

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

\* \* \* \* \*

CLA PROPERTIES LLC, A  
CALIFORNIA LIMITED LIABILITY  
COMPANY,

Appellant,

vs.

SHAWN BIDSAL, AN INDIVIDUAL,

Respondent.

CLA PROPERTIES LLC, A  
CALIFORNIA LIMITED LIABILITY  
COMPANY,

Appellant,

vs.

SHAWN BIDSAL, AN INDIVIDUAL,

Respondent.

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**APPELLANT'S APPENDIX**

**VOLUME 23**

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## **CHRONOLOGICAL INDEX TO APPELLANT'S APPENDIX**

<b><u>NO.</u></b>	<b><u>DOCUMENT</u></b>	<b><u>DATE</u></b>	<b><u>VOL.</u></b>	<b><u>PAGE NO.</u></b>
1.	Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment	6/17/22	1	1-24
	<u>Exhibit 117</u> : JAMS Final Award dated March 12, 2022		1	25-56
	<u>Exhibit 122</u> : Operating Agreement of Green Valley Commerce, LLC		1	57-85
2.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 1 of 18)	6/22/22	1	86
	Note Regarding Incorrect Index		1	87
	Index [Incorrect]		1	88-98
	<u>Exhibit 101</u> : JAMS Arbitration Demand Form dated February 7, 2020		1	99-133
	<u>Exhibit 102</u> : Commencement of Arbitration dated March 2, 2020		1	134-149
	<u>Exhibit 103</u> : Respondent's Answer and Counter-Claim dated March 3, 2020		1	150-178
	<u>Exhibit 104</u> : Report of Preliminary Arbitration Conference and Scheduling Order dated April 30, 2020		1	179-184
	<u>Exhibit 105</u> : Claimant Shawn Bidsal's Answer to Respondent CLA Properties, LLC's Counterclaim dated May 19, 2020		1	185-190
	<u>Exhibit 106</u> : Notice of Hearing for February 17 through August 3, 2020		1	191-195

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 2)	<u>Exhibit 107</u> : Notice of Hearing for February 17 through February 19, 2021 dated October 20, 2020		1	196-199
	<u>Exhibit 108</u> : Claimant Shawn Bidsal's First Amended Demand for Arbitration dated November 2, 2020		1	200-203
	<u>Exhibit 109</u> : Respondent's Fourth Amended Answer and Counter-Claim to Bidsal's First Amended Demand dated January 19, 2021		1	204-214
	<u>Exhibit 110</u> : Claimant Shawn Bidsal's Answer to Respondent CLA Properties, LLC's Fourth Amended Counterclaim dated March 5, 2021		1	215-220
	<u>Exhibit 111</u> : Notice of Additional Hearing for June 25, 2021 dated April 29, 2021		1	221-226
	<u>Exhibit 112</u> : Notice of Additional Hearing for September 29 through September 30, 2021 dated August 9, 2021		1	227-232
3.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 2 of 18)	6/22/22	1	233
	Note Regarding Incorrect Index		1	234
	Index [Incorrect]		1	235-245
	<u>Exhibit 113</u> : Final Award - Stephen E. Haberfeld, Arbitrator dated April 5, 2019		2	246-267

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 3)	<u>Exhibit 114</u> : Order Granting Petition for Confirmation of Arbitration Award and Entry of Judgment and Denying Respondent's Opposition and Counterpetition to Vacate the Arbitrator's Award dated December 5, 2019		2	268-278
	<u>Exhibit 115</u> : Notice of Entry of Order Granting Petition for Confirmation of Arbitration Award and Entry of Judgment and Denying Respondent's Opposition and Counterpetition to Vacate the Arbitration's Award dated December 16, 2019		2	279-293
	<u>Exhibit 116</u> : Interim Award dated October 20, 2021		2	294-321
	<u>Exhibit 117</u> : Final Award dated March 12, 2022		2	322-353
4.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 3 of 18)	6/22/22	2	354
	Note Regarding Incorrect Index		2	355
	Index [Incorrect]		2	356-366
	<u>Exhibit 118</u> : Agreement for Sale and Purchase of Loan dated May 19, 2011		2	367-434
	<u>Exhibit 119</u> : Assignment and Assumption of Agreements dated May 31, 2011		2	435-438
	<u>Exhibit 120</u> : Final Settlement Statement – Note Purchase dated June 3, 2011		2	439-440
	<u>Exhibit 121</u> : GVC Articles of Organization dated May 26, 2011		2	441-442

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 4)	<u>Exhibit 122</u> : GVC Operating Agreement		2	443-471
	<u>Exhibit 123</u> : Emails regarding Execution of GVC OPAG dated November 29, 2011 to December 12, 2011		2	472-476
	<u>Exhibit 124</u> : Declaration of CC&Rs for GVC dated March 16, 2011		3	477-557
	<u>Exhibit 125</u> : Deed in Lieu Agreement dated September 22, 2011		3	558-576
	<u>Exhibit 126</u> : Estimated Settlement Statement – Deed in Lieu Agreement dated September 22, 2011		3	577-578
	<u>Exhibit 127</u> : Grant, Bargain, Sale Deed dated September 22, 2011		3	579-583
5.	Appendix to Movant CLA Properties, LLC’s Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 4 of 18)	6/22/22	3	584
	Note Regarding Incorrect Index		3	585
	Index [Incorrect]		3	586-596
	<u>Exhibit 128</u> : 2011 Federal Tax Return dated December 31, 2011		3	597-614
	<u>Exhibit 129</u> : Escrow Closing Statement on Sale of Building C dated September 10, 2012		3	615-617
	<u>Exhibit 130</u> : Distribution Breakdown from Sale of Building C dated April 22, 2013		3	618-621
	<u>Exhibit 131</u> : 2012 Federal Tax Return dated September 10, 2013		3	622-638

