | 53,231 | 34,960 | - | 1,000 | 89,191 |
| Other Expense | - | - | (500) | (678) | (1,178) |
| Total Other Income (Expenses) | 59,362 | 147,899 | 33,265 | 3,296 | 243,822 |
| Net Income | \$ (103,934) | \$ 762,937 | \$ 109,526 | \$ (763,723) | \$ 4,806 |
| Dividends/Distributions | \$ - | \$ - | \$ - | \$ - | \$ - |

1. Financial information for 2017-2020 extracted from CPA prepared tax returns

RA0493

Exhibit 4
Toiyabe Investment Co.
Historical Income Statements
12/31/2020

| | 2017 | 2018 | 2019 | 2020 | Four Year Total |
|--|--------------|------------|-----------|--------------|--------------------|
| Income | \$ (104,628) | \$ 617,888 | \$ 72,494 | \$ (727,589) | \$ (141,835) |
| Cost of Goods Sold | - | - | - | - | - |
| Gross Profit | (104,628) | 617,888 | 72,494 | (727,589) | (141,835) |
| Operating Expenses | | | | | |
| Bank Charges | 170 | 203 | - | 69 | 442 |
| Dues and Subscriptions | 650 | 1,300 | - | - | 1,950 |
| Legal and Professional | - | 9,400 | 1,750 | 1,750 | 12,900 |
| Miscellaneous | (92) | - | - | - | (92) |
| Rebates | 46,289 | - | - | - | 46,289 |
| Taxes and Licenses | - | - | 710 | - | 710 |
| Total Operating Expenses | 47,017 | 10,903 | 2,460 | 1,819 | 62,199 |
| Operating Income | (151,645) | 606,985 | 70,034 | (729,408) | (204,034) |
| Officer Compensation | - | - | - | - | - |
| Operating Income/(Loss) - EBIT | (151,645) | 606,985 | 70,034 | (729,408) | (204,034) |
| Interest Expense | 20,367 | 7,660 | 6,798 | 5,288 | 40,113 |
| Operating Income/(Loss) - EBIT | (172,012) | 599,325 | 63,236 | (734,696) | (244,147) |
| Other Income (Expenses) | | | | | |
| Interest and Dividend Income | 5,828 | 107,360 | 33,044 | 2,827 | 149,059 |
| Gain (Loss) on Disposal of Fixed Assets/Note write-off | (184,250) | - | - | (1,166) | (185,416) |
| Other Expense | - | - | (475) | (645) | (1,120) |
| Total Other Income (Expenses) | (178,422) | 107,360 | 32,569 | 1,016 | (37,477) |
| Pre-Tax Income | (350,434) | 706,685 | 95,805 | (733,680) | (281,624) |
| Income Tax Expense | - | - | - | - | - |
| Net Income | \$ (350,434) | \$ 706,685 | \$ 95,805 | \$ (733,680) | \$ (281,624) |
| Dividends/Distributions | \$ - | \$ - | \$ - | \$ - | \$ - |

1. Financial information for 2017-2020 extracted from CPA prepared tax returns

Exhibit 4
Montreux Development Group, LLC
Historical Balance Sheets
12/31/2020

| | <u>12/31/2017</u> | <u>12/31/2018</u> | <u>12/31/2019</u> | <u>12/31/2020</u> |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Assets: | | | | |
| Current Assets | | | | |
| Cash | \$ 2,314 | \$ 490,163 | \$ 236,874 | \$ 403,880 |
| Accounts Receivable | - | - | 130,000 | - |
| Loans to Partners | 401,569 | 778,941 | 1,002,941 | 1,168,550 |
| Land and Development Costs | 3,155,891 | 3,031,959 | 2,963,330 | 2,985,308 |
| Related Party Receivable | 1,204,886 | 1,194,132 | 1,263,371 | 258,472 |
| Total Current Assets | <u>4,764,660</u> | <u>5,495,195</u> | <u>5,596,516</u> | <u>4,816,210</u> |
| Fixed Assets - Cost | | | | |
| Buildings | \$ 17,770 | \$ 17,770 | \$ 17,770 | \$ 17,770 |
| Total Fixed Assets | <u>17,770</u> | <u>17,770</u> | <u>17,770</u> | <u>17,770</u> |
| Accumulated Depreciation | <u>(16,084)</u> | <u>(16,084)</u> | <u>(16,084)</u> | <u>(16,084)</u> |
| Total Fixed Assets - Net | <u>1,686</u> | <u>1,686</u> | <u>1,686</u> | <u>1,686</u> |
| Total Other Assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Assets: | <u><u>\$ 4,766,346</u></u> | <u><u>\$ 5,496,881</u></u> | <u><u>\$ 5,598,202</u></u> | <u><u>\$ 4,817,896</u></u> |
| Liabilities and Equity: | | | | |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts Payable | 91,333 | 50,351 | 45,200 | 38,815 |
| Accrued Expenses | 848 | 8,096 | 42 | - |
| Related Party Payable | 300,384 | 301,716 | 306,716 | 296,560 |
| Total Current Liabilities | <u>392,565</u> | <u>360,163</u> | <u>351,958</u> | <u>335,375</u> |
| Total Long-Term Debt | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>392,565</u> | <u>360,163</u> | <u>351,958</u> | <u>335,375</u> |
| Equity | | | | |
| Partners Capital Accounts | <u>4,373,781</u> | <u>5,136,718</u> | <u>5,246,244</u> | <u>4,482,521</u> |
| Total Equity | <u>4,373,781</u> | <u>5,136,718</u> | <u>5,246,244</u> | <u>4,482,521</u> |
| Total Liabilities and Equity: | <u><u>\$ 4,766,346</u></u> | <u><u>\$ 5,496,881</u></u> | <u><u>\$ 5,598,202</u></u> | <u><u>\$ 4,817,896</u></u> |

1. Financial information for 2017-2020 extracted from CPA prepared tax returns

Exhibit 4
Toiyabe Investment Co.
Historical Balance Sheets
12/31/2020

| | <u>12/31/2017</u> | <u>12/31/2018</u> | <u>12/31/2019</u> | <u>12/31/2020</u> |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Assets: | | | | |
| Current Assets | | | | |
| Cash | \$ 1,201 | \$ - | \$ 7,895 | \$ 6,578 |
| Related Party Receivables | 38,275 | 38,275 | 19,222 | 18,056 |
| Total Current Assets | 39,476 | 38,275 | 27,117 | 24,634 |
| Other Assets | | | | |
| Investment in Montreux Dev Group LLC | \$ 3,949,176 | \$ 4,674,424 | \$ 4,778,539 | \$ 4,053,132 |
| Total Other Assets | 3,949,176 | 4,674,424 | 4,778,539 | 4,053,132 |
| Total Assets: | <u>\$ 3,988,652</u> | <u>\$ 4,712,699</u> | <u>\$ 4,805,656</u> | <u>\$ 4,077,766</u> |
| Liabilities and Equity: | | | | |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts Payable | - | 501 | - | - |
| Due to Related Parties | 333,117 | 372,318 | 413,317 | 452,818 |
| Total Current Liabilities | 333,117 | 372,819 | 413,317 | 452,818 |
| Long-term Liabilities | | | | |
| Note Payable - Other | 210,854 | 188,514 | 145,312 | 111,601 |
| Loans from Shareholders | 32,815 | 32,815 | 32,815 | 32,815 |
| Total Long-Term Debt | 243,669 | 221,329 | 178,127 | 144,416 |
| Total Liabilities | 576,786 | 594,148 | 591,444 | 597,234 |
| Equity | | | | |
| Capital Stock | 55,000 | 55,000 | 55,000 | 55,000 |
| Additional Paid-in Capital | 9,143,891 | 9,143,891 | 9,143,891 | 9,143,891 |
| Retained Earnings | (5,787,025) | (5,080,340) | (4,984,679) | (5,718,359) |
| Total Equity | 3,411,866 | 4,118,551 | 4,214,212 | 3,480,532 |
| Total Liabilities and Equity: | <u>\$ 3,988,652</u> | <u>\$ 4,712,699</u> | <u>\$ 4,805,656</u> | <u>\$ 4,077,766</u> |

1. Financial information for 2017-2020 extracted from CPA prepared tax returns

EXHIBIT 5

EXHIBIT 5

Exhibit 5
Samuel S. Jaksick, Jr. Family Trust
Estimated Realizable Net Receivables and Payables
October 31, 2021

| Entity | 2017 | 2018 | 2019 | 2020 | Realizable |
|--|-------------------|-------------------|-------------------|-----------------|-----------------|
| ALSB, Ltd. | \$ (1,467,001.31) | \$ (1,142,046.99) | \$ (1,044,715.86) | \$ (A) - | \$ - |
| Basecamp, LLC | (26,824.84) | (37,563.89) | (37,563.89) | (37,563.89) | (37,563.89) |
| BBB Investments, LLC | - | - | (425.00) | (919.75) | (919.75) |
| Buckhorn Land and Livestock, LLC | (33,264.75) | (32,279.75) | (32,279.75) | (31,629.75) | (31,629.75) |
| Duck Flat Ranch, LLC | 505,580.96 | 505,580.96 | 506,005.96 | 371,107.52 | 371,107.52 |
| Jackrabbit Properties LLC | (27,752.52) | (160,860.76) | 9,372.48 | 10,772.48 | - |
| Montreux Development Group, LLC | 1,260,870.69 | 1,626,156.91 | 1,914,395.75 | 1,085,261.15 | 1,047,361.15 |
| Montreux Golf Club Holding Company LLC | 273,744.27 | 677,064.18 | 869,330.84 | 1,012,491.64 | 1,014,991.64 |
| Toiyabe Investment Co. | (327,656.97) | (366,856.97) | (426,909.96) | (467,576.35) | (445,276.35) |
| White Pine Lumber Company | (756,772.99) | (844,347.61) | (909,811.49) | (807,774.81) | (57,003.53) |
| Grand Total | \$ (599,077.46) | \$ 224,846.08 | \$ 847,399.08 | \$ 1,134,168.24 | \$ 1,861,067.04 |
| Net Change | | \$ 823,923.54 | \$ 622,553.00 | \$ 286,769.16 | |

(A) = ALSB purchased approximately 6 to 8 lots from MXDG in exchange for a note. The lots were subsequently sold and the proceeds not used to pay down the debt and no assets. In 2020, the Trustees decided to write off the note receivable at MDG and note payable at ALSB

Exhibit 5
Samuel S. Jaksick, Jr. Family Trust
Montreux Development Group LLC
Schedule of Net Receivables and Payables
October 31, 2021

| Account # | Account Name | Entity Code | 2017 | 2018 | 2019 | 2020 | % |
|-----------|---------------------------------|--------------------|------------------------|------------------------|------------------------|------------------------|---|
| 211850 | N/P - Jaksick Family LLC (LRGC) | Jaksick Family LLC | \$ (263,646.00) | \$ (248,227.68) | \$ (248,227.68) | \$ (248,227.68) | |
| 119006 | Due from Stan Jaksick LLC | Jaksick LLC | - | 36,500.00 | 44,000.00 | 44,000.00 | |
| 119015 | N/R - ALSB | ALSB | 5,908.51 | 5,908.51 | 5,908.51 | - | |
| 119018 | Due from Helen Slinkard Tr | Slinkard Tr | - | - | - | 750.00 | |
| 201405 | Comp Manager Due-Stan Jaksick | Stan Jaksick | (45,200.00) | (45,200.00) | (45,200.00) | (45,200.00) | |
| 105500 | N/R - ALSB, Ltd. | ALSBL | 1,194,885.31 | 1,124,502.91 | 1,046,224.77 | 37,900.00 | |
| 119016 | N/R Wendy Jaksick | WJ | - | 39,246.05 | 39,246.05 | 39,246.05 | |
| 201406 | N/P Wendy Jaksick | WJ | - | - | 18,000.00 | 18,000.00 | |
| 119007 | Due from Toiyabe Investments | TI | 331,517.53 | 361,517.53 | 395,017.53 | 442,217.53 | |
| 201400 | N/P - Toiyabe Investments | TI | - | 7,700.00 | 7,700.00 | - | |
| 119014 | N/R - Toiyable Golf Club | TGC | 281.63 | 20,664.08 | 146,016.91 | 146,016.91 | |
| 119008 | N/R - Duck Lake Ranch | DLR | 1,096.36 | 1,096.36 | 1,096.36 | 1,096.36 | |
| 119010 | N/R - Sam Trust | ST | - | - | - | 5,783.81 | |
| 201401 | N/P Stan Jaksick LLC | SJLLC | 15,470.49 | 15,470.49 | 15,470.49 | 15,470.49 | |
| 201100 | N/P Stan Jaksick LLC | SJLLC | - | 15,000.00 | 15,000.00 | 15,000.00 | |
| 201403 | N/P - Sam Jaksick Family Trust | SJFT | (5,250.00) | - | - | - | |
| 119002 | N/R - Stan Jaksick | Stan Jaksick | 54,581.20 | 62,581.20 | 87,581.20 | 213,690.20 | |
| 210301 | N/P Stan Jaksick | Stan Jaksick | - | 280,171.80 | 438,171.80 | 438,171.80 | |
| 119010.5 | N/R - Quail Rock / Sam Trust | QRST | - | - | - | - | |
| 211851 | N/P MXGC Holding Co | MGCH | (31,488.61) | (53,488.61) | (58,488.61) | (48,332.74) | |
| 119012 | N/R - Incline TSS | ITSS | 726.47 | 726.47 | 726.47 | 726.47 | |
| 119019 | N/R MXGCH | MGCH | - | - | - | 2,500.00 | |
| 116000 | A/R Montreux Golf Course | MGCH | 1,187.80 | 1,187.80 | 1,187.80 | 1,187.80 | |
| 119013 | N/R - Jaksick Family LLC | JFLLC | 800.00 | 800.00 | 4,964.15 | 5,264.15 | |
| | | | <u>\$ 1,260,870.69</u> | <u>\$ 1,626,156.91</u> | <u>\$ 1,914,395.75</u> | <u>\$ 1,085,261.15</u> | |

NOTE: Some of the information presented is obtained directly from the accounting records of those entities. Consequently there are differences in nomenclature used to refer to company names.

Exhibit 5
Samuel S. Jaksick, Jr. Family Trust
Montreux Golf Club Holding Company LLC
Schedule of Net Receivables and Payables
October 31, 2021

| Account # | Account Name | Entity Code | 2017 | 2018 | 2019 | 2020 | % |
|-----------|-------------------------------|---------------|----------------------|----------------------|----------------------|------------------------|---|
| 22000 | Compensation Due Manager-Stan | Stan Jaksick | \$ (108,000.00) | \$ (108,000.00) | \$ (108,000.00) | \$ - | |
| 23700 | N/P ALSB | ALSB | (2,500.00) | (2,500.00) | (2,500.00) | (2,500.00) | |
| 14200 | Advances Wendy Jaksick | Wendy Jaksick | - | - | - | 7,000.00 | |
| 14100 | Advances Stan Jaksick | Stan Jaksick | 38,600.00 | 73,600.00 | 82,100.00 | 77,250.00 | |
| 11400 | A/R Toiyabe Investment Co | TI | - | 1,500.00 | 9,000.00 | 9,000.00 | |
| 11600 | A/R Toiyabe Golf Club | TGC | 312,269.67 | 643,979.58 | 738,979.58 | 738,979.58 | |
| 14701 | Notes Receivable MXDG | MXDG | 31,488.61 | 53,488.61 | 58,488.61 | 48,332.74 | |
| 14500 | A/R Jaksick Family | JFLLC | 1,885.99 | 14,995.99 | 91,262.65 | 134,429.32 | |
| | | | <u>\$ 273,744.27</u> | <u>\$ 677,064.18</u> | <u>\$ 869,330.84</u> | <u>\$ 1,012,491.64</u> | |

NOTE: Some of the information presented is obtained directly from the accounting records of those entities. Consequently there are differences in the nomenclature used to refer to company names.

Exhibit 5
Samuel S. Jaksick, Jr. Family Trust
Toiyabe Investment Co.
Schedule of Net Receivables and Payables
October 31, 2021

| Account # | Account Name | Entity Code | 2017 | 2018 | 2019 | 2020 | 2021 |
|------------------|--------------------------------|--------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 21300 | N/P White Pine Ranch | WPR | \$ (2,000.00) | \$ (2,000.00) | \$ (2,000.00) | \$ (2,000.00) | \$ (2,000.00) |
| 15200 | N/R - Todd Jaksick | Todd | 17,755.71 | 17,755.71 | 17,755.71 | 17,755.71 | 17,755.71 |
| 14900 | N/R - SST Westridge | SSTW | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 25100 | N/P - Stan Jaksick | Stan Jaksick | (10,414.53) | (10,414.53) | (10,414.53) | (10,414.53) | (10,414.53) |
| 15900 | N/R - ALSB, Ltd | ALSBL | 20,219.38 | 20,219.38 | 1,166.39 | - | - |
| 21400 | N/P Sam Family Trust | SJ | (22,400.00) | (22,400.00) | (22,400.00) | (22,400.00) | (22,400.00) |
| 15400 | N/R - MXDG | MXDG | - | (7,700.00) | (7,700.00) | - | - |
| 21100 | Due to MXDG | MXDG | (331,117.53) | (361,117.53) | (394,617.53) | (441,817.53) | (441,817.53) |
| 15500 | A/R Montreux Golf Club Holding | MGCH | - | (1,500.00) | (9,000.00) | (9,000.00) | (9,000.00) |
| 14800 | N/R - Jaksick Family LLC | JFLLC | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 14700 | N/R - Fly Ranch LLC | FRLLC | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| | | | <u>\$ (327,656.97)</u> | <u>\$ (366,856.97)</u> | <u>\$ (426,909.96)</u> | <u>\$ (467,576.35)</u> | <u>\$ (467,576.35)</u> |

NOTE: Some of the information presented is obtained directly from the accounting records of those entities. Consequently, there may be differences in nomenclature used to refer to company names.

Exhibit 5
Samuel S. Jaksick, Jr. Family Trust
White Pine Lumber Company
Schedule of Net Receivables and Payables
October 31, 2021

| Account # | Account Name | Entity Code | 2017 | 2018 | 2019 | 2020 | % Re |
|-----------|---------------------------------|--------------|------------------------|------------------------|------------------------|------------------------|------|
| 22400 | N/P - NV Pronghorn LLC | NV Pronghorn | \$ (9,500.00) | \$ (9,500.00) | \$ - | \$ - | |
| 20702 | N/P - Duck Lake Ranch | DLR | (145,018.70) | (145,018.70) | (72,344.81) | (72,344.81) | |
| 22302 | Advances Payable - SJ Trus | SJ Trust | (473,645.91) | (479,570.91) | (479,570.91) | (479,570.91) | |
| 12127 | N/R - WPR LLC | WPR | - | 4,977.07 | 12,000.00 | 12,000.00 | |
| 22500 | N/P - WPR LLC | WPR | - | (99,705.36) | (101,686.68) | - | |
| 12117 | N/R - Todd Jaksick | Todd | 20,410.00 | 20,410.00 | - | - | |
| 12123 | N/R - Toiyabe | TI | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | |
| 11800 | N/R Bright-Holland | BH | 13,625.00 | 13,625.00 | - | - | |
| 12114 | N/R - Buckhorn Land & Livestock | BLL | 650.00 | 650.00 | - | - | |
| 12122 | N/R - Sam for Wendy move, etc | SW | 11,856.76 | 11,856.76 | - | - | |
| 12110 | N/R - Duck Flat Ranch, LLC | DLR | 1,070.04 | 1,070.04 | 1,070.04 | 1,070.04 | |
| 12120 | N/R - SST Westridge | SSTW | 1,710.00 | 1,710.00 | - | - | |
| 12124 | N/R - Sammy Supercub - A | SSA | (8,700.00) | (8,700.00) | - | - | |
| 12000 | N/R DLR | DLR | 55,923.89 | 72,673.89 | - | - | |
| 22303 | N/P - SJ Trust #3 | SJ-3 | (40,088.88) | (40,088.88) | (40,088.88) | (40,088.88) | |
| 22301 | N/P - SJ Trust #2 | SJ-2 | (76,170.66) | (76,170.66) | (76,170.66) | (76,170.66) | |
| 12116 | N/R - Fly Ranch LLC | FRLLC | 2,100.00 | 2,100.00 | 2,100.00 | 2,100.00 | |
| 11900 | N/R SJ Ranch | SJR | 550.00 | 550.00 | - | - | |
| 20300 | N/P Homecamp Land & Livestock | HLL | (19,546.88) | (19,546.88) | - | - | |
| 12121 | N/R - Incline TSS | ITSS | 22,000.00 | 22,000.00 | - | - | |
| 12125 | N/R - Sam Jaksick Family Trust | SJFT | - | - | - | 350.00 | |
| 11901 | N/R Jackrabbit | J | 25,857.00 | 25,857.00 | - | - | |
| 22300 | N/P - Sam J Family Trust | SJFT | (183,813.22) | (169,169.55) | (157,390.83) | (157,390.83) | |
| 12118 | N/R Stan Jaksick | Stan Jaksick | 221.24 | 221.24 | 221.24 | 221.24 | |
| 12119 | N/R - NWRM | NWRM | 23,372.33 | 23,372.33 | - | - | |
| 12126 | N/R - Jaksick Family LLC | JFLLC | 50.00 | 50.00 | 50.00 | 50.00 | |
| 11400 | N/R Lakecrest Realty | LR | 18,315.00 | - | - | - | |
| | | | <u>\$ (756,772.99)</u> | <u>\$ (844,347.61)</u> | <u>\$ (909,811.49)</u> | <u>\$ (807,774.81)</u> | |

NOTE: Some of the information presented is obtained directly from the accounting records of those entities. Consequently there are differences in nomenclature used to refer to company names.