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 5)	<u>Exhibit 132</u> : Letter to CLA Properties with 2012 K-1 dated August 8, 2013		3	639-646
	<u>Exhibit 133</u> : Escrow Settlement Statement for Purchase of Greenway Property dated March 8, 2013		3	647-649
6.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 5 of 18)	6/22/22	3	650
	Note Regarding Incorrect Index		3	651
	Index [Incorrect]		3	652-662
	<u>Exhibit 134</u> : Cost Segregation Study dated March 15, 2013		4	663-791
7.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 6 of 18)	6/22/22	4	792
	Note Regarding Incorrect Index		4	793
	Index [Incorrect]		4	794-804
	<u>Exhibit 135</u> : 2013 Federal Tax Return dated September 9, 2014		4	805-826
	<u>Exhibit 136</u> : Tax Asset Detail 2013 dated September 8, 2014		4	827-829
	<u>Exhibit 137</u> : Letter to CLA Properties with 2014 K-1 dated September 9, 2014		4	830-836
	<u>Exhibit 138</u> : Escrow Closing Statement on Sale of Building E dated November 13, 2014		4	837-838
	<u>Exhibit 139</u> : Distribution Breakdown from Sale of Building E dated November 13, 2014		4	839-842

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 7)	<u>Exhibit 140</u> : 2014 Federal Tax Return dated February 27, 2015		4	843-862
	<u>Exhibit 141</u> : Escrow Closing Statement on Sale of Building B dated August 25, 2015		4	863-864
	<u>Exhibit 142</u> : Distribution Breakdown from Sale of Building B dated August 25, 2015		4	865-870
	<u>Exhibit 143</u> : 2015 Federal Tax Return dated April 6, 2016		4	871-892
	<u>Exhibit 144</u> : 2016 Federal Tax Return dated March 14, 2017		5	893-914
	<u>Exhibit 145</u> : Letter to CLA Properties with 2016 K-1 dated March 14, 2017		5	915-926
	<u>Exhibit 146</u> : 2017 Federal Tax Return dated April 15, 2017		5	927-966
	<u>Exhibit 147</u> : Letter to CLA Properties with 2017 K-1 dated April 15, 2017		5	967-972
	<u>Exhibit 148</u> : 2018 Federal Tax Return dated August 2, 2019		5	973-992
	<u>Exhibit 149</u> : Letter to CLA Properties with 2018 K-1 dated April 10, 2018		5	993-1003
8.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 7 of 18)	6/22/22	5	1004
	Note Regarding Incorrect Index		5	1005
	Index [Incorrect]		5	1006-1016
	<u>Exhibit 150</u> : 2019 Federal Tax Return (Draft) dated March 20, 2020		5	1017-1053

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 8)	<u>Exhibit 151</u> : Letter to CLA Properties with 2019 K-1 dated March 20, 2020		5	1054-1063
	<u>Exhibit 152</u> : Emails Regarding CLA's Challenges to Distributions dated January 26 to April 22, 2016		5	1064-1082
	<u>Exhibit 153</u> : Buy-Out Correspondence – Bidsal Offer dated July 7, 2017		5	1083-1084
	<u>Exhibit 154</u> : Buy-Out Correspondence – CLA Counter dated August 3, 2017		5	1085-1086
	<u>Exhibit 155</u> : Buy-Out Correspondence – Bidsal Invocation dated August 5, 2017		5	1087-1088
	<u>Exhibit 156</u> : Buy-Out Correspondence – CLA Escrow dated August 28, 2017		5	1089-1093
	<u>Exhibit 157</u> : CLA Responses to First Set of Interrogatories dated June 22, 2020		5	1094-1102
	<u>Exhibit 158</u> : GVC Lease and Sales Advertising dated April 25, 2018		6	1103-1174
	<u>Exhibit 159</u> : Property Information dated August 10, 2020		6	1175-1177
9.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 8 of 18)	6/22/22	6	1178
	Note Regarding Incorrect Index		6	1179
	Index [Incorrect]		6	1180-1190
	<u>Exhibit 160</u> : Deposition Transcript of David LeGrand dated March 20, 2018 (with Exhibits 1-39)		6 7 8 9	1191-1351 1352-1580 1581-1806 1807-1864



<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
10.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 9 of 18)	6/22/22	9	1865
	Note Regarding Incorrect Index		9	1866
	Index [Incorrect]		9	1867-1877
	<u>Exhibit 161</u> : Deed – Building C dated September 10, 2012		9	1878-1884
	<u>Exhibit 162</u> : Deed Building E dated November 13, 2014		9	1885-1893
	<u>Exhibit 163</u> : Email from Ben Golshani to Shawn Bidsal dated September 22, 2011		9	1894-1897
	<u>Exhibit 164</u> : Deed of Trust Notes (annotated) dated July 17, 2007		9	1898-1908
	<u>Exhibit 165</u> : Assignment of Lease and Rents dated July 17, 2007		9	1909-1939
	<u>Exhibit 166</u> : CLA Payment of \$404,250.00 dated May 29, 2011		9	1940-1941
	<u>Exhibit 167</u> : Operating Agreement For Country Club, LLC dated June 15, 2011		9	1942-1970
	<u>Exhibit 168</u> : Email from David LeGrand to Shawn to Bidsal and Bedn Gloshani dated September 16, 2011		9	1971-2001
	<u>Exhibit 169</u> : GVC General Ledger 2011 dated December 31, 2011		9	2002-2004
	<u>Exhibit 170</u> : Green Valley Trial Balance Worksheet, Transaction Listing dated June 7, 2012		9	2005-2010

<b><u>NO.</u></b>	<b><u>DOCUMENT</u></b>	<b><u>DATE</u></b>	<b><u>VOL.</u></b>	<b><u>PAGE NO.</u></b>
(Cont. 10)	<u>Exhibit 171</u> : Correspondence from Lita to Angelo re Country Blub 2012 Accounting dated January 21, 2016		9	2011-2013
	<u>Exhibit 172</u> : Email from Shawn Bidsal re Letter to WCICO dated January 21, 2016		9	2014-2017
	<u>Exhibit 173</u> : GVC Equity Balance Computation dated June 30, 2017		9	2018-2019
	<u>Exhibit 174</u> : Email from Ben Golshani to Jim Main dated July 21, 2017		9	2020-2021
	<u>Exhibit 175</u> : Email Communication between Ben Golshani and Jim Main dated July 25, 2017		9	2022-2025
	<u>Exhibit 176</u> : Email Communication from James Shapiro dated August 16, 2017		9	2026-2031
	<u>Exhibit 177</u> : Email Communication between Ben Golshani and Shawn Bidsal dated August 16, 2017		9	2032-2033
	<u>Exhibit 178</u> : Email Communication between Rodney T. Lewin and James Shapiro dated November 14, 2017		9	2034-2035
	<u>Exhibit 179</u> : Letter from Ben Golshani to Shawn Bidsal dated December 26, 2017		9	2036-2037
	<u>Exhibit 180</u> : Letter from Shawn Bidsal to Ben Golshani dated December 28, 2017		9	2038-2039
	<u>Exhibit 181</u> : Arbitration Final Award dated April 5, 2019		10	2040-2061
	<u>Exhibit 182</u> : Email from Ben Golshani to Shawn Bidsal dated June 30, 2019		10	2062-2063

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 10)	<u>Exhibit 183</u> : Email from Ben Golshani to Shawn Bidsal dated August 20, 2019		10	2064-2065
	<u>Exhibit 184</u> : Email Communication between CLA and Shawn Bidsal dated June 14, 2020		10	2066-2067
	<u>Exhibit 185</u> : Claimant Shawn Bidsal's First Supplemental Responses to Respondent CLA Properties, LLC's First Set of Interrogatories to Shawn Bidsal dated October 2, 2020		10	2068-2076
	<u>Exhibit 186</u> : Claimant Shawn Bidsal's Responses to Respondent CLA Properties, LLC's Fifth Set of Requests for Production of Documents Upon Shawn Bidsal dated February 19, 2021		10	2077-2081
11.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 10 of 18)	6/22/22	10	2082
	Note Regarding Incorrect Index		10	2083
	Index [Incorrect]		10	2084-2094
	<u>Exhibit 187</u> : Claimant Shawn Bidsal's Responses to Respondent CLA Properties, LLC's Sixth Set of Requests for Production of Documents Upon Shane Bidsal dated February 22, 2021		10	2095-2097
	<u>Exhibit 188</u> : 2019 Notes re Distributable Cash Building C dated July 11, 2005		10	2098-2099

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 11)	<u>Exhibit 189</u> : Order Granting Petition for Confirmation of Arbitration Award and Entry of Judgment and Denying Respondent's Opposition and Counterpetition to Vacate the Arbitrator's Award dated December 6, 2019		10	2100-2110
	<u>Exhibit 190</u> : Plaintiff Shawn Bidsal's Motion to Vacate Arbitration Award dated April 9, 2019		10	2111-2152
	<u>Exhibit 191</u> : Notice of Appeal dated January 9, 2020		10	2153-2155
	<u>Exhibit 192</u> : Case Appeal Statement dated January 9, 2020		10	2156-2160
	<u>Exhibit 193</u> : Respondent's Motion for Stay Pending Appeal dated January 17, 2020		10 11	2161-2286 2287-2325
12.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 11 of 18)	6/22/22	11	2326
	Note Regarding Incorrect Index		11	2327
	Index [Incorrect]		11	2328-2338
	<u>Exhibit 194</u> : Notice of Entry of Order Granting Respondent's Motion for Stay Pending Appeal dated March 10, 2020		11	2339-2344
	<u>Exhibit 195</u> : Notice of Posting Case in Lieu of Bond dated March 20, 2020		11	2345-2349
	<u>Exhibit 196</u> : (LIMITED) Arbitration #1 Exhibits 23-42 (Portions of 198 admitted: Exs. 26 and 40 within 198)		11	2350-2412

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 12)	<u>Exhibit 197</u> : Rebuttal Report Exhibit 1 Annotated (Gerety Schedule) dated July 11, 2005		11	2413-2416
	<u>Exhibit 198</u> : Chris Wilcox Schedules dated August 13, 2020		11	2417-2429
	<u>Exhibit 199</u> : Rebuttal Report Exhibit 3 dated December 31, 2017		11	2430-2431
	<u>Exhibit 200</u> : Distribution Breakdown dated November 13, 2014 and August 28, 2015		11	2432-2434
	<u>Exhibit 201</u> : Respondent's Motion to Resolve Member Dispute Re Which Manager Should be Day to Day Manager and Memorandum of Points and Authorities and Declarations of Benjamin Golshani and Rodey T. Lewin in Support Thereof dated May 20, 2020		11 12	2435-2530 2531-2547
13.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 12 of 18)	6/22/22	12	2548
	Note Regarding Incorrect Index		12	2549
	Index [Incorrect]		12	2550-2560
	<u>Exhibit 202</u> : Claimant Shawn Bidsal's Opposition Respondent CLA Properties, LLC's Motion to Resolve Member Dispute Re Which Manager Should be Day to Day Manager dated June 10, 2020 (with Exhibits 1-62)		12 13 14	2561-2775 2776-3016 3017-3155
	<u>Exhibit 203</u> : Request for Oral Arguments: Respondent CLA Properties, LLC's Motion to Resolve Member Dispute Re Which Manager Should be Day to Day Manager dated June 17, 2020		14	3156-3158

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 13)	<u>Exhibit 204</u> : Respondent's Reply Memorandum of Point and Authorities and Declarations Benjamin Golshani and Rodney T. Lewin in Support of Motion to Resolve member Dispute Re Which Manager Should be Day to Day Manager dated June 24, 2020		14	3159-3179
	<u>Exhibit 205</u> : Claimant Shawn Bidsal's Supplement to Opposition to Respondent CLA Properties, LLC's Motion to Resolve Member Dispute Re Which Manager Should be Day to Day Manager dated July 7, 2020		14	3180-3193
	<u>Exhibit 206</u> : CLA's Supplement to Brief re Motion to Resolve Member Dispute Re Which Manager Should be Day to Day Manager – Tender Issue and Declaration of Benjamin Golshani in Support of Motion dated July 13, 2020		14	3194-3213
	<u>Exhibit 207</u> : Order on Pending Motions dated July 20, 2020		14	3214-3221
14.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 13 of 18)	6/22/22	14	3222
	Note Regarding Incorrect Index		14	3223
	Index [Incorrect]		14	3224-3234
	<u>Exhibit 208</u> : CLA Properties, LLC's Motion to Compel Answers to First Set of Interrogatories to Shawn Bidsal dated July 16, 2020		14 15	3235-3262 3263-3292