Exhibit 5
Samuel S. Jaksick, Jr. Family Trust
Estimated Realizable Net Receivables and Payables
Entity Accounts

NOTE: Some of the information presented is obtained directly from the accounting records of those entities. Consequently there are differences in nomenclature used to refer to company names.

| Entity | Account # | Account Name | Entity Code | 12/31/2017 | 12/31/2018 | 12/31/2019 | 12/31/2020 |
|--|-----------|---------------------------------|-----------------------------------|----------------|----------------|----------------|--------------|
| ALSB, Ltd. | 23480 | N/P - Jaksick Family | JFLLC | - | 300.00 | 300.00 | - |
| ALSB, Ltd. | 11410 | N/R Montreux Golf Holding | MGCH | 2,500.00 | - | - | - |
| ALSB, Ltd. | 23460 | N/P - MXDG (other than 6 lots) | MXDG | (5,358.51) | (5,908.51) | (5,908.51) | - |
| ALSB, Ltd. | 23300 | N/P MXDG - 6 lots | MXDG | (1,194,885.31) | (1,124,502.91) | (1,046,224.77) | - |
| ALSB, Ltd. | 23470 | N/P - MXGCH | MGCH | - | 2,500.00 | 2,500.00 | - |
| ALSB, Ltd. | 23450 | N/P - Sam Jaksick | SJ | (249,338.11) | 5,783.81 | 5,783.81 | - |
| ALSB, Ltd. | 23400 | N/P Toiyabe Investments | TI | (20,219.38) | (20,219.38) | (1,166.39) | - |
| ALSB, Ltd. | 11400 | Other Receivables | Other Receivables | 300.00 | - | - | - |
| Basecamp, LLC | 28100 | SSJ Capital - Advances | SJ | (4,528.67) | (7,171.48) | (7,171.48) | (7,171.48) |
| Basecamp, LLC | 28101 | Advances - Todd Jaksick | Todd | (6,260.91) | (10,309.65) | (10,309.65) | (10,309.65) |
| Basecamp, LLC | 28103 | Advances - Randy | Randy | (16,035.26) | (20,082.76) | (20,082.76) | (20,082.76) |
| BBB Investments, LLC | 2200 | N/P - Duck Flat Ranch LLC | Duck Flat Ranch LLC Jaksick | - | - | (425.00) | (919.75) |
| Buckhorn Land and Livestock, LLC | 22000 | N/P Duck Lake Ranch/PCA Loan | DLR | (3,000.00) | (3,000.00) | (3,000.00) | (3,000.00) |
| Buckhorn Land and Livestock, LLC | 23303 | N/P - Lakeridge Golf Course | LGC | (6,096.00) | (6,096.00) | (6,096.00) | (6,096.00) |
| Buckhorn Land and Livestock, LLC | 19600 | N/R - Spring Mtn Dev Co | SMDC | 1,950.00 | 2,935.00 | 2,935.00 | 3,585.00 |
| Buckhorn Land and Livestock, LLC | 23002 | N/P - Sam Trust | ST | - | - | - | - |
| Buckhorn Land and Livestock, LLC | 20701 | Due to WSR Land | WSR Land | (25,094.25) | (25,094.25) | (25,094.25) | (25,094.25) |
| Buckhorn Land and Livestock, LLC | 21000 | N/P - Bright-Holland Co. | Holland Co. | (1,024.50) | (1,024.50) | (1,024.50) | (1,024.50) |
| Duck Flat Ranch, LLC | 15004 | N/R - BBB Investments | BBBI | - | - | 425.00 | 919.75 |
| Duck Flat Ranch, LLC | 12500 | Note Recv - Duck Flat Farm | DLR | - | - | - | - |
| Duck Flat Ranch, LLC | 15003 | N/R - Duck Lake Ranch | DLR | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 |
| Duck Flat Ranch, LLC | 15100 | Receivable - Bright Holland | BH | 84,299.22 | 84,299.22 | 84,299.22 | 84,299.22 |
| Duck Flat Ranch, LLC | 23300 | N/P Lakecrest Realty | LR | - | - | - | - |
| Duck Flat Ranch, LLC | 23400 | N/P - NWRM Corp | NWRM | (25.00) | (25.00) | (25.00) | (25.00) |
| Duck Flat Ranch, LLC | 23500 | N/P - Sam Jaksick Trust | SJ | - | - | - | - |
| Duck Flat Ranch, LLC | 15001 | N/R - Sam's Portion BHC Loan | SPBHCL | 74,487.26 | 74,487.26 | 74,487.26 | - |
| Duck Flat Ranch, LLC | 15002 | N/R - Todds % / Aspen to BHC | TABHC | 60,805.93 | 60,805.93 | 60,805.93 | - |
| Duck Flat Ranch, LLC | 23100 | N/P - White Pine Ranch | WPR | (250.00) | (250.00) | - | (250.00) |
| Duck Flat Ranch, LLC | 21100 | N/P White Pine Ranch | WPR | (1,170.04) | (1,170.04) | (1,170.04) | (1,270.04) |
| Duck Flat Ranch, LLC | 23200 | N/P - Duck Lake Ranch | DLR | (66.41) | (66.41) | (66.41) | (66.41) |
| Duck Flat Ranch, LLC | 14260 | Promise Pay 3%: 087-021-25 | Unknown | 267,500.00 | 267,500.00 | 267,500.00 | 267,500.00 |
| Jackrabbit Properties LLC | 1460 | N/R - LSC | LSC | 5,412.48 | 8,722.48 | 9,372.48 | 10,772.48 |
| Jackrabbit Properties LLC | 2322 | N/P Todd Jaksick | Todd | (8,650.00) | (145,068.24) | - | - |
| Jackrabbit Properties LLC | 2307 | N/P - White Pine Ranch | WPR | (24,515.00) | (24,515.00) | - | - |
| Montreux Development Group, LLC | 119015 | N/R - ALSB | ALSB | 5,908.51 | 5,908.51 | 5,908.51 | - |
| Montreux Development Group, LLC | 105500 | N/R - ALSB, Ltd. | ALSBL | 1,194,885.31 | 1,124,502.91 | 1,046,224.77 | 37,900.00 |
| Montreux Development Group, LLC | 119008 | N/R - Duck Lake Ranch | DLR | 1,096.36 | 1,096.36 | 1,096.36 | 1,096.36 |
| Montreux Development Group, LLC | 119012 | N/R - Incline TSS | ITSS | 726.47 | 726.47 | 726.47 | 726.47 |
| Montreux Development Group, LLC | 119013 | N/R - Jaksick Family LLC | JFLLC | 800.00 | 800.00 | 4,964.15 | 5,264.15 |
| Montreux Development Group, LLC | 116000 | A/R Montreux Golf Course | MGCH | 1,187.80 | 1,187.80 | 1,187.80 | 1,187.80 |
| Montreux Development Group, LLC | 119019 | N/R MXGCH | MGCH | - | - | - | 2,500.00 |
| Montreux Development Group, LLC | 211851 | N/P MXGC Holding Co | MGCH | (31,488.61) | (53,488.61) | (58,488.61) | (48,332.74) |
| Montreux Development Group, LLC | 119010.5 | N/R - Quail Rock / Sam Trust | QRST | - | - | - | - |
| Montreux Development Group, LLC | 210301 | N/P Stan Jaksick | Stan Jaksick | - | 280,171.80 | 438,171.80 | 438,171.80 |
| Montreux Development Group, LLC | 119002 | N/R - Stan Jaksick | Stan Jaksick | 54,581.20 | 62,581.20 | 87,581.20 | 213,690.20 |
| Montreux Development Group, LLC | 201403 | N/P - Sam Jaksick Family Trust | SJFT | (5,250.00) | - | - | - |
| Montreux Development Group, LLC | 201100 | N/P Stan Jaksick LLC | SJLLC | - | 15,000.00 | 15,000.00 | 15,000.00 |
| Montreux Development Group, LLC | 201401 | N/P Stan Jaksick LLC | SJLLC | 15,470.49 | 15,470.49 | 15,470.49 | 15,470.49 |
| Montreux Development Group, LLC | 119010 | N/R - Sam Trust | ST | - | - | - | 5,783.81 |
| Montreux Development Group, LLC | 119014 | N/R - Toiyable Golf Club | TGC | 281.63 | 20,664.08 | 146,016.91 | 146,016.91 |
| Montreux Development Group, LLC | 201400 | N/P - Toiyabe Investments | TI | - | 7,700.00 | 7,700.00 | - |
| Montreux Development Group, LLC | 119007 | Due from Toiyabe Investments | TI | 331,517.53 | 361,517.53 | 395,017.53 | 442,217.53 |
| Montreux Development Group, LLC | 201406 | N/P Wendy Jaksick | WJ | - | - | 18,000.00 | 18,000.00 |
| Montreux Development Group, LLC | 119016 | N/R Wendy Jaksick | WJ | - | 39,246.05 | 39,246.05 | 39,246.05 |
| Montreux Development Group, LLC | 201405 | Comp Manager Due-Stan Jaksick | Stan Jaksick | (45,200.00) | (45,200.00) | (45,200.00) | (45,200.00) |
| Montreux Development Group, LLC | 119018 | Due from Helen Slinkard Tr | Slinkard Tr | - | - | - | 750.00 |
| Montreux Development Group, LLC | 119006 | Due from Stan Jaksick LLC | Jaksick LLC | - | 36,500.00 | 44,000.00 | 44,000.00 |
| Montreux Development Group, LLC | 211850 | N/P - Jaksick Family LLC (LRGC) | Jaksick Family LLC (LRGC) Jaksick | (263,646.00) | (248,227.68) | (248,227.68) | (248,227.68) |
| Montreux Golf Club Holding Company LLC | 23700 | N/P ALSB | ALSB | (2,500.00) | (2,500.00) | (2,500.00) | (2,500.00) |
| Montreux Golf Club Holding Company LLC | 14702 | Notes Receivable ALSB | ALSB | - | - | - | - |
| Montreux Golf Club Holding Company LLC | 14500 | A/R Jaksick Family | JFLLC | 1,885.99 | 14,995.99 | 91,262.65 | 134,429.32 |
| Montreux Golf Club Holding Company LLC | 14600 | A/R Lakeridge Golf Course | LGC | - | - | - | - |
| Montreux Golf Club Holding Company LLC | 14700 | A/R Montreux Golf Club Ltd | MGCH | - | - | - | - |
| Montreux Golf Club Holding Company LLC | 14701 | Notes Receivable MXDG | MXDG | 31,488.61 | 53,488.61 | 58,488.61 | 48,332.74 |
| Montreux Golf Club Holding Company LLC | 11600 | A/R Toiyabe Golf Club | TGC | 312,269.67 | 643,979.58 | 738,979.58 | 738,979.58 |
| Montreux Golf Club Holding Company LLC | 11400 | A/R Toiyabe Investment Co | TI | - | 1,500.00 | 9,000.00 | 9,000.00 |
| Montreux Golf Club Holding Company LLC | 14100 | Advances Stan Jaksick | Stan Jaksick | 38,600.00 | 73,600.00 | 82,100.00 | 77,250.00 |
| Montreux Golf Club Holding Company LLC | 14200 | Advances Wendy Jaksick | Wendy Jaksick | - | - | - | 7,000.00 |
| Montreux Golf Club Holding Company LLC | 22000 | Compensation Due Manager-Stan | Stan Jaksick | (108,000.00) | (108,000.00) | (108,000.00) | - |
| Toiyabe Investment Co. | 15900 | N/R - ALSB, Ltd | ALSBL | 20,219.38 | 20,219.38 | 1,166.39 | - |
| Toiyabe Investment Co. | 14700 | N/R - Fly Ranch LLC | FRLLC | 100.00 | 100.00 | 100.00 | 100.00 |
| Toiyabe Investment Co. | 14800 | N/R - Jaksick Family LLC | JFLLC | 100.00 | 100.00 | 100.00 | 100.00 |
| Toiyabe Investment Co. | 15500 | A/R Montreux Golf Club Holding | MGCH | - | (1,500.00) | (9,000.00) | (9,000.00) |
| Toiyabe Investment Co. | 21100 | Due to MXDG | MXDG | (331,117.53) | (361,117.53) | (394,617.53) | (441,817.53) |
| Toiyabe Investment Co. | 15400 | N/R - MXDG | MXDG | - | (7,700.00) | (7,700.00) | - |
| Toiyabe Investment Co. | 21400 | N/P Sam Family Trust | SJ | (22,400.00) | (22,400.00) | (22,400.00) | (22,400.00) |
| Toiyabe Investment Co. | 25100 | N/P - Stan Jaksick | Stan Jaksick | (10,414.53) | (10,414.53) | (10,414.53) | (10,414.53) |
| Toiyabe Investment Co. | 14900 | N/R - SST Westridge | SSTW | 100.00 | 100.00 | 100.00 | 100.00 |

RA0503

Exhibit 5
Samuel S. Jaksick, Jr. Family Trust
Estimated Realizable Net Receivables and Payables
Entity Accounts

NOTE: Some of the information presented is obtained directly from the accounting records of those entities. Consequently there are differences in nomenclature used to refer to company names.

| Entity | Account # | Account Name | Entity Code | 12/31/2017 | 12/31/2018 | 12/31/2019 | 12/31/2020 |
|---------------------------|-----------|---------------------------------|--------------------------|---------------------|-------------------|-------------------|---------------------|
| Toiyabe Investment Co. | 15200 | N/R - Todd Jaksick | Todd | 17,755.71 | 17,755.71 | 17,755.71 | 17,755.71 |
| Toiyabe Investment Co. | 21300 | N/P White Pine Ranch | WPR | (2,000.00) | (2,000.00) | (2,000.00) | (2,000.00) |
| White Pine Lumber Company | 11800 | N/R Bright-Holland | BH | 13,625.00 | 13,625.00 | - | - |
| White Pine Lumber Company | 12114 | N/R - Buckhorn Land & Livestock | BLL | 650.00 | 650.00 | - | - |
| White Pine Lumber Company | 12110 | N/R - Duck Flat Ranch, LLC | DLR | 1,070.04 | 1,070.04 | 1,070.04 | 1,070.04 |
| White Pine Lumber Company | 12000 | N/R DLR | DLR | 55,923.89 | 72,673.89 | - | - |
| White Pine Lumber Company | 12116 | N/R - Fly Ranch LLC | FRLLC | 2,100.00 | 2,100.00 | 2,100.00 | 2,100.00 |
| White Pine Lumber Company | 20300 | N/P Homecamp Land & Livestock | HLL | (19,546.88) | (19,546.88) | - | - |
| White Pine Lumber Company | 12121 | N/R - Incline TSS | ITSS | 22,000.00 | 22,000.00 | - | - |
| White Pine Lumber Company | 11901 | N/R Jackrabbit | J | 25,857.00 | 25,857.00 | - | - |
| White Pine Lumber Company | 12126 | N/R - Jaksick Family LLC | JFLLC | 50.00 | 50.00 | 50.00 | 50.00 |
| White Pine Lumber Company | 11400 | N/R Lakecrest Realty | LR | 18,315.00 | - | - | - |
| White Pine Lumber Company | 12119 | N/R - NWRM | NWRM | 23,372.33 | 23,372.33 | - | - |
| White Pine Lumber Company | 12118 | N/R Stan Jaksick | Stan Jaksick | 221.24 | 221.24 | 221.24 | 221.24 |
| White Pine Lumber Company | 22300 | N/P - Sam J Family Trust | SJFT | (183,813.22) | (169,169.55) | (157,390.83) | (157,390.83) |
| White Pine Lumber Company | 12125 | N/R - Sam Jaksick Family Trust | SJFT | - | - | - | 350.00 |
| White Pine Lumber Company | 11900 | N/R SJ Ranch | SJR | 550.00 | 550.00 | - | - |
| White Pine Lumber Company | 22301 | N/P - SJ Trust #2 | SJ-2 | (76,170.66) | (76,170.66) | (76,170.66) | (76,170.66) |
| White Pine Lumber Company | 22303 | N/P - SJ Trust #3 | SJ-3 | (40,088.88) | (40,088.88) | (40,088.88) | (40,088.88) |
| White Pine Lumber Company | 12124 | N/R - Sammy Supercub - A | SSA | (8,700.00) | (8,700.00) | - | - |
| White Pine Lumber Company | 12120 | N/R - SST Westridge | SSTW | 1,710.00 | 1,710.00 | - | - |
| White Pine Lumber Company | 12122 | N/R - Sam for Wendy move, etc | SW | 11,856.76 | 11,856.76 | - | - |
| White Pine Lumber Company | 12123 | N/R - Toiyabe | TI | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| White Pine Lumber Company | 12117 | N/R - Todd Jaksick | Todd | 20,410.00 | 20,410.00 | - | - |
| White Pine Lumber Company | 22500 | N/P - WPR LLC | WPR | - | (99,705.36) | (101,686.68) | - |
| White Pine Lumber Company | 12127 | N/R - WPR LLC | WPR | - | 4,977.07 | 12,000.00 | 12,000.00 |
| White Pine Lumber Company | 22302 | Advances Payable - SJ Trus | SJ Trust | (473,645.91) | (479,570.91) | (479,570.91) | (479,570.91) |
| White Pine Lumber Company | 20702 | N/P - Duck Lake Ranch | DLR | (145,018.70) | (145,018.70) | (72,344.81) | (72,344.81) |
| White Pine Lumber Company | 22400 | N/P - NV Pronghorn LLC | NV Pronghorn LLC Jaksick | (9,500.00) | (9,500.00) | - | - |
| | | | | <u>(599,077.46)</u> | <u>224,846.08</u> | <u>847,399.08</u> | <u>1,134,168.24</u> |

EXHIBIT 6

EXHIBIT 6

Exhibit 6
Samuel S. Jaksick, Jr. Family Trust
Washoe County Property Valuations
10/31/2021

| Entity | Trust Interest | Total Assets per 2020 Tax Return | Leck Appraisal 12/10/21 | Trust % of Leck Appraised Value | Trust Portion of Stan Jaksick Valuation Investments 2/26/2021 | Trust Portion of Todd Jaksick Valuation Investments 2/26/2021 | Pending Sales Offer |
|--|----------------|--|----------------------------|--|---|---|------------------------|
| Montreux Development Group | 50.00% | \$ 4,817,896 | \$ 7,220,000 | \$ 3,431,666 | \$ 2,500,000 | \$ 3,500,000 | \$ 2,038,000 |
| Buckhorn Land and Livestock, LLC (formerly Winnemucca Ranch, LLC) | 25.00% | 2,568,859 | 4,000,000 | 1,000,000 | 816,000 | 816,000 | |
| Duck Flat Ranch, LLC | 49.00% | 469,857 | 124,000 | 60,760 | 219,000 | 219,000 | |
| Basecamp, LLC | 18.75% | 202,743 | - | - | 56,000 | 56,000 | 725,000 |
| Montreux Golf Holding Company LLC | 1.98% | 1,932,788 | - | - | 22,500 | 22,500 | |
| Samuel S Jaksick Jr IV LLC | Sold | - | - | - | - | - | |
| BBB Investments, LLC | 49.00% | 171,508 | 160,000 | 78,400 | 70,000 | 70,000 | |
| Gerlach Green Energy LLC | 45.00% | 12,003 | - | - | 3,000 | 3,000 | |
| Lake-Ridge Corp | 50.00% | - | - | - | - | - | |
| SJ Ranch LLC | Sold | - | 58,000 | - | - | - | |
| White Pine Lumber Co | 100.00% | 117,124 | 800,000 | 800,000 | - | - | |
| | | <u>\$ 10,292,778</u> | <u>\$ 12,362,000</u> | <u>\$ 5,370,826</u> | <u>\$ 3,686,500</u> | <u>\$ 4,686,500</u> | <u>\$ 2,763,000</u> |

EXHIBIT 7

EXHIBIT 7

October 19, 2021

Via email [ahosmerhenner@mcdonaldcarano.com]

Adam Hosmer-Henner, Esq.
McDonald Carano
100 West Liberty Street, 10th Floor
Reno, Nevada 89501

Re: In the Matter of the Administration of the Samuel S. Jaksick, Jr. Family Trust, pending in the Second Judicial District Court in and for the County of Washoe, State of Nevada, Case No. Case No. PR17-00446, consolidated with In the Matter of the SSJ's Issue Trust, Case No. PR 17-00445, Department 15

Dear Adam,

In the course of performing his duties and initial analysis, Temporary Trustee James S. Proctor has determined he needs additional information and clarification of certain issues. In order to answer the Trustee's questions, I write this letter to request information and documents regarding the disposition, assets and liabilities of Toiyabe Investment Company, Montreux Development and ALBS, and other assets and liabilities of the Samuel S. Jaksick, Jr. Family Trust (the "Family Trust"). If your client is unable or unwilling to provide the requested documents without the compulsion of a court order, please advise me immediately and I will serve a subpoena. We do not believe the documents requested in this letter include any of the documents you previously delivered to the Trustee. If you disagree, please simply refer to any such previously delivered document by name and page number, if appropriate; you do not need to produce that document to us again.

I. Toiyabe Investment Company, Montreux Development and ALBS

In emails to you dated October 4, 2021, I asked you for copies of the Toiyabe Investment and Montreux Development Operating Agreements, as amended, and/or articles and bylaws, as amended. For your convenience, copies of my October 4, 2021 emails are attached. I have not received any response. Accordingly, I again request the same for Toiyabe Investment, Montreux Development and ALBS, as well as other enumerated documents, listed below. The Trustee would like responses for the time period 2013 to the present. However, the time period of 2017 to the present is the most important to receive



as expeditiously as possible, with earlier historical documents to be provided as soon as possible thereafter.