<b><u>NO.</u></b>	<b><u>DOCUMENT</u></b>	<b><u>DATE</u></b>	<b><u>VOL.</u></b>	<b><u>PAGE NO.</u></b>
(Cont. 14)	<u>Exhibit 209</u> : Exhibits to CLA Properties, LLC's Motion to Compel Answers to First Set of Interrogatories to Shawn Bidsal dated July 16, 2020		15	3293-3332
	<u>Exhibit 210</u> : Claimant's Opposition to Respondent's Motion to Compel Answers to First Set of Interrogatories to Shawn Bidsal and Countermotion to Stay Proceedings dated July 24, 2020		15	3333-3456
	<u>Exhibit 211</u> : Respondent CLA Properties, LLC Reply to Opposition by Claimant (Bidsal) to CLA's Motion to Compel Further Answers to Interrogatories dated July 27, 2020		15	3457-3464
	<u>Exhibit 212</u> : CLA Properties, LLC's Reply in Support of Motion to Compel Answers to First Set of Interrogatories and Opposition to Countermotion to Stay Proceedings dated July 28, 2020		15	3465-3489
	<u>Exhibit 213</u> : Order on Respondent's Motion to Compel and Amended Scheduling Order dated August 3, 2020		15	3490-3494
	<u>Exhibit 214</u> : Claimant's Emergency Motion to Quash Subpoenas and for Protective Order dated June 25, 2020		16	3495-3524
	<u>Exhibit 215</u> : CLA Properties, LLC's Opposition to Emergency Motion to Quash Subpoenas and for Protective Order dated June 29, 2020		16	3525-3536
	<u>Exhibit 216</u> : Claimant's Reply to Opposition to Motion to Quash Subpoenas and for Protective Order dated June 30, 2020		16	3537-3539

<b><u>NO.</u></b>	<b><u>DOCUMENT</u></b>	<b><u>DATE</u></b>	<b><u>VOL.</u></b>	<b><u>PAGE NO.</u></b>
(Cont. 14)	<u>Exhibit 217</u> : Order on Pending Motions dated July 20, 2020		16	3540-3547
15.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 14 of 18)	6/22/22	16	3548
	Note Regarding Incorrect Index		16	3549
	Index [Incorrect]		16	3550-3560
	<u>Exhibit 218</u> : CLA Properties, LLC's Motion to Compel Further Responses to First Set of Interrogatories to Shawn Bidsal and for Production of Documents dated October 7, 2020		16	3561-3616
	<u>Exhibit 219</u> : Rodney Lewin and James Shapiro Email Chain dated October 19, 2020		16	3617-3619
	<u>Exhibit 220</u> : Claimant's Opposition to Respondent's Motion to Compel Further Responses to First Set of Interrogatories to Shawn Bidsal And for Production of Documents dated October 19, 2020		16	3620-3629
	<u>Exhibit 221</u> : CLA Properties, LLC's Reply to Opposition to Motion to Compel Further Responses to First Set of Interrogatories to Shawn Bidsal and for Production of Documents dated October 22, 2020		16	3630-3650
	<u>Exhibit 222</u> : Order on Respondent's Motion to Compel Further Responses to First Set of Interrogatories to Shawn Bidsal and for Production of Documents dated November 9, 2020		16	3651-3657



<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 15)	<u>Exhibit 223</u> : CLA Properties, LLC's Motion to Continue Proceedings dated November 5, 2020		16	3658-3663
	<u>Exhibit 224</u> : Order on Respondent's Motion to Continue Proceedings and Second Amended Scheduling Order dated November 17, 2020		16	3664-3669
	<u>Exhibit 225</u> : Letter to Honorable David Wall (Ret.) Requesting Leave to Amend dated January 19, 2021		16	3670-3676
	<u>Exhibit 226</u> : Respondent's Fourth Amended Answer and Counterclaim to Bidsal's First Amended Demand dated January 19, 2021		16	3677-3687
	<u>Exhibit 227</u> : Claimant's Opposition to Respondent / Counterclaimant's Motion for Leave to file Fourth Amended Answer and Counterclaim dated January 29, 2021		16	3688-3732
	<u>Exhibit 228</u> : Respondent / Counterclaimant's Reply in Support of Motion for Leave to File Fourth Amended Answer and Counterclaim dated February 2, 2021		16	3733-3736
	<u>Exhibit 229</u> : Order on Respondent's Pending Motions dated February 4, 2021		16	3737-3743
	<u>Exhibit 230</u> : CLA Properties, LLC's Emergency Motion for Order Compelling the Completion of the Deposition of Jim Main, CPA dated January 26, 2021		17	3744-3793

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 15)	<u>Exhibit 231</u> : Claimant's Opposition to Respondent / Counterclaimant's Emergency Motion for Order Compelling the Completion of the Deposition of Jim Main, CPA dated January 29, 2021		17 18	3794-3993 3994-4029
	<u>Exhibit 232</u> : Jim Main's Opposition and Joinder to Claimant's Opposition to Respondent / Counterclaimant's Emergency Motion for Order Compelling the Completion of the Deposition of Jim Main, CPA dated February 1, 2021		18	4030-4032
	<u>Exhibit 233</u> : CLA Properties, LLC's Reply in Support of Emergency Motion for Order Compelling the Completion of the Deposition of Jim Main, CPA dated February 3, 2021		18	4033-4038
	<u>Exhibit 234</u> : Order on Respondent's Pending Motions dated February 4, 2021		18	4039-4045
16.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 15 of 18)	6/22/22	18	4046
	Note Regarding Incorrect Index		18	4047
	Index [Incorrect]		18	4048-4058
	<u>Exhibit 235</u> : CLA Properties, LLC's Motion for Orders (1) Compelling Claimant to Restore/Add CLA to all Green Valley Bank Accounts; (2) Provide CLA with Keys to all of Green Valley Properties; and (3) Prohibiting Distributions to the Members until the Sales of the Membership Interest in Issue in this Arbitration is Consumated and the Membership Interest is Conveyed dated February 5, 2021		18	4059-4101

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 16)	<u>Exhibit 236</u> : Claimant's Opposition to Respondent / Counterclaimant's Motion for Orders (1) Compelling Claimant To Restore / Add CLA to All Green Valley Bank Accounts; (2) Provide CLA with Keys to All Green Valley Properties; and (3) Prohibiting Distributions to The Members until the Sale of The Membership Interest in Issue in this Arbitration is Consummated and the Membership Interest is Conveyed dated February 19, 2021		18	4102-4208
	<u>Exhibit 237</u> : Order on Respondent's Motion for Various Orders dated February 22, 2021		18	4209-4215
	<u>Exhibit 238</u> : CLA Motion in Limine re Bidsal's Evidence re Taxes dated March 5, 2021		18	4216-4222
	<u>Exhibit 239</u> : Claimant's Opposition to CLA's Motion in Limine Regarding Bidsal's Evidence re Taxes dated March 11, 2021		18	4223-4229
	<u>Exhibit 240</u> : Ruling – Arbitration Day 1 p. 11 dated March 17, 2021		18	4230-4231
	<u>Exhibit 241</u> : CLA Properties, LLC's Motion in Limine Re Failure to Tender dated March 5, 2021		19	4232-4329
	<u>Exhibit 242</u> : Claimant Shawn Bidsal's Opposition to Respondent CLA Properties, LLC's Motion in Limine Re Failure to Tender dated March 11, 2021		19	4330-4354
	<u>Exhibit 243</u> : CLA Properties, LLC's Reply to Shawn Bidsal's Opposition Re Failure to Tender dated March 12, 2021		19	4355-4430

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 16)	<u>Exhibit 244</u> : Ruling – Arbitration Day 1 pp 15-17 dated March 17, 2021		19	4431-4434
	<u>Exhibit 245</u> : CLA’s Motion to Withdraw Exhibit 188 dated March 26, 2021		19	4435-4437
	<u>Exhibit 246</u> : Claimant’s Opposition to CLA’s Motion to Withdraw Exhibit 188 dated March 31, 2021		19	4438-4439
	<u>Exhibit 247</u> : CLA’s Reply to Bidsal’s Opposition to the Motion to Withdraw Exhibit 188 dated March 31, 2021		19	4440-4442
	<u>Exhibit 248</u> : Order on Respondent’s Motion to Withdraw Exhibit 188 dated April 5, 2021		19	4443-4445
17.	Appendix to Movant CLA Properties, LLC’s Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 16 of 18)	6/22/22	19	4446
	Note Regarding Incorrect Index		19	4447
	Index [Incorrect]		19	4448-4458
	<u>Exhibit 249</u> : CLA Properties, LLC’s Brief Re: (1) Waiver of the Attorney-Client Privilege; and (2) Compelling the Testimony of David LeGrand, Esq. dated May 21, 2021		19	4459-4474
	<u>Exhibit 250</u> : Claimant Shawn Bidsal’s Brief Regarding the Testimony of David LeGrand dated June 11, 2021		20	4475-4569
	<u>Exhibit 251</u> : CLA’s Properties, LLC Supplemental Brief Re: (1) Waiver of the Attorney-Client Privilege; and (2) Compelling the Testimony of David LeGrand, Esq. dated July 9, 2021		20	4570-4577

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 17)	<u>Exhibit 252</u> : Claimant Shawn Bidsal's Supplemental Brief Regarding the Testimony of David LeGrand dated July 23, 2021		20	4578-4595
	<u>Exhibit 253</u> : Order Regarding Testimony of David LeGrand dated September 10, 2021		20	4596-4604
	<u>Exhibit 254</u> : Claimant Shawn Bidsal's Application for Award of Attorney's Fees and Costs dated November 12, 2021		20	4605-4687
	<u>Exhibit 255</u> : Respondent / Counterclaimant CLA Properties, LLC's Opposition to Claimant Bidsal's Application for Attorney's Fees and Costs dated December 3, 2021		21	4688-4757
	<u>Exhibit 256</u> : Claimant's Reply in Support of Claimant Shawn Bidsal's Application for Attorney's Fees and Costs dated December 17, 2021		21	4758-4806
	<u>Exhibit 257</u> : Respondent / Counterclaimant CLA Properties, LCC's Supplemental Opposition to Claimant's Application for Attorney's Fees and Costs dated December 23, 2021		21	4807-4838
	<u>Exhibit 258</u> : Response to CLA Properties' Rogue Supplemental Opposition dated December 29, 2021		21	4839-4946
	<u>Exhibit 259</u> : Claimant Shawn Bidsal's Supplemental Application for Award of Attorney's Fees and Costs dated January 12, 2022		21 22	4847-4930 4931-4964

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 17)	<u>Exhibit 260</u> : Respondent's Second Supplemental Opposition to Application for Attorney's Fees and Costs dated January 26, 2022		22	4965-4998
	<u>Exhibit 261</u> : Claimant's Second Supplemental Reply in Support of Claimant Shawn Bidsal's Application for Award of Attorney Fees and Costs dated February 15, 2022		22	4999-5052
18.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 17 of 18)	6/22/22	22	5053
	Note Regarding Incorrect Index		22	5054
	Index [Incorrect]		22	5055-5065
	<u>Exhibit 262</u> : Transcript of Proceedings – Honorable Stephen E. Haberfeld Volume 1 dated May 8, 2018		23	5066-5287
	<u>Exhibit 263</u> : Transcript of Proceedings – Honorable Stephen E. Haberfeld Volume 2 dated May 9, 2018		23 24	5288-5313 5314-5549
	<u>Exhibit 264</u> : Arbitration Hearing Transcript Day 1 dated March 17, 2021		25 26	5550-5797 5798-5953
	<u>Exhibit 265</u> : Arbitration Hearing Transcript Day 2 dated March 18, 2021		26 27 28	5954-6046 6047-6260 6261-6341
	<u>Exhibit 266</u> : Arbitration Hearing Transcript Day 3 dated March 19, 2021		28 29 30	6342-6505 6506-6705 6706-6798
	<u>Exhibit 267</u> : Arbitration Hearing Transcript Day 4 dated April 26, 2021		30 31	6799-6954 6955-7117

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
19.	Appendix to Movant CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment (Volume 18 of 18)	6/22/22	31	7118
	Note Regarding Incorrect Index		31	7119
	Index [Incorrect]		31	7120-7130
	<u>Exhibit 268</u> : Arbitration Hearing Transcript Day 5 dated April 27, 2021		31 32	7131-7202 7203-7358
	<u>Exhibit 269</u> : Reporter's Transcript dated June 25, 2021		32	7359-7410
	<u>Exhibit 270</u> : Remote Transcript of Proceedings dated August 5, 2021		33	7411-7531
	<u>Exhibit 271</u> : Transcript of Proceedings Arbitration dated September 29, 2021		33 34	7532-7657 7658-7783
	<u>Exhibit 272</u> : Transcript of Hearing Proceedings dated January 5, 2022		34	7784-7814
	<u>Exhibit 273</u> : Transcript of Telephonic Hearing Proceedings dated February 28, 2022		34	7815-7859
	<u>Exhibit 274</u> : Appellant Shawn Bidsal's Opening Brief ( <i>Supreme Court of Nevada, Appear from Case No. A-19-795188-P, District Court, Clark County, NV</i> ) dated November 24, 2020		35	7860-7934
	<u>Exhibit 275</u> : Respondent's Opposition to CLA's Petition for Confirmation of Arbitration Award and Entry of Judgment and Counterpetition to Vacate Arbitration Award ( <i>Case No. A-19-795188-P, District Court, Clark County, NV</i> ) dated July 15, 2019		35	7935-7975