- a. Operating Agreement(s) and/or Articles of Incorporation and Bylaws, and any amendments thereto, for each entity;
- b. An accounting of proceeds of sale of ALBS property, including a copy of the settlement statement for any and all sales, an accounting of the disposition of sales proceeds, internal accountings and information maintained by Ken Huff (or any other accountant acting on behalf of your client on this entity), and any financial statements prepared by the entity or on its behalf;
- c. Accounting of proceeds of sale of any and all Montreux Development property, including a copy of the settlement statement for any and all sales, an accounting of the disposition of sales proceeds, internal accountings and information maintained by Ken Huff (or any other accountant acting on behalf of your client on this entity), and any financial statements prepared by the entity or on its behalf;
- d. Accounts Receivable of Montreux Development: any and all documents substantiating or refuting the existence of and liability for accounts receivable owed to Montreux Development, including without limitation an account receivable asserted to be owed by Stan Jaksick to Montreux Development in the amount of \$600,023; an account receivable asserted to be owed by Toiyabe Golf Club in the amount of \$146,017; and Montreux Golf Club Holdings in the amount of \$1,188;
- e. Any and all documents substantiating or refuting the existence of and liability for accounts receivable owed by Todd Jaksick, in any capacity, to the Family Trust or to any other entity in which the Family Trust holds a direct or indirect interest;
- f. Pending or anticipated sales: any and all documents regarding value, marketing, and anticipated sales of property owned by Montreux Development or in which it has an interest, including without limitation the parcels owned by Montreux Development located on Nestle Court;
- g. Any and all documents substantiating the liabilities of Montreux Development or for which any or all of its assets has been pledged as security, the business

purpose and basis for each such liability, the amount, and the current outstanding balance;

- h. Any and all documents regarding the relationship, if any, between Stan Jaksick and Mana Investments and/or any of its principals, shareholders or members, including without limitation, any agreements, memoranda of understanding, revisions to operating agreements or governing documents of Toiyabe Investments or Montreux Development, and any documents relating to the disposition of the assets of Montreux Development in the event Mana Investments is the successful purchaser of the estate's interest in Toiyabe Investment.

II. Indemnity agreement(s)

- a. Copies of any and all agreements of indemnity in favor of Stan Jaksick, individually or in his capacity as former trustee of Family Trust;
- b. Copies of any and all agreements of indemnity in favor of Stan Jaksick in any capacity by the SSJ Issue Trust.

III. Liabilities of the Trusts

- a. Documents to substantiate any and all amounts paid by the Family Trust to Stan Jaksick, individually, including supporting invoices and/or demands and the document(s) that provide the basis for the liability of the Family Trust for such payments;
- b. Documents to substantiate any and all amounts paid by the Family Trust to Stan Jaksick, in his capacity as former trustee of the Family Trust, including but not limited to payments made on his behalf to McDonald Carano or any counsel representing Stan Jaksick, including supporting invoices and/or demands, and the document(s) that provide the basis for the liability of the Family Trust for such payments;
- c. Any and all amounts Stan Jaksick contends are owed by the Family Trust to be paid on his behalf to any person or entity, including supporting invoices and/or demands and the document(s) that provide the basis for the liability of the Family Trust for such amounts;



- d. Documents substantiating any amounts paid by the Family Trust on behalf of Todd Jaksick, individually or in his capacity as trustee of the SSJ Issue Trust to Robison Sharp Sullivan & Brust, Maupin Cox & LeGoy, or any other lawyer or law firm representing him in either capacity in connection with the defense or prosecution of the above-captioned consolidated cases and litigation arising therefrom, and the document(s) that provide the basis for the liability of the Family Trust for such payments.

Please contact me with any questions. I look forward to hearing from you in response to this letter. Best regards.

Very truly yours,

Fletcher & Lee

/s/ Cecilia Lee, Esq.
Cecilia Lee, Esq.

Enclosure

c: Client (via email w/enc.)

From: [Cecilia Lee](#)
To: [Adam Hosmer-Henner](#)
Cc: [Elizabeth Dendary](#)
Subject: RE: Toiyabe and Montreux Development
Date: Monday, October 4, 2021 2:54:35 PM

Adam –

To follow up on my email below, I believe I should be requesting the articles of incorporation and bylaws for Toiyabe Investments, with any amendments, because it is a Nevada corporation. If my information is incorrect, please let me know.

Best regards,
Cecilia

Cecilia Lee, Esq.
Fletcher & Lee
448 Ridge Street
Reno, Nevada 89501
Telephone: 775-324-1011
Email: clee@fletcherlawgroup.com

From: Cecilia Lee <clee@fletcherlawgroup.com>
Sent: Monday, October 4, 2021 12:43 PM
To: Adam Hosmer-Henner <ahosmerhenner@mcdonaldcarano.com>
Cc: Elizabeth Dendary <edendary@fletcherlawgroup.com>
Subject: Toiyabe and Montreux Development

Adam –

To follow up on a few discrete issues from your meeting with Jim Proctor, please send me a copy of the Toiyabe Investment and the Montreux Development Operating Agreements, respectively, and any amendments to each. In addition, please send me copies of the purchase and sale agreement(s) and settlement statement(s) for any sales by Montreux Development.

Best regards,
Cecilia

Cecilia Lee, Esq.
Fletcher & Lee
448 Ridge Street
Reno, Nevada 89501
Telephone: 775-324-1011

RA0512

Email: cleee@fletcherlawgroup.com

EXHIBIT 8

EXHIBIT 8

Fletcher & Lee

Elizabeth Fletcher, Esq.
Cecilia Lee, Esq.

October 19, 2021

Via email [krobison@rssblaw.com]

Kent Robison, Esq.
Robison Sharp Sullivan & Brust
71 Washington Street
Reno, Nevada 89503

Via email [dlattin@mcllaw.com]

Donald A. Lattin, Esq.
Maupin Cox & LeGoy
4785 Caughlin Parkway
PO Box 30000
Reno, Nevada 89519

Re: In the Matter of the Administration of the Samuel S. Jaksick, Jr. Family Trust, pending in the Second Judicial District Court in and for the County of Washoe, State of Nevada, Case No. Case No. PR17-00446, consolidated with In the Matter of the SSJ's Issue Trust, Case No. PR 17-00445, Department 15

Dear counsel,

In the course of performing his duties and initial analysis, Temporary Trustee James S. Proctor has determined he needs additional information and clarification of certain issues. In order to answer the Trustee's questions, I write this letter to request information and documents regarding the disposition, assets and liabilities of Toiyabe Investment Company, Montreux Development and ALBS, and other assets and liabilities of the Samuel S. Jaksick, Jr. Family Trust (the "Family Trust"). If your clients, Todd Jaksick, individually, or Todd Jaksick, in his capacity as former trustee of the Family Trust, are unable or unwilling to provide the requested documents without the compulsion of a court order, please advise me immediately and I will serve a subpoena or subpoenas.

I. Toiyabe Investment Company, Montreux Development and ALBS

- a. Operating Agreement(s) and/or Articles of Incorporation and Bylaws, and any amendments thereto, for each entity;



- b. An accounting of proceeds of sale of ALBS property, including a copy of the settlement statement for any and all sales, an accounting of the disposition of sales proceeds, and any financial statements prepared by the entity or on its behalf;
- c. Accounting of proceeds of sale of any and all Montreux Development property, including a copy of the settlement statement for any and all sales, an accounting of the disposition of sales proceeds, and any financial statements prepared by the entity or on its behalf;
- d. Accounts Receivable of Montreux Development: any and all documents substantiating or refuting the existence and liability for accounts receivable owed to Montreux Development, including without limitation an account receivable asserted to be owed by Stan Jaksick to Montreux Development in the amount of \$600,023; an account receivable asserted to be owed by Toiyabe Golf Club in the amount of \$146,017; and Montreux Golf Club Holdings in the amount of \$1,188;
- e. Pending or anticipated sales: any and all documents regarding value, marketing, and anticipated sales of property owned by Montreux Development or in which it has an interest, including without limitation the parcels owned by Montreux Development located on Nestle Court;
- f. Any and all documents substantiating the liabilities of Montreux Development or for which any or all of its assets has been pledged as security, the business purpose and basis for each such liability, the amount, and the current outstanding balance;
- g. Any and all documents regarding the relationship, if any, between Stan Jaksick and Mana Investments and/or any of its principals, shareholders or members, including without limitation, any agreements, memoranda of understanding, revisions to operating agreements or governing documents of Toiyabe Investments or Montreux Development, and any documents relating to the disposition of the assets of Montreux Development in the event Mana Investments is the successful purchaser of the estate's interest in Toiyabe Investment.

II. Indemnity agreement(s)

- a. Copies of any and all agreements of indemnity or sources of a right to claim indemnity from the Family Trust in favor of Todd Jaksick, individually, in his capacity as former trustee of Family Trust or in his capacity as trustee of the SSJ Issue Trust. We do not need you to produce a copy of the restated Family Trust Agreement or the Second Amendment thereto; however, if either document is the basis for a claim of indemnity, please so identify it;
- b. Copies of any and all agreements of indemnity or sources of a right to claim indemnity from the Family Trust in favor of Stan Jaksick in his capacity as former trustee of Family Trust;
- c. Copies of any and all agreements of indemnity or sources of a right to claim indemnity from the Issue Trust in favor of Todd Jaksick, individually or in any capacity as trustee of the SSJ Issue Trust.

III. Liabilities of the Trusts and Valuation of Trust Assets

- a. Documents substantiating any and all amounts paid by the Family Trust to or on behalf of Todd Jaksick, individually, including supporting invoices and/or demands for payment. See subparagraph (f) for additional specific requests;
- b. Documents substantiating any and all amounts paid by the Family Trust to Todd Jaksick, in his capacity as former trustee of the Family Trust, including but not limited to payments made on his behalf to Maupin Cox & LeGoy or any counsel representing Todd Jaksick, including supporting invoices and/or demands for payment. See subparagraph (f) for additional specific requests;
- c. Documents substantiating the basis on which Todd Jaksick contends the Family Trust is or was liable to pay him or to pay any other person or entity on his behalf individually, as trustee of the Family Trust, or as trustee of the SSJ Issue Trust;
- d. Documents substantiating any amounts Todd Jaksick has paid to the Family Trust as set forth in the Amended Judgment entered in the above-captioned case on July 6, 2020;
- e. Documents substantiating any amounts paid on behalf of Todd Jaksick, individually or in his capacity as trustee of the SSJ Issue Trust to Robison Sharp Sullivan & Brust, Maupin Cox & LeGoy, or any other lawyer or law firm

representing him in either capacity in connection with the defense or prosecution of the above-captioned consolidated cases and litigation arising therefrom, including without limitation, copies of underlying invoices paid. See subparagraph (f) for additional specific requests;

- f. In a letter dated October 14, 2021, a copy of which is attached hereto for your convenience, Mr. Robison asked Kevin Riley to reimburse Todd Jaksick for payment of fees and costs incurred by Mr. Robison's firm for services rendered to Todd Jaksick for (a) the SSJ Issue Trust, (b) the Jaksick Family Trust; and (c) the Jaksick/Todd Appeal. With the exception of fees paid to Mr. Lattin's firm for representing Todd Jaksick as trustee of the Family Trust, please provide the document(s) on which your clients contend that the Family Trust has liability to reimburse Todd Jaksick for the fees owed to any law firm incurred on behalf of Todd Jaksick for the SSJ Issue Trust, the Jaksick Family Trust and the Jaksick/Todd Appeal. Please also provide copies of any and all invoices for any such services that have been provided in the past and paid by the Family Trust, and for any such services for which your clients seek reimbursement that has not been paid by the Family Trust.
- g. With the exception of the Dan Lech appraisal of the Montreux lots, which the Trustee already has received, please provide a copy of any and all appraisals of the Family Trust property, of the various entities in which the Family Trust has an interest, and all of the Family Trust's interests in the various entities in which the Family Trust has an interest;
- h. Any and all documents substantiating or refuting the assertion by Stan Jaksick of the existence of and liability for accounts receivable owed by Todd Jaksick, in any capacity, to the Family Trust or to any other entity in which the Family Trust holds a direct or indirect interest.

Please contact me with any questions. I look forward to hearing from you in response to this letter. Best regards.

Very truly yours,

Fletcher & Lee
/s/ Cecilia Lee, Esq.
Cecilia Lee, Esq.

c: Client (via email)

RA0518



Robison | Sharp | Sullivan | Brust

October 14, 2021

Kent R. Robison
Thomas L. Belaustegui
(Co-Founder Of Counsel)
F. DeArmond Sharp
Michael E. Sullivan
Clayton P. Brust
Stefanie T. Sharp
Frank C. Gilmore
Michael A. Burke
Hannah E. Winston

Via Email: kevin@rmb-cpa.com
Kevin Riley, CPA

Re: Jaksick Litigation

Dear Mr. Riley:

Attached is a summary of my fees and costs paid by Todd Jaksick to this firm concerning the Wendy Jaksick litigation. Subject to the Temporary Trustee's approval, we are asking that the Family Trust reimburse Todd for the payment he has made to this firm for our legal services and costs advanced.

Please advise.

Yours very truly,

KENT R. ROBISON

KRR:jf
Attachment
cc: Todd Jaksick (w/attachment)

71 Washington St
Reno, Nevada 89503

RSSBLAW.COM

P: 775.329.3151

F: 775.329.7941

RA0519

Detail Payment Transaction File List
Robison, Sharp, Sullivan & Brust

| <u>Client</u> | <u>Trans Date</u> | <u>Tmkr</u> | <u>H P</u> | <u>Tcode/ Task Code</u> | <u>Stmt # Rate</u> | <u>Amount</u> | <u>Ref #</u> |
|--|-----------------------|-------------|------------|-----------------------------|------------------------|--|--------------|
| Client ID 1368.001 Jaksick/Todd | | | | | | | |
| 1368.001 | 12/30/2020 | | A | 32 | | 2,288.12 Cost payment. | ARCH |
| 1368.001 | 12/30/2020 | | A | 31 | | 22,711.88 Fee payment. | ARCH |
| 1368.001 | 06/25/2021 | | A | 32 | | 1,119.25 Cost payment. | ARCH |
| 1368.001 | 06/25/2021 | | A | 31 | | 2,866.75 Fee payment. | ARCH |
| Total for Client ID 1368.001 | | | | | Payments | 28,986.00 Jaksick/Todd (445) SSJs Issue Trust | |
| Client ID 1368.002 Jaksick/Todd | | | | | | | |
| 1368.002 | 12/18/2020 | | A | 31 | | 75,000.00 Fee payment. | ARCH |
| 1368.002 | 06/25/2021 | | A | 31 | | 2,866.76 Fee payment. | ARCH |
| Total for Client ID 1368.002 | | | | | Payments | 77,866.76 Jaksick/Todd (446) Jaksick Family Trust | |
| Client ID 1368.003 Jaksick/Todd | | | | | | | |
| 1368.003 | 06/25/2021 | | A | 32 | | 1,507.24 Cost payment. | ARCH |
| 1368.003 | 06/25/2021 | | A | 31 | | 21,640.00 Fee payment. | ARCH |
| 1368.003 | 10/12/2021 | | P | 32 | | 289.96 Cost payment. | 3 |
| 1368.003 | 10/12/2021 | | P | 31 | | 14,710.04 Fee payment. | 4 |
| Total for Client ID 1368.003 | | | | | Payments | 38,147.24 Jaksick/Todd Appeal | |
| GRAND TOTALS | | | | | | | |
| | | | | | Payments | 145,000.00 | |

EXHIBIT 9

EXHIBIT 9

CODE: 1520
FLETCHER & LEE
Elizabeth Fletcher, Esq.
Nevada Bar No. 10082
Cecilia Lee, Esq.
Nevada Bar No. 3344
448 Ridge Street
Reno, Nevada 89501
Telephone: 775.324.1011
Email: efletcher@fletcherlawgroup.com
Email: clee@fletcherlawgroup.com

Attorneys for Temporary Trustee James S. Proctor, CPA, CFE, CVA, CFF

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

In the Matter of the Administration of the
SSJ'S ISSUE TRUST.

Case No. PR17-00445

Dept. No. 15

In the Matter of the Administration of the
SAMUEL S. JAKSICK, JR. FAMILY TRUST.

CONSOLIDATED

Case No. PR17-00446

Dept No. 15

**DECLARATION OF ELIZABETH DENDARY, CP IN SUPPORT OF
TRUSTEE'S SECOND INTERIM STATUS REPORT**

I, Elizabeth Dendary, CP, being first duly sworn, do hereby depose and say:

1. I am over the age of 18 years, am mentally competent and have personal knowledge of the matters set forth in this declaration. If called upon as a witness, I could and would competently testify to these matters. I make this declaration in support of the Trustee's Second Interim Status Report (the "Report"). All capitalized terms in this declaration shall have the same meaning as set forth in the Report.

2. I am an employee of Fletcher & Lee. I am a Certified Paralegal, and I earned my Certified Paralegal designation from the National Association of Legal Assistants in 2016.

3. On October 4, 2021, I searched the Washoe County Assessor for all properties

owned by Montreux Development Group LLC and found 13 parcels listed as follows:

| Table 1 | |
|----------------|--------------------|
| APN | Situs |
| 148-010-57 | 0 BORDEAUX DR |
| 148-010-60 | 0 BORDEAUX DR |
| 148-173-17 | 5630 ALPINISTA CIR |
| 148-173-19 | 5610 ALPINISTA CIR |
| 148-191-12 | 0 BORDEAUX DR |
| 148-222-24 | 0 BORDEAUX DR |
| 148-222-31 | 5380 NESTLE CT |
| 148-222-32 | 5360 NESTLE CT |
| 148-222-33 | 5340 NESTLE CT |
| 148-222-34 | 5320 NESTLE CT |
| 148-222-36 | 0 NESTLE CT |
| 148-351-08 | 6400 ROUGE DR |
| 148-381-24 | 6600 DE CHARDIN LN |

4. Four the APNs listed above are flagged by the Washoe County Assessor as having been assigned a new APN(s) as follows:

| Table 2 | | | |
|-------------------|--|--------------------|---|
| Former APN | New APN(s) | Situs | New Situs, if applicable |
| 148-010-57 | 148-010-60 148-010-61 | 0 BORDEAUX DR | |
| 148-173-17 | 148-173-22 | 5630 ALPINISTA CIR | |
| 148-173-19 | 148-173-24 | 5610 ALPINISTA CIR | |
| 148-222-24 | 148-222-31 148-222-32 148-222-33 148-222-34 148-222-35 148-222-36 | 0 BORDEAUX DR | 5380 NESTLE CT 5360 NESTLE CT 5340 NESTLE CT 5320 NESTLE CT 5300 NESTLE CT 0 NESTLE CT |

5. I compared the APNs of the real properties identified in **Table 1** to the Daniel A. Leck & Associates Real Estate Appraisal Report dated December 10, 2020 (the "Leck Appraisal"), which appraised six parcels of real property. Five of the six parcels subject of the Leck Appraisal remain listed with the Washoe County Assessor as owned by Montreux Development Group, LLC as follows:

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| Table 3 | | |
|----------------|--------------------|-----------------------|
| APN | Situs | Leck Appraisal |
| 148-010-60 | 0 BORDEAUX DR | Property 3 |
| 148-191-12 | 0 BORDEAUX DR | Property 6 |
| 148-222-24 | 0 BORDEAUX DR | Property 5 |
| 148-351-08 | 6400 ROUGE DR | Property 4 |
| 148-381-24 | 6600 DE CHARDIN LN | Property 1 |

6. On October 4, 2021, I researched property transfers via the Washoe County Recorder's Office for Montreux Development Group, LLC. I found the following transfers between 2020 and 2021:

- a. On June 26, 2020, a Grant, Bargain, Sale Deed was recorded as Document #5045095 transferring title of APN 148-372-02 (Situs 6360 De Chardin Ln) from Montreux Development Group, LLC to Washoe Zephyr Investments, LLC.
- b. On August 13, 2020, a Grant, Bargain, Sale Deed was recorded as Document #5065045 transferring title of APN 148-171-01 (Situs 5605 Alpinista Cir) from Montreux Development Group, LLC to Bean Investments Limited Partnership.
- c. On April 15, 2021, a Grant, Bargain, Sale Deed was recorded as Document #5166737 transferring title of APN 148-381-19¹ (Situs 6700 De Chardin Ln) from Montreux Development Group, LLC to James Farley and Natalie Farley, Trustees or their successors in trust, under The Farley Living Trust, dated July 23, 2015.
- d. On September 13, 2021, a Grant, Bargain, Sale Deed was recorded as Document #5225416 transferring title of APN 148-222-35² (Situs 5300 Nestle Ct) from Montreux Development Group, LLC to Lawrence V. Amaturo and Susan E.C. Amaturo, Trustees of The Lawrence V. and Susan E.C. Amaturo Living Trust.

7. While researching the above-transfers, I located a Parcel Map 5308 recorded with the Washoe County Recorder's Office as Document #4741067 on September 5, 2017, relating to APN 148-010-60 (Situs 0 Bordeaux Dr) and divides the property into two parcels: Parcel A as

¹ This APN is the final parcel subject of the Leck Appraisal and identified therein as Property 2.

² This APN is part of the new APNs assigned to former APN 148-222-24 as identified in Table 2 and is part of Property 5 of the Leck Appraisal.

24.51 acres and Parcel B as 8.25 acres Common Open Space to remain in Perpetuity.

8. While researching the above-transfers, I located a Plat Map 5431 recorded with the Washoe County Recorder's Office as Document #5193452 on June 16, 2021, relating to APN 148-222-24 (Situs 0 Bordeaux Dr) and divides the property into six parcels: five lots and the sixth as a proposed private extension of Nestle Court.

9. While researching the above-transfers, I located a Subdivision Improvement Agreement recorded with the Washoe County Recorder's Office as Document #5193451 on June 16, 2021, between Montreux Development Group, LLC and Washoe County relating to the subdivision plat to be known as Nestle Montreux Homes.