<u>NO.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>VOL.</u>	<u>PAGE NO.</u>
(Cont. 19)	<u>Exhibit 276</u> : Order of Affirmance (In Re: Petition of CLA Properties, LLC C/W 80831 Nos. 80427; 80831, <i>Order of Affirmance</i> , unpublished Deposition) dated March 17, 2022		35	7976-7981
	<u>Exhibit 277</u> : 2011-2019 Green Valley Commerce Distribution		35	7982-7984
20.	Bidsal's Opposition to CLA Properties, LLC's Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment and Bidsal's Countermotion to Confirm Arbitration Award	9/1/22	35	7985-8016
	<u>Exhibit 1</u> : Declaration of Shawn Bidsal in Support of Claimant Shawn Bidsal's Opposition to Respondent CLA Properties, LLC Motion to Resolve Member Dispute Re Which Manage Should be Day to Day Manager dated June 10, 2020		35	8017-8027
	<u>Exhibit 2</u> : Affidavit of Benjamin Golshani in Opposition to Respondent's Motion for Stay Pending Appeal dated January 31, 2020		35	8028-8041
	<u>Exhibit 3</u> : Articles of Organization for Green Valley Commerce, LLC dated May 26, 2011		35	8042-8043
	<u>Exhibit 4</u> : Final Settlement Statement for Green Valley Commerce, LLC dated September 3, 2011		35	8044-8045
	<u>Exhibit 5</u> : Grant, Bargain and Sale Deed dated September 22, 2011		35	8046-8050
	<u>Exhibit 6</u> : Estimated Settlement Statement dated September 22, 2011		35	8051-8052



<b><u>NO.</u></b>	<b><u>DOCUMENT</u></b>	<b><u>DATE</u></b>	<b><u>VOL.</u></b>	<b><u>PAGE NO.</u></b>
(Cont. 20)	<u>Exhibit 7</u> : Declaration of Covenants, Conditions and Restrictions and Reservation of Comments for Green Valley Commerce Center dated March 16, 2012		35 36	8053-8097 8098-8133
	<u>Exhibit 8</u> : Seller's Closing Statement – Final dated September 10, 2012		36	8134-8136
	<u>Exhibit 9</u> : Operating Agreement for Green Valley Commerce, LLC		36	8137-8165
	<u>Exhibit 10</u> : Schedule with Check of Distributions sent from Shawn Bidsal to Benjamin Golshani		36	8166-8169
	<u>Exhibit 11</u> : Seller's Closing Statement – Final dated November 14, 2014		36	8170-8171
	<u>Exhibit 12</u> : Schedule of Distributions		36	8172-8175
	<u>Exhibit 13</u> : Seller's Settlement Statement dated August 31, 2015		36	8176-8177
	<u>Exhibit 14</u> : CLA Properties, LLC's Election to Purchase Membership Interest dated August 3, 2017		36	8178-8179
	<u>Exhibit 15</u> : Correspondence from Rodney T. Lewin to James E. Shapiro Re Proof of Funds to Purchase Membership Interest		36	8180-8184
	<u>Exhibit 16</u> : Demand for Arbitration Form dated September 26, 2017		36	8185-8190
	<u>Exhibit 17</u> : JAMS Arbitration Final Award dated April 4, 2019		36	8191-8212

<b><u>NO.</u></b>	<b><u>DOCUMENT</u></b>	<b><u>DATE</u></b>	<b><u>VOL.</u></b>	<b><u>PAGE NO.</u></b>
(Cont. 20)	<u>Exhibit 18</u> : Demand for Arbitration Form dated February 7, 2020		36	8213-8247
	<u>Exhibit 19</u> : Respondent's Answer and Counter-Claim dated March 4, 2020		36	8248-8276
	<u>Exhibit 20</u> : JAMS Final Award dated March 12, 2022		36	8277-8308
	<u>Exhibit 21</u> : Order of Affirmance dated March 17, 2022		36	8309-8314
	<u>Exhibit 22</u> : Remittitur from Supreme Court of the State of Nevada dated June 10, 2022		36	8315-8319
	<u>Exhibit 23</u> : Correspondence from James E. Shapiro to Benjamin Golshani Re Offer to Purchase Membership Interest dated July 7, 2017		36	8320-8321
	<u>Exhibit 24</u> : Cashier's Check		36	8322-8323
21.	CLA's Reply in Support of Motion to Vacate (Partially) Arbitration Award	10/7/22	37	8324-8356
22.	CLA's Opposition to Shawn Bidsal's Countermotion to Confirm Arbitration Award	10/7/22	37	8357-8359
	<u>Exhibit 1</u> : Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment dated June 17, 2022		37	8360-8445
	<u>Exhibit 2</u> : CLA's Reply in Support of Motion to Vacate [Partially] Arbitration Award dated October 7, 2022		37	8446-8479
23.	Bidsal's Reply in Support of Bidsal's Countermotion to Confirm Arbitration Award	10/31/22	37	8480-8505

<b><u>NO.</u></b>	<b><u>DOCUMENT</u></b>	<b><u>DATE</u></b>	<b><u>VOL.</u></b>	<b><u>PAGE NO.</u></b>
(Cont. 23)	<u>Exhibit 25</u> : Arbitration Hearing Partial Transcript Day 3 dated March 19, 2021		37	8506-8511
24.	Order Granting Bidsal's Countermotion to Confirm Arbitration Award and Denying CLA Properties, LLC's Motion to Vacate Arbitration Award	3/20/23	37	8512-8521
25.	Notice of Entry of Order {Order Granting Bidsal's Countermotion to Confirm Arbitration Award and Denying CLA Properties, LLC's Motion to Vacate Arbitration Award dated March 20, 2023}	3/21/23	37	8522-8533
26.	Transcript of Hearing Re: Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment dated February 7, 2023	4/11/23	38	8534-8660
27.	CLA Properties, LLC's Notice of Appeal	4/17/23	38	8661-8672
28.	CLA Properties, LLC's Motion to Approve Payment of Fees Award in Full and for Order Preserving Appeal Rights as to the Fees and Right to Return if Appeal is Successful and Request for Order Shortening Time	5/4/23	38	8673-8680
	<u>Exhibit A</u> : Declaration of Todd Kennedy, Esq. dated April 27, 2023		38	8681-8684
29.	Bidsal's Opposition to CLA Properties, LLC's Motion to Approve Payment of Fees Award in Full and for Order Preserving Appeal Right as to the Fees and Right to Return if Appeal is Successful on Order Shortening Time	5/8/23	38	8685-8692