10. While researching the above-transfers, I located a Deed of Trust recorded with the Washoe County Recorder's Office as Document #5205847 on July 20, 2021, made by Montreux Development Group, LLC in favor of Western Alliance Bank, which is secured by APN 148-351-08 (Situs 6400 Rouge Dr). The Deed of Trust references a promissory note dated June 28, 2021 in the original principal amount of \$300,000.00 from Montreux Development Group, LLC to Western Alliance Bank.

11. On October 4, 2021, I searched the Washoe County Assessor for all properties owned by Toiyabe Investment Co. and found no parcels.

12. On October 4, 2021, I researched the Washoe County Recorder's Office records for all documents recorded in which Toiyabe Investment Co. is the grantor or grantee. I located dozens of records.

13. On October 11, 2021, I reviewed the Nevada Secretary of State entity information for ALSB Ltd.

14. On October 11, 2021, I searched the Washoe County Assessor for all properties owned by ALSB Ltd. and found one parcel: APN 148-173-16 (Situs 5650 Alpinsta Cir). This APN is flagged by the Washoe County Assessor as having been assigned a new APN, which is APN 148-173-21. This APN is not currently owned by ALSB Ltd.

15. On October 11, 2021, I located a Boundary Line Adjustment Grant Deed recorded with the Washoe County Recorder's Office as Document #4323619 on February 5, 2014 in which

Montreux Development Group, LLC, ALSB, Ltd., the Estate of Samuel S. Jaksick, Jr. and the Montreux Homeowners Association adjusted the boundary lines of their existing real properties with APN 148-173-15 through APN 148-173-19 and APN 148-010-53 as follows:

| Table 4 | |
|----------------------|----------------------------------|
| New Parcel(s) | New Owner |
| 1027B and 1030B | Montreux Development Group, LLC |
| 1026B | ALSB, LTD |
| 1025B | Estate of Samuel S. Jaksick, Jr. |
| 1029B | Montreux Homeowners Association |

This Boundary Line Adjustment Grant Deed is linked to the Washoe County Assessor's information for APN 148-173-16 for which ALSB Ltd. is listed as the owner.

16. On October 11, 2021, I located a Grant, Bargain, Sale Deed recorded with the Washoe County Recorder's Office as Document #4323896 on February 6, 2014, which transfers title of APN 148-173-21 (Situs 5650 Alpinsta Cir) from Stanley S. Jaksick, Todd B. Jaksick, and Kevin Riley, as Personal Representatives of the Estate of Samuel S. Jaksick, Jr.; ALSB Ltd.; and Montreux Development Group, LLC to Chalet Development, LLC.

17. On October 11, 2021, I searched the Washoe County Assessor for all properties owned by the Jaksick Family Trust and found two parcels: APN 023-271-15 and APN 023-272-37. I viewed both of these parcels on the Washoe Regional Mapping System. These parcels appear to be water hazards and minimal surrounding property of the Lakeridge Golf Course and not suitable for residential development. These APNs are linked by the Washoe County Assessor to an Executor's Deed recorded with the Washoe County Recorder's Office as Document #4627176 on August 30, 2016.

18. On October 11, 2021, I reviewed the Nevada Secretary of State entity information for Stan Jaksick LLC, which is a dissolved Nevada limited-liability company as of January 22, 2014. This entity is not listed as the owner of any real property according to the Washoe County Assessor.

19. On October 11, 2021, I reviewed the Nevada Secretary of State entity information for Montreux Golf Club Ltd., which is a dissolved Nevada limited-liability company as of December 29, 2016. This entity is not listed as the owner of any real property according to the

1 Washoe County Assessor.

2 **AFFIRMATION**

3 **Pursuant to NRS 239B.030**

4 The undersigned does hereby affirm that the preceding document does not contain the
5 personal information of any person.

6 DATED this 8th day of November, 2021.

7 /s/ Elizabeth Dendary, CP
8 ELIZABETH DENDARY, CP
9 Certified Paralegal
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4185

SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR THE COUNTY OF WASHOE

THE HONORABLE DAVID A. HARDY, DISTRICT JUDGE

---o0o---

| | | |
|------------------------|---|---------------------------|
| In the Matter of the |) | |
| Administration of the |) | |
| SSJ'S ISSUE TRUST, |) | Case No. PR17-00445 |
| |) | Supreme Court No. 85927 |
| |) | Dept. No. 15 |
| |) | CONSOLIDATED |
| In the Matter of the |) | |
| Administration of the |) | |
| SAMUEL S. JAKSICK, JR. |) | Case No. PR17-00446 |
| FAMILY TRUST. |) | |
| |) | TRANSCRIPT OF PROCEEDINGS |
| |) | |

STATUS CONFERENCE
NOVEMBER 23, 2021, RENO, NEVADA

APPEARANCES:

| | |
|-----------------|-----------------------|
| For the Trustee | FLETCHER & LEE |
| James Proctor: | Attorneys at Law |
| | By: Cecilia Lee, Esq. |
| | 448 Ridge Street |
| | Reno, Nevada 89501 |

Temporary Trustee: JAMES PROCTOR

| | |
|----------------|-------------------------------------|
| Reported by: | JULIE ANN KERNAN, CCR #427, CP, RPR |
| Job No. 820628 | Computer-Aided Transcription |

1 CONTINUATION OF APPEARANCES:

2 For Todd Jaksick MAUPIN, COX & LEGOY
3 as Former Trustee: Attorneys at Law
4 By: Donald A. Lattin, Esq
4785 Caughlin Parkway
Reno, Nevada 89520

5 For Stanley Jaksick MCDONALD CARANO, LLP
6 as Former trustee: Attorneys at Law
7 By: Adam Hosmer-Henner, Esq.
100 West Liberty Street
Tenth Floor
Reno, Nevada 89505

8 For Stanley Jaksick ROBISON, SHARP, SULLIVAN, BRUST
9 individually: Attorneys at Law
10 By: Hannah Winston, Esq.
71 Washington Street
Reno, Nevada 89503

11 For Luke Jaksick: KALICKI COLLIER, LLP
12 Attorneys at Law
13 By: John A. Collier, Esq.
401 Ryland Street
Suite 200
14 Reno, Nevada 89502

1 RENO, NEVADA; TUESDAY, NOVEMBER 23, 2021; 3:00 P.M.

2 ---o0o---

3
4 THE COURT: This is a series of cases coming
5 from SSJ PR17-00445, PR17-00446.

6 Let's begin with your appearances. I see and
7 recognize you, but please.

8 MS. LEE: Good afternoon, your Honor. Cecilia
9 Lee on behalf of the Trustee James Proctor who is also
10 present in court.

11 THE COURT: Yes.

12 MR. LATTIN: Good afternoon, your Honor. Don
13 Lattin on behalf of Todd Jaksick as former trustee of
14 the Samuel S. Jaksick Family Trust.

15 THE COURT: Thank you.

16 MR. HOSMER-HENNER: Adam Hosmer-Henner of
17 McDonald Carano on behalf of Stanley Jaksick.

18 MS. WINSTON: And Hannah Winston on behalf of
19 Mr. Jaksick in his individual capacity.

20 THE COURT: Ms. Winston, are you sitting
21 behind the bar because there's just not a chair for you?

22 MS. WINSTON: Yes, your Honor, but that's
23 okay. I'm comfortable.

24 THE COURT: If you wish, you can enter the

1 jury box if it gives you a better view.

2 MS. WINSTON: Thank you.

3 MR. COLLIER: Your Honor, John Collier on
4 behalf of Luke Jackson.

5 THE COURT: Thank you. Is anybody surprised
6 by the absence of counsel for Ms. Wendy? Okay.

7 MR. LATTIN: I am.

8 THE COURT: So I'll just note what I have
9 observed. Mr. Hosmer-Henner shook his head no. Mr.
10 Lattin says yes.

11 MS. LEE: A little bit, yes.

12 THE COURT: Little bit? Okay.

13 MR. HOSMER-HENNER: Without any disrespect to
14 them at all, your Honor, we were also surprised they
15 didn't file a reply in the pending appeal to the Nevada
16 Supreme Court, so that's the only reason I was shaking
17 my head is their participation has waned recently in
18 this case.

19 THE COURT: I have the Second Petition for
20 Instructions regarding the sale of Base Camp LLC. The
21 proposed sale seeking court approval is upon the same
22 terms as previously ordered. I don't have any moving
23 papers in opposition. I think escrow was scheduled to
24 close yesterday?

1 MS. LEE: It was scheduled to close, your
2 Honor, and we actually submitted a proposed order last
3 week after the opposition period had run. And then you
4 signed the order yesterday.

5 THE COURT: Well, as of about 30 minutes ago
6 it wasn't in our electronic database which is just a
7 function of our internal work.

8 I have the proposed order regarding your fees
9 which is unsigned.

10 MS. LEE: Correct.

11 THE COURT: And I have a vague recollection
12 then as soon as you say that, without opposition the
13 Base Camp sale is confirmed.

14 MS. LEE: Yes. Thank you, very much for that,
15 your Honor.

16 THE COURT: I'm going to put that paper aside.
17 I have the Trustee's Second Interim Status Report. I
18 don't see moving papers in opposition or clarification
19 response to the status report.

20 I want to invite counsel to speak to the
21 status report in a minute. I'm just trying to identify
22 what is familiar to my mind and what isn't, and I
23 haven't seen anything from Todd and Stan and Wendy. I
24 join you, counsel, and others by regretting the informal

1 use of first names but it's just easier in the
2 proceeding.

3 I do have a first application for approval and
4 payment of attorney's fee, to which there are responses.
5 And I thought that I would take the status report and
6 the fees as separate. Is that okay, counsel, and is
7 there anything else that I should be aware of that I am
8 not?

9 MS. LEE: There is one other matter, your
10 Honor, that I would like to bring to the court's
11 attention, and you're not aware of it yet, at least not
12 in any kind of detail. And I would like to begin with
13 that if I might?

14 THE COURT: Okay.

15 MS. LEE: But I generally agree with let's
16 tackle the status report and then my firm's interim fee
17 application.

18 As your Honor is aware, there was a payment
19 that was due by the trust to Ag Credit in September and
20 the trustee did not have the funds to satisfy that
21 payment of roughly \$126,000. The trustee then set about
22 working with that credit to see if the trust could
23 obtain an extension, and that resulted in a cover letter
24 and forbearance agreement that was delivered to the

1 trustee that the Ag Credit would like to have signed by
2 the 30th.

3 I transmitted a copy of this to all parties
4 through their counsel, what is today? Yesterday.
5 Yesterday. And asked if they would consent to my
6 requesting a comfort order today approving the trustee's
7 decision to execute this document. I did not receive
8 any responses.

9 There is a provision in here, actually, a
10 separate page whereby the -- the guarantors of this
11 debt, which are all entities that are controlled by
12 Todd, and I'm going to make a footnote with respect to
13 that I also am going to use first names. I mean no
14 disrespect, and I very frequently in my conversations
15 get Todd and Stan interchanged so if I say something
16 that's confusing about those two brothers, someone
17 should correct me.

18 But that having been said, I asked whether or
19 not Todd would be willing to sign it. And I didn't hear
20 anything in response to that. So what I'm asking your
21 Honor is if I might present a very simple order
22 approving the trustee's execution of this document I'm
23 happy to hand a copy of to your Honor so that you can
24 look at it.

1 THE COURT: So this forbearance agreement was
2 identified in the status report. Have there been any
3 changes in the final agreement to what was previously
4 disclosed?

5 MS. LEE: There had not been any -- the only
6 document that we actually shared with anyone and, in
7 fact, the only document that we actually received was
8 this, the document that I sent out to counsel yesterday.
9 When I sent that out I noted that the trustee had some
10 questions and some issues and was actually going to ask
11 for, like, another month or two on the extension period,
12 which now expires, if the trustee signs this along with
13 Todd it expires as of March 1st of 2022. And that would
14 be six months from the September 1st due date but, of
15 course, the trustee is concerned about what's gonna
16 happen with sales and liquidity and all the rest of
17 that.

18 The response that he received back from Ag
19 Credit was we only have authority right now to do March
20 1st, we're absolutely open to further extensions if that
21 becomes necessary.

22 THE COURT: I want to go back to the status
23 report because when I read the paragraph about the Ag
24 Credit I was a little concerned that I didn't understand

1 what I remember to be some acceleration power on behalf
2 of Ag Credit and so I just want to read this report.

3 MR. PROCTOR: Your Honor, if I could speak to
4 that --

5 THE COURT: Yes, Mr. Proctor.

6 MR. PROCTOR: Much to my surprise, the
7 forbearance agreement as presented by Ag Credit did not
8 accelerate any of the terms of the note. There is a
9 \$15,000 forbearance fee, it's refundable if it's paid on
10 time. So I was -- you know, frankly, I was pleased to
11 see -- I've seen some pretty onerous forbearance
12 agreements in my experience and this one is not onerous.

13 The only thing that concerns me, again, is the
14 March 1st deadline, depending on asset sales, but they
15 indicated that they were again open to an extension and
16 that seemed to be an easier route to go at this point in
17 time, you know, talking to them and then starting in
18 January or around the middle of January if we need an
19 extension versus going back and having them redo this
20 during the holidays and things.

21 THE COURT: All right. So we will have a
22 third item on our agenda.

23 MS. LEE: Yes.

24 THE COURT: Let me hear from counsel before I

1 turn to any of the other two.

2 MS. LEE: I think, your Honor, would you like
3 to see a copy of this?

4 THE COURT: Sure. Yes, please.

5 MS. LEE: If I could approach?

6 THE COURT: Yes.

7 MS. LEE: Everyone else has a copy of this so
8 I did not bring additional copies.

9 THE COURT: Thank you. I thought you were
10 approaching with a simple proposed order. Do you also
11 have one?

12 MS. LEE: I do not have that. I wanted to
13 wait and see whether or not your Honor would grant this
14 oral request.

15 THE COURT: Well, before I pour into what
16 appears to be eight or ten pages, let me hear from
17 counsel to see, especially with respect to Todd and what
18 appears to be some guarantor position. Beginning with
19 from my right to your left. Excuse me, yeah, my right
20 to my left.

21 MR. LATTIN: Thank you, your Honor. First of
22 all, I don't represent Todd or Stan individually and Mr.
23 Robison's not here, but I have knowledge from
24 representing the trustees about the Ag Credit

1 transaction. And I haven't -- and I know Mr. Robison,
2 and I don't know if any of you have had an opportunity
3 to look at it, but I'm concerned about whether or not
4 the forbearance agreement applies to the individuals who
5 would be Stan and Todd who personally guaranteed the
6 obligation. And I would think that Mr. Robison and his
7 office would want the opportunity to review that on
8 behalf of Todd and Stan.

9 THE COURT: Are you identifying the
10 possibility that the forbearance is given to the trust
11 but not to the individual guarantors and that credit can
12 proceed immediately against those individuals?

13 MR. LATTIN: Yeah. I'm not sure they would,
14 but I just want to make sure that if we have a
15 forbearance agreement, that it covers the individuals
16 who personally guaranteed the obligation.

17 THE COURT: Do you know, off the top of your
18 head?

19 MS. LEE: I don't know off the top of my head.
20 I know that the listing of the guarantors who sign off
21 on this, which comes towards the end of the agreement,
22 when I looked at that yesterday what I saw were Todd's
23 signatures, you know, lines for Todd's signature for
24 entities that he controls. I did not recall seeing

1 signatures for Stan or Todd personally, or individually,
2 I should say, and I don't know off the top of my head
3 whether or not they actually did guarantee this debt.

4 Given the recitations in the document, it
5 seems pretty clear that they gave a fairly thorough
6 summary of what the transaction had been historically
7 and who the parties were who were involved.

8 THE COURT: Let me just read the guarantor's
9 consent provision real quick. Hum, that's curious
10 language last clause of the guarantor's consent. You
11 don't have it in front of you.

12 MR. LATTIN: I do not, your Honor.

13 THE COURT: In addition guarantors -- I'm not
14 yelling at anybody. I've been told when I lean back I
15 mumble and the reporter can't hear me.

16 "In addition, guarantors hereby reaffirm their
17 respective obligations. Under the recourse guarantee
18 made effective February 3rd, as amended from time to
19 time, and reaffirm, one, the obligations of the
20 guarantors under the guarantee shall continue,
21 notwithstanding the execution of the performance by
22 borrower in the forbearance agreement". All right, Ms.
23 Winston?

24 MS. WINSTON: Your Honor, as Mr. Lattin said

1 we just haven't had time to review it so we would
2 appreciate some time before this court makes a decision.

3 THE COURT: How can we facilitate your review
4 but still meet the November 30th deadline?

5 MS. WINSTON: Well, we could have a response
6 to Ms. Lee by tomorrow if that would be acceptable?

7 THE COURT: Can you have a response by 1:00
8 tomorrow?

9 MS. WINSTON: Yes, your Honor.

10 THE COURT: And I'll conduct a telephone call
11 at 4:00 tomorrow, if necessary. Is that okay?

12 MS. LEE: That's fine, your Honor.

13 MR. LATTIN: I wouldn't be available for that
14 call because I'm gonna be on an airplane to Portland for
15 Thanksgiving.

16 THE COURT: To where?

17 MR. LATTIN: Portland. But given that I don't
18 represent any of the individuals I think that the other
19 counsel can handle it.

20 THE COURT: Mr. Hosmer-Henner, do you want to
21 be heard on this?

22 MR. HOSMER-HENNER: No, your Honor.

23 THE COURT: Are you available tomorrow, if
24 necessary? 4:00?

1 MR. HOSMER-HENNER: Yes, your Honor.

2 THE COURT: Would you please make sure the
3 clerk knows how to find me? I'm out of town but
4 available by phone. And consistent with this case I
5 would have the conversation reported so we'd have a
6 reporter standing by. I don't anticipate, frankly, that
7 we're going to be doing it, but I want to give you a
8 chance. Okay.

9 MS. LEE: Thank you, your Honor.

10 THE COURT: Ms. Winston, Mr. Hosmer-Henner,
11 Mr. Lattin, do any of you want to be heard on the status
12 report?

13 MR. HOSMER-HENNER: Your Honor, Adam
14 Hosmer-Henner for Stanley Jaksick. I was not aware and
15 did not see anything in the status report that required
16 a response. Our indication is that that's an update
17 from the trustee rather than necessitating any action.

18 We certainly are continuing to work with the
19 temporary trustee to provide additional information and
20 correct some of the information in there, certainly
21 don't accept some of it whether it's typographical
22 errors or otherwise, but as long as that's not something
23 that's not being approved on an accounting, I don't
24 think we have any response at this time.

1 THE COURT: Well, here's the way I see it.
2 First of all, I really appreciate the effort that the
3 trustee took to provide that status report. It's
4 comprehensive, it's well written, and it helps inform
5 the court as to what's going on.

6 I see the outlines of the dispute percolating,
7 both in the status report and then in your response to
8 the fees. And that percolating dispute is the scope of
9 the trustee's retrospective analysis of Montreux. And I
10 say that also because the trustee status report ends
11 with certain bullet points of what may become
12 justiciable, so I can just note that I've read it and
13 percolate and I don't need to say or approve anything
14 right now. But I also want to give everybody a chance
15 to further inform the court, and so I'm comfortable in
16 the further you not to say anything and I'm comfortable
17 if you choose to say anything.

18 MR. HOSMER-HENNER: The former would work for
19 me, your Honor.

20 THE COURT: Good. Mr. Lattin?

21 MR. LATTIN: Thank you, Your Honor. I
22 likewise did not read the report as requiring a
23 response. And I think you expressed concerns. I look
24 at the bullet points at the end of the report and I see

1 three years of litigation and a 14-day trial that we
2 dealt with a lot of those issues. So as long as we can
3 preserve our right to question how far the interim
4 trustee goes and to point out to the court that there is
5 a feeling some of these issues have already been
6 decided.

7 And then my other concern is we're going down
8 -- if all of those bullet points are really going to be
9 addressed, we're going to reinvent the wheel that was --
10 took two or three years to create by way of discovery.
11 A lot of that stuff was done in discovery. And again,
12 we're running short of money and there's a lot of
13 requests that are being made that are very expensive to
14 respond to.

15 THE COURT: Let me just sit with that for a
16 moment and think about my response before I communicate
17 a response.

18 The Court was aware of Mr. Proctor's
19 neutrality, experience and professionalism before he was
20 appointed into this case. Mr. Proctor's appointment to
21 the case was a consequence of the Court's perception and
22 conclusion that the acting trustees were unable to move
23 forward in some neutral manner that engendered
24 reciprocal confidence.

1 And I can hear Mr. Robison's voice in my mind
2 right now, on behalf of Todd. Judge, if they -- if
3 Stan's entities would just pay the trust what it is owed
4 over the many years we wouldn't be in this insolvent
5 position. And so I don't want to preempt the direction
6 that Mr. Proctor is going, though I acknowledge that on
7 behalf of Stan or his entities Mr. Hosmer-Henner's going
8 to have something to say at some point about the past.
9 But I'll just await the next round of documents, I
10 think. But I just want you to know, I'm not troubled
11 with what I've read so far in light of my understanding
12 of the entire dispute.

13 MS. LEE: I'm sorry, your Honor, you're not
14 troubled?

15 THE COURT: I am not troubled.

16 MS. LEE: Okay.

17 THE COURT: Well, let's turn to the attorney's
18 fee. Oh, Ms. Winston, have I accurately reported what
19 Mr. Robison would say?

20 MS. WINSTON: Yes, your Honor, I echo your
21 representation. We're good.

22 MS. LEE: Oh, your Honor, may my client
23 address the court, please?

24 THE COURT: Yes.

1 MR. PROCTOR: And your Honor, the way these
2 things operate normally is it's kind of like peeling the
3 onion away. You think you have an idea of what the
4 onion has and as you peel it away, in this case it's
5 also making me cry sometimes.

6 THE COURT: You used that metaphor when you
7 were elsewhere I could tell.

8 MR. PROCTOR: But, you know, this is
9 preliminary and it's kind of a direction out. It's like
10 these are the issues that I see. If the court says, you
11 know, you're not troubled or, you know, you don't really
12 need to go there or we have discussions back and forth
13 and whether that's continuing dialogue or additional
14 information and maybe status reports without hearings or
15 whatever, if you work with us, that's fine with me. I
16 -- you know, I type my duties from you what my
17 responsibilities and procedures are and tailor them
18 towards what I believe is necessary. And that's when I
19 started coming across some of these issues that were
20 kind of, number one, outside the scope of my expertise,
21 needing some legal advice. And number two, saying there
22 could be a difference in interpretation on how this
23 stuff reads, and what is the documentation behind some
24 of this stuff, some of the items. And that's what

1 precipitated that, I'm very flexible as to however the
2 court directs me, the court wants to go. You know, it's
3 not gonna be up to me, but you need to be at least made
4 aware of what those issues are in transparent manner so
5 that everybody understands, and that's my concern.

6 THE COURT: To either you or Ms. Lee, was
7 there an adequate response to Ms. Lee's e-mail, in which
8 she requested additional information from both Mr.
9 Hosmer-Henner and Mr. Robison?

10 MS. LEE: I received very, very rapid
11 communication from Mr. Robison and from Mr. Lattin.
12 They called very quickly, within a day or two, and asked
13 to clarify some of the things that were in my October
14 19th letter. And I think that we were able to both
15 narrow down what it is that the trustee needs and to
16 explain to them why the trustee needs it. And I think
17 that a lot of those issues go toward this list of bullet
18 points at the end of Mr. Proctor's report, first and
19 foremost of which is to get some handle on exactly what
20 it is that Stan and Todd claim the trust owes them or
21 their attorneys in whatever capacity. Because without
22 knowing that, we don't have any idea upon the -- the
23 liquidation of the assets whether or not there's going
24 to be enough to pay the levels of priority that are

1 ultimately going to have to be decided to be paid by the
2 trust. And so that is one level of what it is that we
3 are doing.

4 And then, of course, the one second level is
5 in connection with the sale of the Toiyabe Investment
6 Company shares to a prospective buyer. As your Honor
7 knows, that entity, of which the trust is a 50 percent
8 shareholder and Stan is the other 50 percent
9 shareholder, owns a membership interest in another
10 entity called Montreux Development Group LLC of which
11 the trust roughly owns 96 percent and Stan owns four
12 percent, and it's that entity that owns the dirt out at
13 Montreux, it owns the land.

14 And we -- in the trustee's discussions with
15 the prospective buyer, as well as with all of the other
16 due diligence that he's done in order to be able to try
17 and sell the trust's interest, the issue of is there --
18 are there accounts receivable that are owed by Stan
19 and/or some of his entities to either Toiyabe or
20 Montreux Development? And what happened with the
21 proceeds of sale of the lots that Montreux Development
22 has already sold, including one that was sold for
23 approximately \$609,000 in mid September of this year.

24 Those are not really complicated issues. We

1 don't have things like -- we can find what's on the
2 public record as your Honor saw from Exhibit 9. But we
3 don't have, you know, really rudimentary information
4 such as settlement statements from these sales and, you
5 know, the other fundamental information to be able to
6 determine exactly what it is that happened with the
7 proceeds of sale, and whether or not the trust is
8 entitled to any of those proceeds by virtue of the
9 trickle down from the sale of the hard asset, the land,
10 through Montreux Development and then down through
11 Toiyabe Investment.

12 If the point is that if the trust is not ever
13 entitled to anything, fine, we just need to be told
14 that. If the point is that there may still be something
15 that is owed as I'm sure your Honor remembers Todd
16 contended very vociferously as the parties were arguing
17 over the enforcement and then the approval of the
18 settlement agreement the two brothers, a year ago
19 summer, and then into the fall, that there was still
20 this money out there that was due and owing and if --
21 and if Stan would just pay it it would, you know, solve
22 all of the immediate problems in the settlement
23 agreement to be consummated.

24 So it has multiple tentacles to get to an

1 understanding of that, and I want to echo what my client
2 just said to the court and that is if the point with
3 respect to all of this is that the court doesn't want us
4 to engage in this inquiry, then we won't. But Todd
5 certainly thought it was worth it -- worth pursuing, as
6 he argued it several times to your Honor, and even
7 stated that it was an issue in the trial but that Todd
8 had agreed, or had decided to let that go once the
9 settlement had been reached.

10 So it's not an effort to try and reinvent the
11 wheel. It's merely an effort try and get rudimentary
12 information on the proceeds of sale, what happened with
13 them, and to find out more about these accounts
14 receivable so that as the trustee goes through the
15 process of trying to get to a sale of Toiyabe, he knows
16 what those terms need to be and whether or not
17 carve-outs the need to be made, for example, of those
18 two basic categories that I just mentioned.

19 So I don't -- I've gone a long ways away from
20 your original question, your Honor. Have we gotten
21 documents? I did have -- I've had very candid
22 communication with Mr. Robison and with Mr. Lattin.
23 They've -- we've gone back and forth on emails to, you
24 know, explain this, we don't think we have that, et

1 cetera, but so far I haven't actually received any
2 documents, and it is becoming a little bit -- it's less
3 of an issue with respect to Todd because of the
4 statement that they don't have any documents relating to
5 Montreux.

6 I have talked to Mr. Hosmer-Henner, and he --
7 the result of that conversation, which was productive,
8 was that he would respond to the letter but that he
9 basically disagreed, and I don't mean to speak for him,
10 I'm just giving you my understanding of what his
11 position is, but that he doesn't think that a lot of
12 what we are asking for is pertinent.

13 But I still have no documents.

14 THE COURT: What do you believe the
15 appropriate next step duration is? When should the next
16 status report be filed?

17 MR. PROCTOR: I hate to give the accounting
18 answer it depends. But the way I envision it as of
19 right now is we're going to have hopefully a motion to
20 sell sometime within the next, say, 60 days. I don't
21 know if that's gonna be possible or not, we continue to
22 work on the Mana intent and purchase. I just received
23 some additional information last night from them that I
24 want to discuss with Stan and his counsel. Again,

1 there's some short deadlines on that and we have to work
2 through some of those. I don't know that a status
3 hearing would be as productive if we had a sale hearing,
4 say, within the next 45, 60 days or not, you know, the
5 next what I see going forward is, again, depending on
6 the Court's direction, is obtaining information in which
7 we can better define and clearly define for you, myself,
8 and all the parties, and they may agree or disagree, but
9 these are the legal fees, this is what's been paid, this
10 is what is owed by the categories if that's important, I
11 think it is, what I understand about what's gonna be
12 paid to maybe ultimately the beneficiaries. Where are
13 we at with respect to maybe, you know, we're looking
14 into more possibilities of listing some of these
15 properties, doing some water rights research, I think we
16 have some people lined up for some of these items.
17 That's gonna take a little bit of time. I would say
18 that we would need at least 60 days probably -- because
19 towards the end of January, February time.

20 What I've also expressed in my report and I
21 recapped today is I can also just, you know, send a
22 letter out saying to counsel this is where we're at on
23 this, you know, if I want to bring up issues or
24 something we talk about it without having to burden the

1 court with a hearing. You know, I'm very flexible as to
2 however we can move this process forward and, you know,
3 expediently and cost effective.

4 But I see several larger items, the Montreux
5 and the legal fee analysis. When I say Montreux I mean
6 the sale of Toiyabe, a legal fee analysis, which Ms. Lee
7 will speak to some extent, and then looking at how to
8 better liquidate, again, minority interests and entities
9 that the trust doesn't have control over.

10 And I've talked to Todd, and he's been very
11 cooperative and, you know, through that we can -- we can
12 maybe reach out to some additional people, maybe some
13 investors that might have an interest in that, I'm not
14 sure that's -- they're going to realize what the
15 appraised values are because, again, on a lot of these
16 entities you're buying a minority interest versus a
17 hundred percent, like buying lumber is the one that has
18 a hundred percent.

19 THE COURT: My sense from your report was that
20 you have exhausted your efforts, your due diligence is
21 completed, and you recommend the sale to Mana for the
22 discounts that we're aware of.

23 MR. PROCTOR: Did you want to say something?

24 MS. LEE: No.

1 MR. PROCTOR: Yes. And I will continue to
2 exhaust those efforts right before the day of the
3 hearing of the sale hearing. As I become aware of
4 people or as we get better information relying of from
5 some people, yes, I mean, there is a big reluctance, as
6 I indicated in my first status report, there is a big
7 reluctance when you're approaching people that have the
8 financial wherewithal to invest in an entity like that,
9 to invest in a minority, albeit 50 percent interest
10 entity, an entity that doesn't own the land. To be
11 frank, most of those type of individual or development
12 companies want the majority say-so.

13 And, you know, I've had a number of
14 discussions with different firms, again, there's, you
15 know, interest in the land but not the 50 percent
16 ownership, an entity that has a 95 percent or six
17 percent ownership interest in the company -- in the
18 entity that owns the land. And I approach most of these
19 people without even indicating any kind of a purchase
20 price just seeing what the MO value was. Those are
21 sophisticated people, I know that these clients of these
22 law firms and C.P.A. firms and the realtors had the
23 people that, you know, are known in this community, and
24 they know what's going on and they know how to put the

1 pencil to the paper on those and -- and I even offered
2 that if someone wanted to buy a majority interest, at
3 least make the offer, we could have a discussion
4 realizing they do not have any additional amount may not
5 be in the trust, we've just not gotten gig that your
6 Honor.

7 THE COURT: What's your best guess about when
8 the Mana deal may close?

9 MR. PROCTOR: Based on the most recent
10 information I got last night, they would like it to
11 close probably effective November 30th. But in all
12 likelihood -- with an effective date, and I'll explain
13 that in just a minute because there's this puzzle but,
14 you know, if we could get something in December, or
15 early January. This is somewhat complicated about, you
16 know, future legislature and what may be happening with
17 capital gain rates and things along those lines, so
18 there's some uncertainty to try to close it this year.

19 I don't know what the Court's calendar is like
20 for the balance of December, I don't know if we can come
21 to terms in that quick a period, we're hoping to work
22 out some more -- I mean, go around terms after we
23 consult with Stanley and his counsel in the next week.
24 So -- but if not by the end of the year, then early

1 January, early to mid January. When I say the effective
2 date of November, whatever agreement we would have would
3 have an effective date probably as of an even period
4 whether it is December 31st or November 30th, that Ms.
5 Lee spoke to somewhat, and the fact we have to carve out
6 certain assets and liabilities from the actual stock
7 ownership that we're selling, we need to provide for
8 that, and there's a mechanism without getting overly
9 technical of doing an interim closing of the books of an
10 S corporation where we can close the books as of a
11 certain period of time so then whoever owns the stock is
12 only left with, say, that one month of operations or
13 whatever, and it's a little clear that way with the
14 carve-out. The problem with that is we may still be in
15 December trying to determine what the true receivables
16 and any payables to Toiyabe, the Toiyabe level is,
17 depending upon some of the information that we
18 requested. I hope that answers the question.

19 THE COURT: Let me just think for a moment,
20 please.

21 (Short pause.)

22 Do I remember correctly that Mana is proposing
23 to purchase the trust's 50 percent interest in Toiyabe?

24 MS. LEE: They've changed that, as of this

1 offer that came in last night. They do ultimately want
2 the 50 percent interest, but they've proposed a
3 structure that is more complicated than that and that is
4 part of the reason why we need to have a discussion with
5 Stan and his lawyer about it.

6 THE COURT: Well, the reason why I ask that
7 because if I were purchasing the trust's 50 percent
8 interest in Toiyabe, I would want to know what
9 receivables or payables exist which, as I understand it,
10 is uncertain right now.

11 MR. PROCTOR: That's correct, your Honor. And
12 they've done some analysis on that, we've had several
13 discussions back and forth on that, and they are fine.
14 I mean, they said based on some information they had,
15 that's somewhat dated, there's some cash in the bank.
16 We don't want the cash. We don't want the receivables.
17 We don't want the payables. We don't want to be
18 burdened with the litigation. We don't even want the
19 remote possibility that we're going to be part of the
20 litigation. And I said there are ways to structure
21 this, the purchase of this stock along those items and
22 in carving those out.

23 THE COURT: So they're interested in simply
24 purchasing a percentage of, I think as counsel described

1 it, the dirt, right, the value of the dirt --

2 MR. PROCTOR: Yes.

3 THE COURT: -- is what they're buying. And
4 they're relinquishing or trying to distance themselves
5 from any of this forensic analysis and payments going in
6 any direction.

7 MR. PROCTOR: Yes.

8 THE COURT: I understand.

9 MR. PROCTOR: Because that can be very
10 complicated, so.

11 THE COURT: Okay. Let me take a minute.
12 Anybody wish to say anything before I turn to the fee
13 application?

14 MR. LATTIN: Yes, your Honor, if I may? We're
15 hearing about something for the first time. We've not
16 seen the deals points or anything that they're
17 discussing so we're not able to make an analysis of
18 this. And this is also where my concern for not having
19 Wendy's counsel here becomes evident. We're on appeal.
20 They are asking that the matter being reversed, sent
21 back. It's conceivable, I don't know what's gonna
22 happen, none of us do, but if that were to happen, and
23 there were distributions in the sale of assets without
24 Wendy's approval, I can see issues there that need to be

1 addressed. But from at least -- we need to see the deal
2 that we're talking about. When he said November 30th, I
3 mean, that's next week. We haven't seen any of this.
4 We don't know anything about what's happening. We don't
5 know what the structure is that they're talking about.
6 We need to at least be able to look at that to make an
7 assessment of it and perhaps file something with the
8 court, if necessary, and we all know that Mr. Robison's
9 gonna have something to say about this so we -- I'm sure
10 speaking to him he's gonna want to see it and evaluate
11 it as well.

12 THE COURT: I'm confident you'll be given the
13 opportunity to see it.

14 MS. LEE: These new terms that came through
15 late last night. Trustee went back to Mana and asked
16 for clarification of certain issues. Like exactly when
17 it was that they expected the -- when the offer would
18 expire, essentially, because the date on the -- on what
19 they sent was November 31st, which we all know is not a
20 date. And so -- so it actually is probably by the end
21 of next week. But there is nothing that will happen
22 that parties won't be informed of and given an
23 opportunity to participate in.

24 THE COURT: Is Mana represented by counsel in

1 this transaction?

2 MS. LEE: Not yet.

3 THE COURT: Not yet.

4 MS. LEE: They have apparently elected not to
5 involve counsel until they know they have something that
6 can be then crafted into a purchase and sale agreement.

7 THE COURT: Anything else about what you've
8 heard so far before I turn to the fee reviews?

9 MR. HOSMER-HENNER: Adam Hosmer-Henner. Your
10 Honor, may I -- I apologize so sincerely for not
11 standing up previously. I'm used to having a laptop in
12 front of me speaking straight to the camera. May I
13 present sitting down?

14 THE COURT: Interesting. Be at ease, counsel.
15 Just don't make a request if it's a public hearing and
16 we have a jury. I try and preserve some of the
17 formalities in the courtroom, but I want you to be
18 comfortable.

19 MR. HOSMER-HENNER: I'm happy to stand up, I
20 just -- I have it written out.

21 THE COURT: No, I just don't want -- I so -- I
22 thank you for asking, and I hope you can tell by my
23 smile and tone that I'm not troubled at all that you
24 were seated. I noticed it, and I always have this thing

1 where I want to leave the judiciary intact when I leave
2 this bench and I don't to dilute by a thousand, cuts and
3 I believe in the sanctity of this sacred venue, and I
4 would prefer that counsel show that we all stand before
5 the law. But please, continue to sit.

6 MR. HOSMER-HENNER: I'm fully dressed so
7 that's one thing, too, perhaps, in most of my hearings
8 recently. Your Honor, I do want to talk a little bit
9 about Mana transaction. Your Honor, we received an
10 offer and presented it around the time that the
11 temporary trustee came in. That put a target on
12 Stanley's back, and this court even, you know, remarked
13 about the timing and kind of aspects of it and it seemed
14 a little fishy. We objected, but that's what it is and
15 he have turned it over to the temporary trustee to
16 handle and negotiate. So I haven't seen the offer,
17 haven't heard about those terms from my client, and
18 don't know the aspects of this Mana deal.

19 I do have some concerns about what your Honor
20 said about wanting to know the payables and receivables
21 and the same thing that the trustee's trying to
22 investigate about the prior distributions and what not.
23 This is a third-party purchaser that is buying a -- at
24 least according to the prior offer rather than the terms

1 that satisfy a 50 percent interest. There are assets
2 and payables -- receivables and payables related to
3 Mana. And there's an advanced listed in the receivables
4 to Stanley Jaksick that is something that he could
5 potentially owe back to -- to Montreux and then to
6 Toiyabe.

7 There's also a million dollar debt the family
8 trust owes to Toiyabe. And that's from ALSB, and I'll
9 just read a little bit to provide you this background.
10 This is from the family trust financials that Kevin
11 Riley prepared, his enhanced version for the 2019 time
12 period. And he talks about ALSB which was wholly owned
13 by the trust. "ALSB has elected to be taxed as an S
14 Corporation. Shortly after the real state collapsed
15 circa 2008 ALSB required lots from MSDG offered
16 without--

17 THE COURT: Slow down a little tiny bit.

18 MR. HOSMER-HENNER: -- "as a failed market
19 attempt to move the lots under a different name. MSDG
20 carried back the note from the purchase and the lots
21 never sold for their original acquisition value. As of
22 this reporting period all of the lots have been sold and
23 ALSB still owes MSDG approximately \$1,053,300.

24 Also listed on the family trust financials

1 from this period are a debt owed by Stan, by Wendy, and
2 by Todd all to Toiyabe as well, and all through that to
3 Montreux Development Group.

4 We can evaluate and assess all of these
5 receivables and payables, but if Mana's going to be
6 purchasing it and not want to be involved in any of
7 these receivables, is it still going to assert a debt
8 against the family trust in the amount of one million
9 dollars from that detailed party transaction that really
10 Sam Jaksick did back in 2008-2009.

11 So we can peel back this onion pretty far, but
12 we're gonna miss out on this one sale that fortuitously
13 was presented, and you saw it from the temporary
14 trustee's efforts in terms of efforts to market this and
15 at the same time, all of these minority interests should
16 marketed. Our position all along has been liquidated
17 everything across the board, put them into cash and
18 settle the assets and liabilities.

19 So we can go through this route. I don't want
20 to have to litigate against the temporary trustee. We
21 will, and we may have to, depending on where he's going
22 with this, and he may have to take contrary positions,
23 but we're willing to provide some information. But if
24 you look at the discovery request we got from October

1 19th, that discovery request included any and all
2 documents basically related to any financial statements,
3 any sales and asset transfers from Montreux Development
4 back to 2013. That's a burdensome discovery request
5 that we will object to, and that we will have a dispute
6 over.

7 MR. PROCTOR: Your Honor, if I could make a
8 statement regarding ALSB? That debt was actually
9 written off last year before I was involved. When they
10 prepared the 2020 tax returns the trust paid tax on the
11 discharging indebtedness of about roughly over \$900,000
12 of that debt so that's -- as far as I'm concerned that's
13 not an issue.

14 MR. HOSMER-HENNER: And I only have the 2019
15 information available to me --

16 MR. PROCTOR: Right.

17 MR. HOSMER-HENNER: -- which is the last I
18 have, so that's great to hear. There are still the
19 other entries of categories.

20 MR. PROCTOR: Right. Granted. Definitely.

21 THE COURT: So let me pause here. I wanted to
22 be informed. The information is not leading to a
23 judicial pronouncement today and so this is just
24 information for me. I want to think for a minute.

1 As to the interim trustee's counsel's fees, I
2 begin with two thoughts. I don't know if this is
3 judicial bias by virtue that I seem to see too much
4 before hearing from other people, but I want counsel to
5 know what I'm thinking as they tailor their arguments.

6 It appears that I must triage a scarce
7 resource. And the law may compel a priority, but
8 probably not. In fact, Mr. Hosmer-Henner kind of
9 acknowledged the absence of decision or statutory
10 guidance. And I'm probably gonna fall back into some
11 equity analysis that is in separable from the fact that
12 Todd and Stan as trustees are also Todd and Stan as
13 individual siblings. There's just a merger of some type
14 between their fiduciary work and their personal
15 benefits.

16 Like you, Mr. Lattin, I don't want to retry
17 this case, and I know I'm dancing on the edge of
18 finishing the duties, but there just is a merger of in
19 some way and so I think well, well, well. Should I ask
20 the trustee's attorney to have some compromised fee? I
21 invited them into the case to really respond to the
22 inability of the fiduciaries who are also beneficiaries
23 and also siblings, their inability to resolve the case
24 themselves. So I have some of that working in my mind.

1 And it leads me to ask a question, counsel, that you'll
2 probably find objectionable, but I'm gonna ask it
3 anyway. Expect an answer.

4 In your fee agreements with the trustees, are
5 there also guarantees from the individuals? Let me add
6 to why I'm asking the question. There are two separate
7 analyses. I conduct two separate analyses when I
8 present a fee request. One is the sustainability of the
9 fee itself. We have all the factors. And then separate
10 from that is the payment source. So from time to time I
11 denied the payment from trust corpus, but I have not
12 invalidated counsel's right to the payment, I've just
13 redirected who would be making the payment.

14 And I don't want to see the attorneys, the
15 firms start writing down what appears to be we're
16 approaching a million dollars or so. McDonald Carano
17 alone is upside down did you say half a million dollars?