<b><u>NO.</u></b>	<b><u>DOCUMENT</u></b>	<b><u>DATE</u></b>	<b><u>VOL.</u></b>	<b><u>PAGE NO.</u></b>
(Cont. 29)	<u>Exhibit 1:</u> Transcript of Proceedings Re Motion to Vacate Arbitration Award (NRS 38.241) and for Entry of Judgment dated April 11, 2023		38 39	8693-8782 8783-8802
	<u>Exhibit 2:</u> JAMS Final Award dated March 12, 2022		39	8803-8834
30.	Recorder's Transcript of Pending Motions dated May 9, 2023	5/12/23	39	8835-8878
31.	Recorder's Transcript of Pending Motion dated May 11, 2023	5/15/23	39	8879-8888
32.	Order Regarding Bidsal's Motion to Reduce Award to Judgment and for an Award for Attorney Fees and Costs and Judgment	5/24/23	39	8889-8893
33.	Order Denying CLA Properties, LLC's Motion to Approve Payment of Fees Award in Full and for Order Preserving Appeal Rights as to the Fees and Right to Return if Appeal is Successful	5/24/23	39	8894-8898
34.	Notice of Entry of Order Denying CLA Properties, LLC's Motion to Approve Payment of Fees Award in Full and for Order Preserving Appeal Rights as to the Fees and Right to Return if Appeal is Successful	5/24/23	39	8899-8905
35.	Notice of Entry of Order Regarding Bidsal's Motion to Reduce Award to Judgment and for an Award for Attorney Fees and Costs and Judgment	5/25/23	39	8906-8915
36.	CLA Properties, LLC's Supplemental Notice of Appeal	6/20/23	39	8916-8917
37.	CLA Properties, LLC's Errata to Supplemental Notice of Appeal	6/23/23	39	8918-8931

# **EXHIBIT 262**

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CLA PROPERTIES,

Claimant,

Reference No. 1260004569

vs.

SHAWN BIDSAL,

Respondent.

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TRANSCRIPT OF PROCEEDINGS

Taken Before the Honorable Stephen E. Haberfeld

Volume I

Las Vegas, Nevada

May 8, 2018

11:12 a.m.

Reported by: Heidi K. Konsten, RPR, CCR  
Nevada CCR No. 845 - NCRA RPR No. 816435  
JOB NO. 469894

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 2

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23

24 \* \* \* \* \*

25

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

1	WITNESS INDEX	Page 3
2		Page
3	BENJAMIN GOLSHANI	
4	Direct Examination by Mr. Lewin	35
5	Cross-Examination by Mr. Shaprio	112
6	Redirect Examination by Mr. Lewin	176
7	* * * * *	
8		
9	SHAWN BIDSAL	
10	Cross-Examination by Mr. Lewin	178
11	* * * * *	
12	* * * * *	
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 4

1 LAS VEGAS, NEVADA

2 Tuesday, May 8, 2018

3 11:12 a.m.

4 TRANSCRIPT OF PROCEEDINGS

5 \* \* \* \* \*

6

7 THE ARBITRATOR: On the record.

8 Good morning again, all. We have had  
9 off-the-record conversations prior to going on the  
10 record with the welcome arrival of our court  
11 reporter. This being JAMS arbitration reference  
12 No. 1260004569, CLA Properties, LLC vs. Shawn  
13 Bidsal.

14 May I have appearances, please.

15 MR. LEWIN: Yes. Rodney Lewin appearing  
16 on behalf of the claimant, CLA Properties.

17 MR. SHAPIRO: Jim Shapiro on behalf of  
18 Shawn Bidsal.

19 MR. GOODKIN: And Dan Goodkin, as well,  
20 for Shawn Bidsal.

21 THE ARBITRATOR: And may I also have the  
22 appearances of the other people in our hearing  
23 room, please.

24 MR. SHAPIRO: Shawn Bidsal is present.

25 MR. LEWIN: And -- go ahead.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 5

1 MR. GOLSHANI: Benjamin Golshani from  
2 CLA Properties.

3 THE ARBITRATOR: Very good.

4 MR. LEWIN: And Shawn Golshani.

5 THE ARBITRATOR: Very good.

6 MR. LEWIN: Mr. Golshani's son.

7 THE ARBITRATOR: And has our court  
8 reporter been provided yet with the correct  
9 spelling of everybody's name? Let's do that at  
10 the break, if we don't have that to her already.

11 While we were off the record,  
12 preparatory to a formal start of our first  
13 evidentiary session of the merits hearing of our  
14 matter, we talked about several categories of  
15 things.

16 One of the first things that I would  
17 like to get into is the rules of evidence, if any,  
18 that we're going to be following: And -- and  
19 since there appears to be no contractual or other  
20 written stipulation or contract requiring the  
21 Arbitrator to follow any set of rules of evidence,  
22 such as the Federal Rules of Evidence, the  
23 Arbitrator, under the applicable JAMS Arbitration  
24 Rules, which govern this arbitration, has the  
25 discretion. And the exercise of that discretion

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 6

1 will relax the rules of evidence so that just  
2 about everything which is offered in evidence will  
3 be received in evidence going to the weight, if  
4 any, to be given by the Arbitrator at the close of  
5 the evidence.

6 For example -- and as also alluded to in  
7 the conversation off the record -- all exhibits  
8 which have been premarked and exchanged, which are  
9 in the three binders which are in front of the  
10 Arbitrator, two binders which appear to be from  
11 respondent and one binder of which appears to be  
12 from claimant, each and all of those exhibits are  
13 now deemed to be received in evidence.

14 As discussed off the record, the  
15 Arbitrator believes that it is not necessary in  
16 our arbitration to lay a foundation for,  
17 authenticate, or to move into evidence these  
18 things. And so rather than to follow the usual  
19 court procedure, where things are out until  
20 they're in, following the steps that I alluded to,  
21 everything is until they're out.