18 MR. HOSMER-HENNER: (Nods head.)

19 THE COURT: So the question is, do you have a
20 payment security of some type that I'm unaware of?

21 MR. LATTIN: Your Honor, Don Lattin. We have
22 a fee agreement that was signed by the trustees at the
23 time, and there is no personal guarantee on that. But
24 that is a function of the trust language in which Sam

1 Jaksick indicated in a very specific provision that none
2 of the trustees would have to pay fees personally. So
3 it has to do with what is in the trust language, as well
4 as just our negotiated fee. So no, the answer is no, we
5 do not have personal guarantees.

6 THE COURT: Mr. Hosmer-Henner?

7 MR. HOSMER-HENNER: Of that half million
8 amount some of it was for work that the trust would be
9 obligated to pay for in connection with Stan's
10 individual fees. The other postJanuary, 2019, fees that
11 we're to receive almost nothing. We haven't been paid
12 for our work at trial in this case. Those fees are not
13 individually guaranteed by Stan, so there's no source of
14 funds for those fees by contract, other than the trust.

15 THE COURT: Let me just make sure I
16 understand. You're very artful in the way you speak,
17 Mr. Hosmer-Henner, you said by contract, and that opens
18 the possibility that there are other forms of recovery,
19 unjust enrichment, for example, whatever that concept is
20 that you would land on. What did you mean when you just
21 said by contract?

22 MR. HOSMER-HENNER: I am artful, that's why I
23 became a lawyer, I try to do that in each of my
24 pleadings. That was only intended to express that the

1 way our firm operates is through engagement agreements
2 and through contracts. So while I guess we could sue
3 Stan for quantum merit for his role as trustee, we could
4 also sue the trust for failure to pay those fees. But
5 your Honor, I think we're slightly off topic, and the
6 answer is not I'm not aware of any basis on which, but--

7 THE COURT: Well, it may appear that we're off
8 topic, but I took the bench inclined to prioritize the
9 trustee's fees. And I understand what that means at one
10 level, but I don't understand what that means at another
11 level, and I want to be forward and frank before I make
12 any decision.

13 I'm going to open this up for arguments
14 entirely, I read your responses, but I want to speak for
15 a moment to that cart off for appellate, please; which I
16 think I now regret. I believe deeply in the right to
17 trial, it's embedded in our state constitution. I want
18 the courthouse doors to be open and I want people,
19 litigants who have agreed by my error to seek relief,
20 that's part of being a district judge. It's okay. And
21 so I didn't want to create the impression that I was
22 squeezing the life out of an appeal by closing access to
23 fees. That's why I entered that order. I wanted
24 everybody to have a -- I wanted the trust through the

1 trustee to have an opportunity to allege Judge Hardy's
2 error. But I didn't know at the time -- at least I have
3 a recollection now that I knew then that I would have
4 this -- I don't know the phrase you used, can't
5 pronounce it. Essentially means pro rata.

6 MS. LEE: Pari-passu.

7 THE COURT: Pari -- yeah. I didn't know that
8 I would be confronting a proportional share. And it
9 troubles me that there's any possibility that I would
10 ask a trustee to be neutral, and to come in and complete
11 this work and then not have a means to pay. So I guess
12 I'll quit talking now and invite -- I'm going to start
13 with those who have objected and then I'll allow you to
14 respond.

15 MR. HOSMER-HENNER: I'll proceed, your Honor.

16 THE COURT: You had the most energetic
17 response so yes.

18 MR. HOSMER-HENNER: Your Honor, I want to
19 start with that counsel for temporary trustee just
20 misread your order appointing a temporary trustee. It's
21 not a -- it concerns me a little bit that you said that
22 you had a carve-out for the -- only the appellate fees.
23 The exact language of the order, and this --

24 THE COURT: Can I just create -- I know what

1 you're about to say. So there's a date at which fees
2 incurred before that date are also payable and fees
3 incurred after that date except for appellate fees are
4 not presentable.

5 MR. HOSMER-HENNER: Correct. And so those
6 appellate fees are in addition to the prior fees so
7 whether you included the appellate fees or not, we're
8 still deep in the situation of the proportioning our
9 priority. And those payments from trial have not been
10 paid. So, you know, I understand your concern from an
11 equity basis about how could you ask counsel for a new
12 trustee to come in to do this work? One, you never
13 really asked counsel a temporary trustee to obtain
14 counsel. You authorized it, but your order appointed a
15 temporary trustee. And that order appointing temporary
16 trustee wasn't followed until five months later by an
17 order appointing couple.

18 Two, you could easily say the same thing about
19 counsel for the prior trustees. How could you ask
20 counsel for prior trustees to represent their client's
21 trustees of a trust at trial through that kind of trial
22 without any guarantee of payment. I could have
23 withdrawn. Thank you.

24 THE COURT: You asked the question. The way I

1 can do that is it's this Court's observation, especially
2 posttrial, that those trustees were not acting in the
3 same true that way that I would expect of Mr. Proctor or
4 someone in his situation. They were unable to disengage
5 their beneficial interests from their trustee's duties,
6 that's how I can do it.

7 MR. HOSMER-HENNER: Well, your Honor, that's
8 not what you found in the order after equitable trial
9 which was a year later --

10 THE COURT: I know.

11 MR. HOSMER-HENNER: -- and so those fees
12 incurred in the briefing of the equitable portion of
13 trial have also not been paid.

14 And then with respect to a breach of fiduciary
15 duty claim, which the jury fully exonerated my client,
16 Stan Jaksick, which is now upon appeal, the trust itself
17 guarantees our right to payment. So in terms of your
18 prior orders authorizing our payment, you have the order
19 of an equitable trial where you held, and no one
20 objected to. Even on appeal that the trustee, the trust
21 shall pay a hundred percent of the trustee fees. That's
22 an order that if that's up for reconsideration today, we
23 have a whole host of procedural challenges and
24 objections to that.

1 But secondly, even on appeal, and even on the
2 order appointing the temporary trustee, it was ratified
3 once again that the fees for the trustees are going to
4 be payable regardless of your feelings about whether
5 they could disentangle their individual or personal
6 interests. So this change now to alter that payment at
7 all would be reconsidering one order that's not on
8 appeal, one order that is on appeal, Sua Sponte. And we
9 would have some serious procedural concerns with that.

10 In terms of priority, that is a different
11 perspective because you have while you've authorized our
12 right to those fees and the trust's obligation to pay
13 those fees, that priority issue is within your
14 discretion.

15 THE COURT: And thank you for saying that
16 because my concern is not invalidating prior orders
17 awarding fees. It's confronting the priority of that
18 scarce resource.

19 MR. HOSMER-HENNER: Then let me address that
20 because I think given that that's the issue as we
21 recognized in our briefing and we try to be as up-front
22 as we can without overstating our position, there is not
23 -- there is in California, there is not in Nevada a
24 guaranteed priority of payment for these kind of fees.

1 I think you can infer what we took from the probate
2 statutes that there is a category of fees, and I think
3 you can look at the administration, the tax
4 professional's fees as separate from the other sort of
5 debt of the family trust. And those we haven't objected
6 to.

7 But it's when the family trust has a hundred
8 thousand dollars left in it, it's getting a forbearance
9 agreement to pay another hundred -- well, perhaps
10 400,000 if I read it correctly in March, and now there's
11 an application for 68,000 in fees from the temporary
12 trustee's counsel that we have a serious objection to.
13 And the priority of that payment, not only in terms of
14 all of the other debts, the external debts to Ag Credit
15 which have to be taken into consideration, but the other
16 counsel fees that were accrued prior to the date the
17 temporary trustee was even appointed haven't been paid.

18 We could have submitted our application for
19 fees right after, you know, the order of an equitable
20 trial, and caused the family trust to pay then, the
21 family trust just didn't have sufficient assets. So we
22 don't see it justifiable or a legal basis for the
23 prioritization of those counsel fees above the fees
24 incurred by prior counsel because simply we could have

1 withdrawn from representation, during the order after
2 equitable trial or the order on appeal, and now a new
3 attorney's coming in and obtain priority over prior
4 fees, don't see a basis or even an equitable reason for
5 that.

6 THE COURT: You are honestly but artfully
7 recreating the past because you haven't countenance what
8 happened after the order after equitable trial. Which
9 is where I started getting moving papers, particularly
10 from Todd, that we were all the way back into
11 litigation. And the trustees as brothers and
12 beneficiaries were at each others throats. I don't know
13 that's legal phrase but you understand what I mean when
14 I say that.

15 MR. HOSMER-HENNER: Yes, your Honor.

16 THE COURT: And it was the posttrial
17 dysfunction that led to the appointment of Mr. Proctor
18 and his counsel, who I whole heartedly support in her
19 participation. And that's an integral part of my
20 priority analysis.

21 MR. HOSMER-HENNER: Your Honor, I understand
22 that. I understand that there is a period at which
23 those briefs were contentious. But how does that affect
24 the priority fees for the trial or the equitable trial?

1 Does that reduce the entitlement or priority for those
2 fees because some of the fees were accrued in that
3 contentious?

4 THE COURT: You joined the words priority and
5 entitlement, and I think those need to be separate. I
6 am not invalidating the entitlement to fees, I'm focused
7 on the priority of fees. Somebody has to lose, because
8 we only have a hundred thousand dollars.

9 I feel a Biblical reference coming on that I'm
10 just gonna swallow back and not say I can't do it.

11 MR. HOSMER-HENNER: Your Honor, at the risk of
12 incurring even more displeasure when the issue
13 appointing a temporary trustees was first brought up,
14 Mr. Lattin stood here virtually, perhaps, and suggested
15 that the trust was short on resources and the
16 appointment of a temporary trustee would put a further
17 strain on those resources.

18 And my recollection is that this court was
19 respectfully dismissive of those concerns. And I think
20 that we see the concern here, which is 70,000, 68,000 in
21 fees in five months, and an expectation of a forbearance
22 agreement towards March, there's not gonna be enough
23 money to pay the next fee application.

24 THE COURT: Well, let me reserve my attention

1 to be respectful, and also emphasize that the argue -- I
2 don't want to be dismissive of Mr. Lattin's prediction.
3 But the argument is still unpersuasive because of the
4 progress that we've seen from Mr. Proctor is exactly
5 what I anticipated, and was unable through the former
6 trust -- the former trustees were unable to bring the
7 same progress that Mr. Proctor has.

8 MR. HOSMER-HENNER: Your Honor, I -- I do
9 object to that a little bit because it has been nine
10 months since Mr. Proctor was appointed. And this
11 Court's instructions to him were to prepare enhanced
12 accountings from 2019 to 2021. Or excuse me, it could
13 have been 2018 to 2021. That hasn't been done. We have
14 not had a single piece of property sold, although there
15 has been a petition for the sale of assets. Twice over.
16 There's been an instruction to gather the assets and
17 liabilities. That hasn't been completed. And you can
18 always point back on our ability to push back and not
19 provide full documents. But even this later request
20 came October 19th, 2021. The amount of work and
21 progress that was made between February through October
22 is not as great as I -- especially, if you had seen the
23 comments that everyone would be provided on the status
24 report we're not going to provide that is not

1 overwhelming and we absolutely believe Mr. Proctor's
2 neutrality, and his ability to get things done, and to
3 present things fairly to this court for decision. But
4 something about this doesn't ring right where Mr.
5 Proctor asks his counsel to provide input on the
6 interpretation of the settlement agreement. Now you're
7 bringing in another attorney to take another position
8 other than the parties already in this case on what the
9 settlement agreement means. Why are we introducing that
10 ninth, tenth or eleventh voice in this case when the
11 parties can present their positions, Mr. Proctor can ask
12 the court for the Court's opinion, and the parties can
13 chime in, but bringing in another attorney to advise the
14 trustee on the positions of the parties have already
15 gone through litigation, already resolved these issues,
16 already tried many of these issues, already answered
17 these discovery requests seems unnecessary and not
18 consistent with the remaining portion of the trust
19 corpus.

20 So that's another issue, perhaps, and we're
21 getting astray of the priority issue, but if this
22 Court's inclination is to award -- is to pay attorney's
23 fee on a Pari-Passu basis to all counsel, for all the
24 fees that incurred by the trustees, we can live with

1 that, but that represents a very small portion of
2 payment for many of the attorneys in this case.

3 THE COURT: There's just an observation that I
4 can't shake. And I enjoy our spirited conversations, I
5 do. Again, in court in 2016 where I shared an
6 experience early in my career where an attorney really
7 pushed back, and it was from that that I learned and
8 improved. I deeply respect attorneys who push back in
9 the way that counsel are careful.

10 Let me present it one more time in a direct
11 way by a direct response. I have charge to be patient,
12 dignified and courteous in all of my actions. And then
13 I have this concomitant charge to confront difficult
14 questions without fear of criticism or public claim. I
15 simply have to be bold in the decisions make and reveal
16 my work for review and understanding. I'm focused
17 specifically on posttrial conduct. I am not revisiting
18 what the jury did. But my observation is that Todd and
19 Stan were so blinded by their personal interests under
20 the umbrella of fiduciary duty, that their
21 administration of this trust ground to a halt. How can
22 you dissuade me or correct that observation because
23 that's an intragal part of the decision I must make.

24 MR. HOSMER-HENNER: Your Honor, I would not

1 dissuade you from that because you already suspended
2 their powers as trustees. And if -- to the extent that
3 I would be arguing that they did not ground the
4 administration of the trust to a halt, I would be asking
5 you to reconsider or change your mind with respect to
6 your February order which suspended them as trustee and
7 appointed a new temporary trustee. I will not -- I have
8 no need to take that position for the matter at hand
9 today, and I don't see the need to do that.

10 THE COURT: Well, let me ask because I don't
11 know that I see it the same way because I have to make a
12 priority decision. And that fact is in forming my
13 priority inclination, which is to pay them everything
14 they are entitled to today, and hopefully pay everything
15 you're entitled to tomorrow.

16 MR. HOSMER-HENNER: What the -- the written
17 basis, then, and of course, your Honor, I appreciate
18 your spirited discussions so much and I appreciate that
19 you have a -- the grace to tolerate those sort of
20 challenges. But I will say specifically here, there has
21 to be a written basis and you can say first in time,
22 first in line, and that can a basis on which you assign
23 the attorney's fee, for debts in the same category. You
24 can say Pari-Passu everyone gets a pro rata share

1 regardless of when those fees are incurred based on the
2 trust's ability to pay the entire pie.

3 What I don't think you can say is it looks
4 like this trustee's doing a better job in administrating
5 the trust than prior trustees so I'm going to prioritize
6 that trustee's counsel's fees. I don't see how that's
7 an item that can be in an order. But on top of that,
8 even if you do, even if you can say posttrial, and
9 again, I'm talking about the posteQUITABLE trial from
10 2020, that still leaves a year and half of fees for our
11 firm, what's the basis for deprioritizing those fees
12 that occurred in a different stage in time. Is it to
13 punish the current -- the 2000 -- end of 2020 conduct of
14 two trustees and prevent their counsel from receiving
15 fees for the briefing on the equitable trier on the
16 trial itself? And that's a connection that I don't
17 think can be drawn.

18 THE COURT: Is this all academic? Is there
19 enough corpus there where those who are patient will be
20 satisfied. I'm looking at -- it's in exhibits that show
21 we got a couple million dollars of positive assets and a
22 couple million dollars in liability, when the dust
23 shakes out you're settled, you're gonna be here.

24 MR. HOSMER-HENNER: Oh, your Honor, I don't

1 think anyone in this case should have a high confidence
2 of being paid. And I could provide you with the string
3 side from all of our briefs over the previous three or
4 four years showing real concern over the trust's -- over
5 the impact of the litigation on the trust. And I think
6 that that's a very serious concern. I think it depends
7 on the real estate market staying up and not collapsing
8 next month. It depends in part on whether we can get
9 sales for some of these other interests. And it depends
10 on the efficient liquidated and administration of this
11 trust. And if it's done and wrapped up tomorrow without
12 any disagreements the beneficiaries may get something.
13 If not, there's not gonna be that much left over.

14 THE COURT: Thank you. Mr. Lattin? And then
15 Ms. Winston?

16 MR. LATTIN: Thank you, your Honor. First of
17 all, I don't want to rehash what counsel just presented,
18 I do agree with his assessment. I also want to respond
19 to your question is this all academic? If you look at
20 the appraised values of all these properties, and you
21 look at what's happening in the real estate market,
22 there are alternatives that can allow for everyone to
23 get paid and for there to be distributions. And I think
24 some of those alternatives need to be presented and some

1 of this discussion took place when they first brought
2 this Mana sell forward, and that was a conversation
3 about houses being marketed, are there other offerings
4 out there, things like that, there's alternatives such
5 as sales of individual lots and making distributions to
6 various party out of the sales, so there's other
7 alternatives that can achieve a higher result which I do
8 not think have been considered. So I think the answer
9 is not academic, I think there is a possibility that all
10 can get substantially more than they stand to get right
11 now.

12 Also, your concern has been what's happened
13 posttrial. There's a -- from our firm's standpoint,
14 there's been a lot of different hearings. And at the
15 conclusion of each one of those hearings, you say the
16 family trust will pay -- will pay for the transcript.
17 We've done that on several times. We do that, we
18 provided all the transcripts to the trustee, then we
19 submit our bill, after we've paid these costs --

20 THE COURT: We being your law firm?

21 MR. LATTIN: Our law firm. We pay the bill
22 because you have directed us to do that and we have not
23 been paid --

24 THE COURT: I'm going to -- thank you for --

1 I'm going to fix that today.

2 MR. LATTIN: Yeah. And that's the same issue
3 with regard to the appeal. When this all came out you
4 entered an order saying we want everybody to be
5 representing forward with the appeal, and we did that.

6 Also, if you recall, our firm was representing
7 Kevin Riley in his capacity as former trustee, and then
8 he was also sued individually, and also Mr. Kimmel, and
9 so we have done work on behalf of those people on an
10 issue that directly relates to them on appeal. So we
11 have -- we have incurred those fees as well, in addition
12 to we have the same problem that counsel pointed out we
13 have not been paid for all the trial work and things
14 that occurred as well. So we have a little bit
15 different issue that we think the court needs to address
16 as well.

17 THE COURT: Those are good points, Mr. Lattin,
18 Kimmel, Riley and court ordered costs.

19 MR. LATTIN: So that's -- I just want to add
20 that to counsel's argument that I also joined in on.
21 Thank you.

22 THE COURT: Ms. Winston.

23 MS. WINSTON: Thank you, your Honor. One
24 benefit of Mr. Robison not being here is that I am much

1 more brief than he is. I'm hoping you can all channel
2 what he would be saying right now. We just filed a
3 simple joinder to what Stan Jaksick filed and we echo
4 Mr. Hosmer-Henner's arguments today as well as Mr.
5 Lattin to the extent they apply to Mr. Jaksick
6 individually.

7 THE COURT: All right. Ms. Lee?

8 MS. LEE: Thank you, your Honor. There have
9 been a number of points that I want to address in
10 connection with my firm's fee application. And I don't
11 know if this is gonna be in any particular order. I'm
12 going to be following my notes to a certain extent and
13 trying to address some of the questions that your Honor
14 had for other counsel.

15 But I'd like to begin by emphasizing, your
16 Honor, that -- well, I very much appreciate the court's
17 stated inclination, or at least frame work of paying the
18 current trustee and my firm's fees because we were asked
19 to come in as a result of this court's orders. I
20 appreciate that very much, and as a lawyer who has spent
21 many, many years collecting money for other people, the
22 bottom line is always never turn down money.

23 But that is actually not what my firm asked
24 for, your Honor, in this fee application, and it was

1 precisely to address some of the things that counsel
2 present here have mentioned and in part to address what
3 your Honor has mentioned, too. And that is that at some
4 point in time, everyone will hope that who gets paid how
5 much and when are going to end up being somewhat
6 academic.

7 Now, I relied quite heavily on the court's
8 order of appointment of my client in making the argument
9 that perhaps the way around having to resolve all of
10 those kinds of issues at this point in time is to say
11 here's how much are owed to the various firms who have
12 represented the trustees in their capacity as trustees.
13 How much have they been paid already, and then take all
14 of those numbers and put them on a spread sheet which I
15 would never be able to do so my accountant clients and
16 my paralegal will be able to, but to be able to say this
17 is how much would be fair in terms of what's been paid
18 to everybody else in comparison to what they have
19 incurred, and then the same for my firm. If that were
20 to happen my suspicion is that the amount that my firm
21 would get paid on the -- it's not \$68,000, it's \$61,000,
22 would be relatively small. I am not thrilled with that,
23 but I can certainly live with that, your Honor. And I
24 would make that -- that supposition to you with the

1 reservation that if it came down to they're not being
2 enough at the end of the day, my firm -- that we could
3 revisit this issue.

4 Now, I want to address some additional things,
5 your Honor. And that is that there have been a number
6 of statements made that I just want to make sure are
7 clarified. One of the things that I attempt -- excuse
8 me, attempted to do with the trustee is to abide by the
9 court's statement to the trustee at a point in time when
10 I was not yet involved in this case. And that is don't
11 provoke. Don't look for problems and issues that will
12 provoke this already extremely litigious group of
13 parties that are in front of you. And so what I am
14 attempting to do is to gather information about the
15 various attorney's fees that have been incurred in
16 various capacities, help the trustee to the extent he
17 needs my advice in terms of liquidating the assets, and
18 then see if there is an issue. And if there is an
19 issue, then my analysis of the two settlement agreements
20 will -- I will either present it to the parties and they
21 can agree with it, if they don't, we'll come back to
22 court and we'll resolve that. But I think that that can
23 be put off to a day that is in the future without having
24 to decide that right now. And that's part of the reason

1 why I made the -- I did not make the request to get my
2 fees -- my firm's fees paid in full, and why I thought
3 it would be appropriate both from a structural point of
4 view as well as this Court's order to allow the payment
5 in Pari-Passu, and again, that dovetails into the
6 requests that have been made for documents.

7 If your Honor will indulge me, I want to make
8 clear that the trustee is not asking this court to
9 impugn on in any way any of the prior orders that are on
10 appeal. We are not asking this court to do anything
11 with respect to the equity trial order or the ultimate
12 amended judgment that was entered by this court and that
13 is ultimately on appeal.

14 It is incorrect to state that there will be in
15 excess of \$300,000 that will be due in March by virtue
16 of the -- the forbearance agreement that I sent to
17 counsel yesterday, the amount that will be due in March
18 will be 126,000. And by the way, one other provision of
19 the forbearance agreement is that default interest will
20 be waived as well as the \$15,000 performance fee
21 credited against the balance. So in other words, my
22 understanding is that the -- although the forbearance
23 agreement does not use these words, I interpret that as
24 meaning that the Ag Credit note would be reinstated and

1 there would be no -- no further existing default.

2 I am taken by counsel's statement that nothing
3 has happened in nine months. I think based on what your
4 Honor has read, that is just simply not supported by the
5 record that's in front of the court.

6 And I want to also turn to something, remind
7 the court of something that transpired in the months and
8 hearings leading up to what would happen with the
9 settlement agreement would it be enforced, would this
10 court approve it, that ultimately led to the appointment
11 of Mr. Proctor. And that was your Honor placed Mr.
12 Kimmel under oath as a trustee, I don't remember at that
13 time if he had resigned or not, my reading of the
14 transcript was that he seemed rather relieved to be able
15 to resign or to have already done so. But one of the
16 things that your Honor asked Mr. Kimmel, and I'm
17 paraphrasing, but one of the things that your Honor
18 asked Mr. Kimmel was well, if I do appoint someone else,
19 you haven't been able to really get to the bottom of the
20 Montreux issues and what happened with the proceeds of
21 sale. What will happen if I bring another trustee in,
22 and he asks the same questions. And Mr. Kimmel's
23 response was this, paraphrased. I'm sure that if your
24 Honor orders Stan Jaksick to provide that information to

1 a new trustee, Stan as a former trustee will do so. And
2 that's essentially the position that we're in right now
3 With respect to the Montreux issues.

4 Although Mr. Proctor waited five months to
5 seek my appointment, I think that that shows tremendous
6 judgment on his part. He didn't get hired and
7 immediately go out and hire a lawyer. He waited to
8 actually look into what the issues were, and what it was
9 that he thought he needed. He certainly had an
10 opportunity to test the water in terms of the seven
11 lawyers that have been involved in this case in order to
12 determine that he needed his own independent counsel.
13 And one of the things that his independent counsel has
14 done is give the two agreements that are, I think,
15 fundamentally at issue which are the two settlement
16 agreements a very much closer look to determine how they
17 fit into how this trust is going to be administered and
18 how various payments will be made.

19 And I'm going to close, your Honor, with --
20 with one last comment and then ask the court if your
21 Honor has any questions for me. Your Honor knows that
22 my -- my background is as a bankruptcy specialist. And
23 the bankruptcy system whereby payments are made and
24 approved and et cetera, is under a very comprehensive,

1 well established priority scheme, a waterfall of who
2 gets paid what. And that is less clear in this
3 situation. The trust is not as clear as I would like
4 it, and I don't think Nevada law is as clear as I would
5 like it although I have -- I have not specifically
6 researched that point, again, because I don't think I
7 need to just yet. But my point with respect to it, your
8 Honor, is that as I look at the landscape of all of the
9 liabilities of the trust, both the ones that we think we
10 know about and the ones that may be contingent, again,
11 unclear, as I look at that, it's very difficult not to
12 attempt to place some scheme of priority in terms of
13 what exactly people are going to get paid when and in
14 what amount.

15 What seems very clear is that the trust
16 provides for administrative expenses to be paid. But
17 there's no real definition of what an administrative
18 expense is. It talks about trustee's fees. It talks
19 about hiring lawyers and professionals, et cetera. But
20 there's not really a clear demarcation of what an
21 administrative expense is.

22 There are other creditors of the trust, say,
23 people who -- or creditors who are loaned money or
24 provide some other form of goods and services to the

1 trust. Are they part of the administrative expense or
2 are they a separate group of creditors?

3 And then, of course, there's the last group
4 which is they're not creditors at all, they're
5 beneficiaries, and they have a beneficial interest, but
6 if there is nothing left after every -- everyone who
7 would be considered a creditor, an entity that is owed
8 money by the trust, it's unclear whether or not there
9 will be enough to satisfy any beneficial distribution at
10 all.

11 But it's -- I think that the approach that I
12 have proposed in the application to me seems the
13 fairest, not necessarily to my law firm, but certainly
14 the fairest to all of the other interests involved in
15 the case, and what has transpired for this trustee once
16 appointed, without having to expand the parties' time
17 and money and this court's resources, getting into the
18 more complicated issues that I have alluded to.

19 THE COURT: So forgive my misunderstanding,
20 but I'm reading your application in your proposed order.
21 And your application is aligned with your oral arguments
22 that to your firm's detriment there should be this
23 Pari-Passu allocation, but your proposed order doesn't
24 refer in any way to that Pari-Passu but, instead,

1 authorizes and directs the entire \$61,000 to be paid
2 now.

3 MS. LEE: Yes, it does say that, your Honor,
4 it doesn't mention the Pari-Passu consideration. And my
5 intention was, depending on this court's order, what
6 we've asked for in the application is what we are asking
7 for. But then I would amend that to -- to provide for
8 whatever it is that your Honor holds today.

9 THE COURT: Would you please amend your
10 proposed order? Granting the fees and Pari -- the fees
11 to your firm in Pari-Passu with other previously ordered
12 entitled fees. And then separately order that 100
13 percent of any fees Mr. Lattin's firm has incurred in
14 response to this Court's transcript order shall be paid
15 immediately.

16 MS. LEE: Fees and/or costs?

17 THE COURT: I said fees. I meant costs.

18 MS. LEE: Would you like me to include that in
19 this particular order, too?

20 THE COURT: Yes.

21 MS. LEE: Okay.

22 THE COURT: If I direct that the Maupin Cox
23 firm pay from its own resources the transcript costs, it
24 needs to be reimbursed.

1 MS. LEE: I agree, your Honor.

2 THE COURT: Okay.

3 MR. LATTIN: Thank you, your Honor.

4 MS. LEE: May I also just inquire, your Honor?
5 Obviously, then, we have to know what those fees amounts
6 were, and what has been paid on them.

7 THE COURT: And so I would grant leave to make
8 a partially informed estimate subject to a true-up when
9 further money is available, right? I don't want you to
10 spend thousands and thousands --

11 MS. LEE: Oh, no.

12 THE COURT: -- of dollars trying to figure
13 out --

14 MS. LEE: Pennies.

15 THE COURT: Yes.

16 MS. LEE: Absolutely. Absolutely round
17 numbers, I think, would be -- would be fine, but that's
18 information, obviously, that we're going to need from
19 the other counsel who represented the trustees.

20 MR. PROCTOR: Your Honor, the accountant and
21 Lee -- I'm sorry. Says that's fine, I'll do that, but I
22 need the information. So to the extent that Ms. Lee has
23 made requests of the Maupin firm and the Robison firm
24 and McDonald Carano, I would ask that those be adhered

1 to so we can make a determination as to again by
2 category what's been incurred, and what's been paid.
3 And I want to report that back to the court on the next
4 time as well, but that -- I think that will also give
5 everybody here in this courtroom today a better handle
6 on what is the true amount of legal fees and costs that
7 are payable. You know, I know I've paid for transcripts
8 on behalf of the McDonald firm. I didn't realize that
9 you had paid for transcripts, so I will pay those as
10 well, it's obviously what the court said. But, I mean,
11 these are the type of things we keep narrowing this
12 thing down where it becomes evident that additional
13 information is still needed. It's not because I want to
14 go out there and, you know, round up to the nearest
15 quarter cent where we're at on this, but I want to have
16 an idea of what those true liabilities are, and to do
17 that, that's the reason we requested those -- that
18 information from the law firms.

19 THE COURT: Mr. Proctor, we don't know each
20 other out of the courtroom.

21 MR. PROCTOR: No.

22 THE COURT: Can you absorb a little humor at
23 4:30 on the eve of Thanksgiving?

24 MR. PROCTOR: Yes.

1 THE COURT: I love when you began the
2 accountant in me because I really flashed on my
3 accountant friend who in his closet has each of his
4 suits organized by thread count, color, season and age,
5 and that's the accountant in him. And I'm foreseeing
6 that against the accountant.

7 MS. LEE: Doesn't everyone do that?

8 MR. HOSMER-HENNER: Your Honor? If I may?
9 Always at the peril of making things more complicated
10 than they seem to be, but I think we actually need a
11 fair amount of additional detail. It's gonna save some
12 headache later. You made a -- first is the amount. Are
13 we taking the amount, the 61 -- apologize for the
14 mistake, the 61,700, and then splitting that, or we do
15 every dollar that's in the family trust? What is the
16 actual amount of fees that's being supplied among the
17 attorneys?

18 THE COURT: I understand your question but I
19 don't have an answer because I was prepared when taking
20 this bench to award the entire \$61,000 immediately. And
21 I so -- I saw the wisdom in Ms. Lee's concession, and I
22 thought it was admirable. And so I used the word leave,
23 and I almost modified it with the word broad. I was
24 going to say broad leave to -- maybe I did, to figure it

1 out with, what the -- without precision subject to
2 true-up. I don't know what Ms. Lee's gonna present when
3 she does this Pari-Passu analysis, but I want to make
4 sure that if anyone has to wait for payment it's not Ms.
5 Lee or Mr. Proctor. That's what I want the order to
6 say. How she presents it is subject to what you read, I
7 don't know.

8 MR. HOSMER-HENNER: So to avoid a further
9 hearing, though, there's 104,000 left in the family
10 trust, are we distributing all of that?

11 MS. LEE: No.

12 THE COURT: I don't know.

13 MS. LEE: Well, for sure the trustee can't do.
14 That in order to do this forbearance agreement on Ag
15 Credit we need to have \$15,000 accessible to pay for
16 their performance fee, the trust may get that back, but
17 we're not getting - we're not getting the benefit of an
18 forbearance without paying for it.

19 THE COURT: Yeah, I don't contemplate this
20 trust will be insolvent by December 1st.

21 MR. HOSMER-HENNER: So on that amount we're
22 prepared to leave it to the trustee to determine what is
23 the base amount to distribute. I also need to clarify
24 which attorney's fees are within the scope of this

1 proportional analysis because the order as written only
2 includes, one, the attorney's fee, and I think we've
3 established that that's an incorrect reading of the
4 order appointing a temporary trustee.

5 The other thing is is this proportional
6 analysis going to include all attorney's fees, including
7 the 300,000 that are payable to Wendy's individual
8 counsel? Is it going to include the amounts that our
9 firm is owed from Stan individually but that the trust
10 is responsible for, or is it going to include the
11 amounts that Tod has incurred individually and that he's
12 claiming the trust is responsible for?

13 THE COURT: Can I keep those questions down
14 the road until I have some money? Those are fair
15 questions, every one of those questions deserves an
16 answer. But I have a hundred thousand dollars right
17 now, and if an attorney's coming after the fact asking
18 for 60, it seems to me that there's gonna be quite a
19 conversation about this, but do I have to do that now?
20 We're going to spend ten dollars to figure out where one
21 goes.

22 MR. HOSMER-HENNER: We'll take that upon our
23 shoulders and exchange those e-mails amongst ourselves,
24 and then present you with a fair number of exhibits, I

1 imagine.

2 MS. LEE: Can I give some clarity to that,
3 your Honor?

4 THE COURT: Yeah.

5 MS. LEE: I think from the trustee's
6 perspective there is actually a fairly straightforward
7 approach to it at this point in time. And that is to go
8 back to what your Honor has already awarded, which was
9 the trustees, as trustees, get paid for the -- for the
10 expenses, the fees and costs of defending themselves as
11 trustees.

12 So the way I interpret that is Maupin, Cox and
13 LeGoy's fees for defending the trustees in the trial,
14 the equitable trial, and then the appeal is apparently
15 subject to that carve-out that your Honor already set
16 forth. So those are things that we need from Maupin,
17 Cox & LeGoy. It does not include Mr. Robison's firm
18 because they did not represent Todd as a trustee, only
19 Todd personally. And the same thing would be true for
20 McDonald Carano because they had that dual
21 representation what you are owed for representing Stan
22 as the trustee, give that information to me, and then
23 that -- that also applies to the Kreitlein firm which
24 also represented Stan in his capacity as the trustee.

1 So that's really the -- that's the universe, I think, of
2 what we need right now and what has been paid on any of
3 those invoices, that's really what we need at this
4 moment in time.

5 And then I concur with your Honor that the
6 rest of that is the universe that can be decided later
7 once we know we have a pot of money that is sufficient
8 to start making it worth while.

9 THE COURT: Do your best with broad leave.

10 MS. LEE: Okay.

11 THE COURT: Thank you. Court will be in
12 recess.

13 (Proceedings concluded.)

14 ---o0o---

1 STATE OF NEVADA)

2 COUNTY OF WASHOE)

3 I, JULIE ANN KERNAN, official reporter of
4 the Second Judicial District Court of the State of
5 Nevada, in and for the County of Washoe, do hereby
6 certify:

7 That as such reporter I was present in
8 Department No. 15 of the above court on Tuesday,
9 November 23, 2021, at the hour of 3:00 p.m. of said day,
10 and I then and there took verbatim stenotype notes of
11 the proceedings had and testimony given therein upon the
12 Status Conference of the case of the Matter of the
13 Administration of the SSJ'S ISSUE TRUST, Case No.
14 PR17-00445.

15 That the foregoing transcript, consisting of
16 pages numbered 1 through 71, both inclusive, is a full,
17 true and correct transcript of my said stenotype notes,
18 so taken as aforesaid, and is a full, true and correct
19 statement of the proceedings of the above-entitled
20 action to the best of my knowledge, skill and ability.

21
22 DATED: At Reno, Nevada, this 16th day of March, 2023.

23 /s/ Julie Ann Kernan
24

JULIE ANN KERNAN, CCR #427

CODE: 1215
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IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

In the Matter of the Administration of the
SSJ'S ISSUE TRUST.

Case No. PR17-00445

Dept. No. 15

In the Matter of the Administration of the
SAMUEL S. JAKSICK, JR. FAMILY TRUST.

CONSOLIDATED

Case No. PR17-00446

Dept No. 15

**DECLARATION OF CECILIA LEE IN SUPPORT OF
ENTRY OF PROPOSED ORDER GRANTING FIRST APPLICATION FOR
APPROVAL AND PAYMENT OF COMPENSATION TO FLETCHER & LEE**

I, Cecilia Lee, Esq., do hereby depose and say under the applicable penalties of perjury:

1. I am over the age of 18 years, am mentally competent and have personal knowledge of the matters set forth in this declaration. If called upon as a witness, I could and would competently testify to these matters. I make this declaration in support of entry of the proposed Order Granting First Application for Approval and Payment of Compensation to Fletcher & Lee (the "Proposed Order"). All capitalized terms in this declaration shall have the same meaning as set forth in the Proposed Order.

2. I am admitted to the practice of law in the states of Oregon and Nevada, and have

1 been so admitted since 1986 and 1987, respectively. I practice law with Fletcher & Lee.

2 3. I represent James S. Proctor as the Court-appointed Temporary Trustee of the
3 Family Trust.

4 4. On October 19, 2021, I sent letters to Adam Hosmer-Henner, Esq., counsel for Stan
5 Jaksick, and Kent Robison, Esq. and Don Lattin, counsel for Todd Jaksick, requesting, among
6 other things, documents substantiating all amounts billed to and paid by the Samuel S. Jaksick, Jr.
7 Family Trust in connection with the litigation in this case. See Trustee's Second Interim Status
8 Report, Exhibits 7 and 8.

9 5. I have received responsive documents from Mr. Robison. I have received partial
10 responses from Mr. Lattin and from Mr. Hosmer-Henner.

11 6. At the hearing on November 23, 2021, the Court ordered the Temporary Trustee to
12 conduct an analysis of the legal fees incurred by counsel for Todd Jaksick, Stan Jaksick, Michael
13 Kimmel and Kevin Riley in their capacity as co-trustees (the "co-trustees") and the payments made
14 to Maupin Cox & Legoy, McDonald Carano and Kreitlein Leeder Moss by the Family Trust
15 through the appointment of the Temporary Trustee, for the purpose of making an informed
16 estimate of those fees incurred and paid. The purpose of making this informed estimate was to
17 effectuate payment of approved fees to Fletcher & Lee *in pari passu* with what has already been
18 paid to these counsel for the co-trustees.

19 7. Because we have not received complete responses to my letters dated October 19,
20 2021 from Mr. Lattin or Mr. Hosmer-Henner, on November 29 and 30, 2021, I oversaw the review
21 of the Family Trust financial statements covering the period from April 1, 2016 to February 26,
22 2021 and the analysis as ordered by the Court.

23 8. Attached hereto as Exhibit 1 are spreadsheets containing the information from the
24 Family Trust financial statements for the legal fees paid and remaining unpaid amounts for each
25 law firm and separated by year. The data reflected on Exhibit 1 includes all legal expenses paid
26 by the Family Trust, without distinction as to the party represented or in what capacity (trustee
27 versus individual). We have compiled the data in Exhibit 1 without assessment of the basis for the
28 legal expenses paid by the Family Trust. Thus, we have included Robison Sharp Sullivan & Brust

1 in Exhibit 1, even though this firm represented Todd Jaksick in his personal capacity and not as a
2 co-trustee. Similarly, we made no distinction – and are unable at this juncture to make a distinction
3 - between the fees paid to Maupin Cox & Legoy for representing the co-trustees in their capacity
4 as trustees and in their individual capacities. The same applies to McDonald Carano, which was
5 paid by the Family Trust for representing Stan Jaksick and for what is represented in the financial
6 statements as Stan Jaksick’s right to indemnification. See, e.g., Exhibit 1, p. 3, highlighted
7 references to check number 10383 made payable to McDonald Carano.

8 9. Attached hereto as Exhibit 2 is a summary sheet that reflects the amounts Maupin
9 Cox & Legoy; McDonald Carano; and Kreitlein Leeder Moss, respectively, has been paid by the
10 Family Trust between April 1, 2016 and February 26, 2021 and the unpaid balances as of February
11 26, 2021 as set forth in the Family Trust financial statements for those periods. Using the data
12 reflected on the Family Trust financial statements, my firm calculated the sum of the total amounts
13 paid and the unpaid balance to determine the amount each of these three law firms has demanded
14 payment from the Family Trust (the “summation”). Additionally, the summary sheet calculates
15 the percentage that each law firm has been paid using a formula of dividing the total amount paid
16 by the summation. Finally, the summary sheet reflects the collective totals for all three law firms
17 of the total amount paid, the unpaid balances as of February 26, 2021, the summation, and the
18 overall percentage paid. These calculations reveal that McDonald Carano was paid 47 percent of
19 its requested fees, Kreitlein Leeder Moss was paid 97 percent of its requested fees, and Maupin
20 Cox & Legoy was paid 82 percent of its requested fees.

21 10. Based on the Family Trust financial statements, the information available to the
22 Trustee is that the overall percentage paid to these three law firms through February 26, 2021 is
23 approximately 76% of their legal fees incurred through February 26, 2021. Exhibit 2.

24 11. This Court’s direction at the November 23 hearing was that, at this time and subject
25 to the Trustee’s discretion, the Trustee may remit payment to Fletcher & Lee *in pari passu* with
26 the payments made by the Family Trust to represent the co-trustees up to February 26, 2021. The
27 exhibits attached to this declaration support that the overall percentage that has been paid is 76
28 percent. I submit that the Proposed Order should include the same percentage of 76% as the upper

1 limit of what the Trustee is authorized to remit to Fletcher & Lee of its approved fees at this time,
2 subject to the Trustee's discretion in determining how much of the 76 percent to remit.

3 DATED this 4th day of January, 2022.

4 /s/ Cecilia Lee, Esq.
5 CECILIA LEE, ESQ.

6 **AFFIRMATION**

7 **Pursuant to NRS 239B.030**

8 The undersigned does hereby affirm that the preceding document does not contain the
9 personal information of any person.

10 DATED this 4th day of January, 2022.

11 FLETCHER & LEE

12 /s/ Cecilia Lee, Esq.
13 CECILIA LEE, ESQ.

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCp 5(b), I certify under penalty of perjury that I am an employee of Fletcher
3 & Lee, 448 Ridge Street, Reno, Nevada 89501, and that on the 4th day of January, 2022, I served
4 the **DECLARATION OF CECILIA LEE IN SUPPORT OF ENTRY OF PROPOSED**
5 **ORDER GRANTING FIRST APPLICATION FOR APPROVAL AND PAYMENT OF**
6 **COMPENSATION TO FLETCHER & LEE** on the parties set forth below by:

7 X Service by eFlex:

8 DONALD ALBERT LATTIN, ESQ. for MICHAEL S. KIMMEL, KEVIN RILEY,
9 TODD B. JAKSICK
10 KENT RICHARD ROBISON, ESQ. for SAMMY SUPERCUB, LLC, SERIES A,
11 DUCK LAKE RANCH LLC, TODD B. JAKSICK, INCLINE TSS, LTD.
12 HANNAH E. WINSTON, ESQ. for SAMMY SUPERCUB, LLC, SERIES A,
13 DUCK LAKE RANCH LLC, TODD B. JAKSICK, INCLINE TSS, LTD.
14 MARK J. CONNOT, ESQ. for WENDY A. JAKSICK
15 JAMES PROCTOR
16 ADAM HOSMER-HENNER, ESQ. for STANLEY JAKSICK
17 PHILIP L. KREITLEIN, ESQ. for STANLEY JAKSICK, SAMUEL S. JAKSICK,
18 JR. FAMILY TRUST
19 JOHN A. COLLIER, ESQ. for LUKE JAKSICK
20 CAROLYN K. RENNER, ESQ. for MICHAEL S. KIMMEL, KEVIN RILEY,
21 TODD B. JAKSICK
22 STEPHEN C. MOSS, ESQ. for STANLEY JAKSICK, SAMUEL S. JAKSICK,
23 JR. FAMILY TRUST
24 SARAH FERGUSON, ESQ. for STANLEY JAKSICK, SSJ'S ISSUE TRUST,
25 SAMUEL S. JAKSICK, JR. FAMILY TRUST

26 X Service by electronic mail:

27 ZACHARY JOHNSON, ESQ. for WENDY A. JAKSICK –
28 zach@dallasprobate.com
R. KEVIN SPENCER, ESQ. for WENDY A. JAKSICK –
kevin@dallasprobate.com
ALEXI JAKSICK FIELDS – alexijaksickfields@yahoo.com

29 A copy of this Certificate of Service has been electronically served to all parties or their
30 lawyer. This document does not contain the personal information of any person as defined by
31 NRS 603A.040.

32 /s/ Elizabeth Dendary, CP
33 ELIZABETH DENDARY, CP
34 Certified Paralegal

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INDEX OF EXHIBITS

| Exhibit | Description | Number of Pages |
|----------------|--|------------------------|
| 1 | Spreadsheet of Analysis of Family Trust Financial Statements from April 1, 2016 to February 26, 2021 | 4 pages |
| 2 | Summary Sheet | 1 page |

EXHIBIT 1

EXHIBIT 1

April 1, 2016 to December 31, 2017
Financial Statement for the
Samuel S. Jaksick Jr. Family Trust

| Unpaid Claims and Trust Debts (page 34) | | | | |
|---|-----------|--|------------------------|----------------------|
| Contested Claim #7 | | Todd's legal fees indemnity claim | | \$ 4,480.00 |
| | | | | |
| | | TOTAL | | \$ 4,480.00 |
| | | | | |
| | | | | |
| | | | | |
| Expenses Paid - RBC #472 (page 52) | | | | |
| Date | Check No. | Payee | | Amount |
| 8/30/2016 | 8018 | Maupin Cox & Legoy | | \$ 28,143.70 |
| 9/14/2016 | 8025 | Maupin Cox & Legoy | | \$ 6,100.00 |
| 10/26/2016 | 10009 | Maupin Cox & Legoy | | \$ 8,600.58 |
| 12/6/2016 | 10026 | Maupin Cox & Legoy | | \$ 6,000.00 |
| 12/29/2016 | 10045 | Maupin Cox & Legoy | | \$ 9,287.50 |
| 1/24/2017 | 10056 | Maupin Cox & Legoy | | \$ 450.00 |
| 1/27/2017 | 10059 | Maupin Cox & Legoy | | \$ 7,025.00 |
| 2/28/2017 | 10075 | Maupin Cox & Legoy | | \$ 16,076.25 |
| 4/5/2017 | 10087 | Maupin Cox & Legoy | | \$ 2,126.25 |
| 5/25/2017 | 10127 | Maupin Cox & Legoy | | \$ 4,050.00 |
| 5/25/2017 | 10128 | Maupin Cox & Legoy | | \$ 3,737.50 |
| 6/26/2017 | 10140 | Maupin Cox & Legoy | | \$ 13,454.51 |
| 7/24/2017 | 10154 | Maupin Cox & Legoy | | \$ 14,112.50 |
| 8/25/2017 | 10163 | Maupin Cox & Legoy | | \$ 14,440.38 |
| 9/15/2017 | 10172 | Maupin Cox & Legoy | | \$ 6,102.50 |
| 10/11/2017 | 10188 | Maupin Cox & Legoy | | \$ 7,175.00 |
| 12/6/2017 | 10202 | Maupin Cox & Legoy | | \$ 12,950.00 |
| 12/6/2017 | 10203 | Maupin Cox & Legoy | | \$ 100.00 |
| | | | | |
| | | | TOTAL | \$ 159,931.67 |
| | | | | |
| | | | | |
| | | | | |
| | | Summary - 4/1/2016 through 12/31/2017 | | |
| | | | Legal Fees Paid | Remaining Due |
| | | Maupin Cox & Legoy | \$ 159,931.67 | \$ - |
| | | | | |
| | | TOTALS | \$ 159,931.67 | \$ - |

January 1, 2018 to December 31, 2018
Financial Statement for the
Samuel S. Jaksick Jr. Family Trust

| Unpaid Claims and Trust Debts (page 27) | | | | |
|---|-----------|-----------------------------------|----------------------|---------------------|
| Contested Claim #7 | | Todd's legal fees indemnity claim | \$ | 4,480.00 |
| Kreitlein Leeder Moss | | legal fees on account | \$ | 13,651.75 |
| Maupin Cox & Legoy | | legal fees on account | \$ | 21,258.31 |
| | | | | |
| | | TOTAL | \$ | 39,390.06 |
| | | | | |
| | | | | |
| | | | | |
| Expenses Paid - RBC #472 (page 35) | | | | |
| Date | Check No. | Payee | | Amount |
| 1/3/2018 | 10216 | Maupin Cox & Legoy | \$ | 8,075.00 |
| 2/26/2018 | 10231 | Maupin Cox & Legoy | \$ | 20,008.75 |
| 2/28/2018 | 10234 | Maupin Cox & Legoy | \$ | 13,209.75 |
| 4/27/2018 | 10241 | Maupin Cox & Legoy | \$ | 14,006.25 |
| 5/16/2018 | 10252 | Maupin Cox & Legoy | \$ | 981.25 |
| 6/11/2018 | 10259 | Maupin Cox & Legoy | \$ | 87.50 |
| 7/9/2018 | 10265 | Maupin Cox & Legoy | \$ | 350.00 |
| 7/9/2018 | 10263 | Kreitlein Law Group Ltd | \$ | 6,332.23 |
| 7/18/2018 | 10266 | Maupin Cox & Legoy | \$ | 1,050.00 |
| 7/18/2018 | 10268 | Kreitlein Law Group Ltd | \$ | 9,206.13 |
| 8/15/2018 | 10272 | Maupin Cox & Legoy | \$ | 63,642.95 |
| 8/18/2018 | 10275 | Kreitlein Law Group Ltd | \$ | 5,811.28 |
| 8/23/2018 | 10277 | Maupin Cox & Legoy | \$ | 35,143.45 |
| 9/24/2018 | 10288 | Kreitlein Law Group Ltd | \$ | 28,663.95 |
| 9/24/2018 | 10290 | Maupin Cox & Legoy | \$ | 29,739.70 |
| 11/6/2018 | 10295 | Kreitlein Law Group Ltd | \$ | 23,090.16 |
| 11/6/2018 | 10296 | Maupin Cox & Legoy | \$ | 175.00 |
| 11/12/2018 | 10299 | Maupin Cox & Legoy | \$ | 28,445.00 |
| 12/13/2018 | 10309 | Kreitlein Law Group Ltd | \$ | 11,506.50 |
| 12/13/2018 | 10310 | Maupin Cox & Legoy | \$ | 12,838.80 |
| 12/17/2018 | 10314 | Maupin Cox & Legoy | \$ | 32,714.40 |
| | | | | |
| | | TOTAL | \$ | 345,078.05 |
| | | | | |
| | | | | |
| | | | | |
| | | Summary - 2018 | | |
| | | | Legal Fees Paid | Remaining Due |
| | | Kreitlein Leeder Moss | \$ 84,610.25 | \$ 13,651.75 |
| | | Maupin Cox & Legoy | \$ 260,467.80 | \$ 21,258.31 |
| | | | | |
| | | TOTALS | \$ 345,078.05 | \$ 34,910.06 |

January 1, 2019 to December 31, 2019
Financial Statement for the
Samuel S. Jaksick Jr. Family Trust

[illegible]

January 1, 2020 to February 26, 2021
Financial Statement for the
Samuel S. Jaksick Jr. Family Trust

| Unpaid Claims and Trust Debts (page 59) | | | | |
|---|-----------|--------------------------------------|---------------------|------------------------|
| Contested Claim #7 | | Todd's legal fees indemnity claim | \$ | 4,480.00 |
| Todd Jaksick | | reimbursement of legal fees | \$ | 650,000.00 |
| Stan Jaksick | | reimbursement of legal fees | \$ | 300,000.00 |
| Robison Sharp Sullivan & Brust | | Todd's legal fees on account | \$ | 72,038.18 |
| Maupin Cox & Legoy | | legal fees on account | \$ | 162,038.99 |
| McDonald Carano | | legal fees on account | \$ | 165,437.50 |
| Kreitlein Leeder Moss | | legal fees on account | \$ | 6,637.60 |
| Sunshine Litigation | | litigation services on account | \$ | 500.00 |
| | | | | |
| | | | TOTAL | \$ 1,361,132.27 |
| | | | | |
| | | | | |
| | | | | |
| Expenses Paid - RBC #472 (page 65) | | | | |
| Date | Check No. | Payee | | Amount |
| 4/14/2020 | 10425 | Maupin Cox & Legoy | \$ | 12,413.33 |
| 4/14/2020 | 10426 | Kreitlein Leeder Moss | \$ | 1,396.90 |
| 4/14/2020 | 10428 | McDonald Carano | \$ | 3,870.00 |
| | | | | |
| 3/12/2020 | 10419 | Sunshine Litigation | \$ | 4,438.25 |
| | | | | |
| | | | TOTAL | \$ 22,118.48 |
| | | | | |
| | | | | |
| | | | | |
| | | Summary - 1/1/2020 through 2/26/2021 | | |
| | | | Legal Fees Paid | Remaining Due |
| | | McDonald Carano | \$ 3,870.00 | \$ 165,437.50 |
| | | Kreitlein Leeder Moss | \$ 1,396.90 | \$ 6,637.60 |
| | | Maupin Cox & Legoy | \$ 12,413.33 | \$ 162,038.99 |
| | | Robison | \$ - | \$ 72,038.18 |
| | | | | |
| | | TOTALS | \$ 17,680.23 | \$ 406,152.27 |

EXHIBIT 2

EXHIBIT 2

Summary

| | 4/1/2016- 12/31/2017 | 2018 | 2019 | 1/1/2020- 2/26/2021 | TOTAL PAID | Unpaid Balance as of 2/26/2021 | TOTAL UNPAID |
|-----------------------|---------------------------------|---------------|---------------|--------------------------------|------------------------|---|-------------------------|
| McDonald Carano | \$ - | \$ - | \$ 143,195.64 | \$ 3,870.00 | \$ 147,065.64 | \$ 165,437.50 | \$ 3 |
| Kreitlein Leeder Moss | \$ - | \$ 84,610.25 | \$ 136,349.65 | \$ 1,396.90 | \$ 222,356.80 | \$ 6,637.60 | \$ 2 |
| Maupin Cox & Legoy | \$ 159,931.67 | \$ 260,467.80 | \$ 283,503.70 | \$ 12,413.33 | \$ 716,316.50 | \$ 162,038.99 | \$ 8 |
| | | | | | | | |
| | | | TOTALS | | \$ 1,085,738.94 | \$ 334,114.09 | \$ 1,4 |

CODE: 3835
FLETCHER & LEE
Elizabeth Fletcher, Esq.
Nevada Bar No. 10082
Cecilia Lee, Esq.
Nevada Bar No. 3344
448 Ridge Street
Reno, Nevada 89501
Telephone: 775.324.1011
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Attorneys for Temporary Trustee James S. Proctor, CPA, CFE, CVA, CFF

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

In the Matter of the Administration of the
SSJ'S ISSUE TRUST.

Case No. PR17-00445

Dept. No. 15

In the Matter of the Administration of the
SAMUEL S. JAKSICK, JR. FAMILY TRUST.

CONSOLIDATED

Case No. PR17-00446

Dept No. 15

TRUSTEE'S THIRD INTERIM STATUS REPORT

James S. Proctor, CPA, CFE, CVA, CFF, in his capacity as the duly appointed Temporary Trustee of the Jaksick Family Trust, by and through his attorneys of record, Cecilia Lee, Esq. and Elizabeth Fletcher, Esq., Fletcher & Lee, hereby submits his Third Interim Status Report.

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Pursuant to this Court's Order for Appointment of Temporary Trustee filed February 25, 2021 (Order) In the Matter of the Administration of the Samuel S. Jaksick, Jr Family Trust (Trust), Case No. PR17-00445 Dept. No. 15, the Temporary Trustee, James S. Proctor, hereby submits his third (3rd) Status Report, dated February 22, 2022. The Temporary Trustee's first Status Report was dated July 26, 2021, and the second Status Report was dated November 5, 2021. A second Status Hearing was conducted on November 23, 2021.

OVERVIEW

As outlined in the previous Status Reports, I as Temporary Trustee, have operated the Trusteeship following appointment by the Court entered on February 25, 2021, upon the direction of the Court as documented in the Court's Order Finding Violation of NRS 163.115 and Ordering Additional Briefing to Determine Timing of the Removal of Trustees dated February 10, 2021. As the Court is well aware of the facts, circumstances and history of the case, this Report will not further enumerate on such.

For brevity, references to Stan Jaksick, Todd Jaksick, and Wendy Jaksick are listed as Stan, Todd, and Wendy, and are not meant to imply any type of familiarity or relationship with such. I will also reference myself as Trustee in this report. As further analyses and research are performed, I will continue to file additional Status Reports.

The Trustee's main efforts since the November 2021 status hearing have been devoted to the sale of the Trust's ownership position in Toiyabe Investment Company (TIC), and the revised offer from Mana Investment (MANA) to purchase interests in real property lots in Montreux Development Group (MXDG). The result is a signed Letter of Intent (LOI) that will be before the Court at the hearing of February 23, 2022.

TRUST CASH

Currently, the Trust has approximately \$59,000 cash on hand in an interest-bearing checking account at RBC Wealth Management (RBC). There are no anticipated sources of income in the immediate future aside from any property sales. At the same time, demands are continuing made to the Trust to pay its obligations for Capital calls from various entities.

AMERICAN AgCREDIT (AgCredit)

As outlined in the first Status Report a payment of \$126,795 was due in September 2021, and the Trust did not have the funds available for payment. An agreement was reached with AgCredit for an extension to pay the \$126,795 by March 1, 2022. If the payment is not paid by that date, then additional late and forbearance fees of \$21,340 will be due as well. The Trust currently does not have the funds available for payment on that date. At the hearing on February 10, 2022, counsel for Todd represented that his client would be agreeable to advancing the necessary funds to the Trust for the payment. The specific details are in process.

BASECAMP, LLC

The sale of the underlying real property in Basecamp, LLC closed in December 2021. The Court previously approved the Trustee's decision to allow for the sale of the property by Basecamp's Managing Member. Any amounts available to the Trust as a result of a small down payment of the sale are still being calculated. Otherwise, for the Trust's ownership interest, the Trust will only be paid its pro rata portion as amounts are collected on the note receivable over the next few years.

TOIYABE INVESTMENT CO. (TIC) & MONTREUX DEVELOPMENT GROUP, LLC (MXDG)

As the Court may recall, the Trust owns a 50% stock ownership in the S Corporation TIC. In turn, TIC has a 95.06% ownership interest in MXDG. MXDG owns lots in the Montreux development. TIC does not directly own the lots in the Montreux development.

As outlined in previous Status Reports there were initial analyses of recent tax returns and other financial documents and information of MXDG and TIC dating back to 2017. Based upon the analyses I deemed it necessary to request additional information dating back to 2013. TIC has not received capital distributions, and the amount of related party debt to and from TIC and MXDG dates back to periods prior to 2017.

As part of the negotiations and discussions of the LOI with Stan Jaksick and his attorney, it was necessary to further define the potential amount of a carve-out for monies that Stan, or his entities may owe the Trust. Thus, there was additional analysis performed of potential amounts owed to the Trust and owed by the Trust. As a result of the additional information and documents received, some of which are incomplete and inaccurate, it was determined that additional and substantiating documentation is necessary in order to accurately determine the amounts owed to and from the Trust. Such further analysis has always been part of the Trustee's planned procedures, but became necessary to prepare now as Stan and his attorney insisted that the LOI include language regarding possible carve outs.

The most recent Trust financial statements prepared by a CPA were as of February 26, 2021. Those financial statements were compiled by a CPA and included disclosures (footnotes) and many of the amounts were representations of the Trustees – Todd and Stan. The Court may recall that Footnote 4 to the financial statements reported the Trust's ownership interest in TIC. The TIC ownership interest included, on a consolidated basis, amounts that MXDG owes to TIC. It is important to note, that even though the financial statements are as of February 26, 2021, the MXDG amounts reported in Footnote 4 are as of December 31, 2019. Thus, the reported receivable amount of \$600,223 that MXDG owes TIC is as of 2019, not 2021. Additional supporting documentation was requested in order to substantiate that amount and determine a more recent amount owed. The information received as of December 31, 2020, reported that the \$600,223 had increased to \$726,332, and based upon the information currently available. The Trustee is not making a determination as to the propriety or reasonableness as to the amounts owed from Stan or paid to Stan, or his entities, but reporting and disclosing those amounts to the Court. As additional information and documents are received those amounts will change.

The Working Trial Balances (WTB) as of November 30, 2021, that were provided were incomplete and inaccurate in that they did not balance to zero. A WTB should balance to zero among all the debits and credits and would include all accounts. It is evident, by not balancing, that the WTBs provided were incomplete and inaccurate. Further, it is clear that not all accounts were included on the WTBs; there are no capital (equity), income, or expense accounts. Thus, without additional information, I cannot be assured that all receivable and payable accounts have been provided. In my opinion there is no reason not to provide a complete and accurate WTB in order to substantiate amounts owed amongst TIC and MXDG, and hence the Trust.

The Trustee is aware that at least two lots were sold in MXDG in 2021. The Trustee has requested additional and more detailed documents and information to determine the amount that MXDG owes TIC as of a most recent date in 2022.

The proposed Order from the hearing on February 10, 2022, has been filed and is before the Court. In that proposed Order is a list of documents and information necessary to substantiate and report the balance due TIC, and hence the Trust's pro rata portion. The Trustee took the extra effort to explain the reasons and justify the request of those items. Further, the Trustee, his legal counsel, discussed by telephone, in an almost one (1) hour call the need and reason for the requested documents and information. I understand that there is still some objection to providing some of the documents and information that, in my professional judgment and a result of the analyses, that are necessary to determine accurate amounts owed to and from the Trust.

In my over 30 years as a CPA and CFE, and in my capacities of such, including Bankruptcy Trustee, Examiner, and Special Master, I have performed several hundred similar engagements, and have often been provided original documents. I went the extra steps in the Order outlining the document request to justify the necessity of the records. Frankly, I am perplexed as to the reluctance to provide the documentation necessary for an accurate accounting. I am sensitive to the time and effort required by Stan and his staff in assembling the documents and information requested. That is one of the reasons I have requested original documents - I and my staff can quickly analyze the documents that are necessary without having to continue to go back and ask questions and ask for more information which just results in further delays, additional time for Stan and his staff and additional costs to the estate. Due diligence dictates additional documentation when what has been submitted is incomplete and possibly inaccurate, as well as an increasing resistance to providing the information.

As my analysis continues, I anticipate making similar requests for other entities, including those under Todd's control or purview. Initial analyses indicate substantially less dollar amounts of capital distributions to Todd and any amounts that may be owed to the Trust. Further analysis is needed and continuing in these areas.

CONCLUSION

This third Status Report is to further inform the Court as to the need of additional documents and information and to separately present to the Court the signed LOI so that a Sale and Purchase Agreement can be prepared with MANA. Once such an agreement is reached with MANA, to schedule a Sale Hearing with an overbid process so that a more accurate and relevant valuation of the Trust's assets and obligations can be determined. The Trustee is continuing to identify questions and areas of concern and will continue to perform additional analyses to further

determine the Trust's assets and its obligations and a plan as to how to meet those obligations, including any distributions to the beneficiaries.

Respectfully Submitted,
MERIDIAN ADVANTAGE



James S. Proctor, CPA, CFE, CVA, CFF
As Temporary Trustee for the Samuel S. Jaksick, Jr Family Trust

February 22, 2022

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AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding document does not contain the personal information of any person.

DATED this 22nd day of February, 2022.

FLETCHER & LEE

/s/ Cecilia Lee, Esq.
CECILIA LEE, ESQ.

CERTIFICATE OF SERVICE

Pursuant to NRCp 5(b), I certify under penalty of perjury that I am an employee of Fletcher & Lee, 448 Ridge Street, Reno, Nevada 89501, and that on 22nd day of February, 2022, I served a true and correct copy of the **TRUSTEE'S THIRD INTERIM STATUS REPORT** on the parties set forth below by:

 X Service by eFlex:

DONALD ALBERT LATTIN, ESQ. for MICHAEL S. KIMMEL, KEVIN RILEY,
TODD B. JAKSICK
KENT RICHARD ROBISON, ESQ. for SAMMY SUPERCUB, LLC, SERIES A,
DUCK LAKE RANCH LLC, TODD B. JAKSICK, INCLINE TSS, LTD.
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JR. FAMILY TRUST
SARAH FERGUSON, ESQ. for STANLEY JAKSICK, SSJ'S ISSUE TRUST,
SAMUEL S. JAKSICK, JR. FAMILY TRUST

 X Service by electronic mail:

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zach@dallasprobate.com
R. KEVIN SPENCER, ESQ. for WENDY A. JAKSICK –
kevin@dallasprobate.com
ALEXI JAKSICK FIELDS – alexijaksickfields@yahoo.com

A copy of this Certificate of Service has been electronically served to all parties or their lawyer. This document does not contain the personal information of any person as defined by NRS 603A.040.

/s/ Elizabeth Dendary, CP
ELIZABETH DENDARY, CP
Certified Paralegal