22 By that reference, the Arbitrator means  
23 to say that these things are in evidence.  
24 However, if any side believes that the exhibits of  
25 the other side should not be in evidence, please

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 7

1 let the Arbitrator know, preferably in writing via  
2 written objection, what that objection is unless  
3 it's so serious that you believe that we need to  
4 do that in-hearing. And that would go to, for  
5 example -- and hopefully not present in any way in  
6 our arbitration -- manufactured or altered  
7 evidence or anything where the bona fides of the  
8 documentation are false or fraudulent or in any  
9 way inappropriate or anything like that.

10 With respect to testimony, similarly,  
11 just about anything that comes in on direct  
12 examination -- and I have been alerted by  
13 claimant's counsel that there may be some sectors  
14 of testimony that are objected to as irrelevant --  
15 but just about anything on direct that comes in or  
16 is offered will come in subject to a serious  
17 consideration of objection.

18 On cross-examination, it is a different  
19 exercise -- and I'm speaking to counsel and to  
20 witnesses -- that the Arbitrator believes that  
21 cross-examination is very, very important. It is  
22 what the Arbitrator regards as an engine of truth.  
23 And in aid of making that engine of truth work and  
24 be effective, I encourage robust  
25 cross-examination, by which -- which, by the same

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 8

1 token, means for the side that is not on the  
2 cross-examining side, avoiding making objections  
3 or otherwise engaging in any -- any conduct or  
4 behavior which the Arbitrator and cross-examining  
5 counsel feel unduly interferes with that  
6 cross-examination.

7           Among the kinds of things that I --  
8 usually occur are two objections which are  
9 disfavored by the Arbitrator, which are asked and  
10 answered -- if we get to something about three or  
11 four times, which appears to be an asked and  
12 answered question, at that point, I generally much  
13 more seriously consider sustaining such an  
14 objection -- and unduly vague and ambiguous.

15           Those two objections are disfavored  
16 because they do tend to interrupt  
17 cross-examination. And cross-examination, very  
18 often, depends for its effectiveness of the  
19 opportunity of cross-examining counsel to ask a  
20 question more than once to see if the answer  
21 remains the same.

22           And unduly vague and ambiguous is  
23 disfavored because in almost every arbitration  
24 where I am the leader, the witnesses tend to be  
25 educated, sophisticated, and knowledgeable

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 9

1 sufficiently so that they understand if there's a  
2 difficulty with the question and don't need an  
3 interruption by non-questioning counsel on the  
4 grounds of unduly vague and ambiguous.

5           This is not a jury trial. This is a  
6 trial to the Arbitrator as if it's a court trial,  
7 so that I would ask you, as non-questioning  
8 counsel, to refrain from any kind of objection  
9 unless you truly believe that it's necessary to  
10 make an interruption of the other side's  
11 cross-examination.

12           We also spoke about post-hearing  
13 briefing, which the Arbitrator has suggested  
14 include closing argument and legal briefing; that  
15 if a particular side wants to have oral argument  
16 in addition to closing, written argument, that I  
17 would consider that and likely permit it if it's  
18 brief and -- and deemed to be important.

19           But since we have a court reporter, the  
20 stakes in this arbitration are viewed by the  
21 Arbitrator as being high enough to warrant the  
22 post-hearing briefing. References to the hearing  
23 transcript, which will be prepared of our  
24 proceedings, and the Arbitrator's suggested, for  
25 further consideration, possible order, concurrent

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 10

1 opening briefs, and then concurrent reply briefs,  
2 as being a -- a recommended but not yet required  
3 way of proceeding, because that has been and  
4 continues to be a means which is very, very useful  
5 to the Arbitrator.

6 I believe we discussed other things, but  
7 I think we can put those to rest for the moment.

8 Is there anything that we should do by  
9 way of additional procedural conversation before  
10 we go to opening argument?

11 Yes, Mr. Shapiro.

12 MR. SHAPIRO: So I just wanted to put on  
13 the record that we have an agreement between the  
14 parties to split the cost of the court reporter  
15 for these proceedings. I just wanted to get that  
16 on the record.

17 MR. LEWIN: Sure.

18 THE ARBITRATOR: And under the -- under  
19 the JAMS rules, that is both welcome and provides  
20 the basis for the Arbitrator to say in that event  
21 that our court reporter is here by agreement, and  
22 that the transcript that will be prepared by our  
23 court reporter of our proceedings will be the  
24 official record of our arbitration.

25 So stipulated, Mr. Shapiro?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 11

1 MR. SHAPIRO: Yes.

2 MR. LEWIN: Yes, so stipulated.

3 THE ARBITRATOR: Thank you very much.

4 So --

5 MR. LEWIN: But there was one question.

6 THE ARBITRATOR: -- I very much  
7 appreciate that.

8 MR. LEWIN: We do have that one issue.  
9 I said I thought there were a couple of areas that  
10 were -- in terms of the evidentiary issues -- that  
11 were segregated enough to have us bring up,  
12 because -- in terms of whether they're relevant or  
13 not.

14 THE ARBITRATOR: Okay.

15 MR. LEWIN: The first area is -- and  
16 there's some time spent in the respondent's brief  
17 about who's the drafter. And we touched on this  
18 in our brief, that there is a recital in the  
19 operating agreement as to who the drafter is,  
20 which is, under both California law and Nevada  
21 law, a conclusive presumption. California code is  
22 Evidence Code 622, and the Nevada law is  
23 section -- NRS Section 47.240, Subsection 2.

24 It's a -- it's a conclusive -- a  
25 conclusive presumption. The -- the recital is



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 12

1 that the attorney for the company, David LeGrand,  
2 is the drafter of the document. So there should  
3 be, in my opinion, no evidence offered as to  
4 trying to figure out who -- who is the builder --  
5 who is the drafter because that should be the long  
6 and short of it.

7 That's one -- that's one area. I don't  
8 know if you want to take each area as they go --  
9 as they go forward.

10 THE ARBITRATOR: How will that affect  
11 how much time is involved in testimony as opposed  
12 to the legal issue presented?

13 MR. LEWIN: Well, I think it's a -- they  
14 spent a significant amount of time on it. There's  
15 a number of exhibits that they have on it. I  
16 mean, there's no secret about it.

17 The evidence is going to show that how  
18 these documents came to be done is a matter of  
19 evidence, but that after a series of operating  
20 agreements that were being prepared by  
21 Mr. LeGrand -- that's the attorney for the  
22 company -- the -- there was a -- two -- two  
23 rough -- two drafts -- two proposed drafts of some  
24 language for the buy/sell part that were prepared  
25 by Mr. Golshani. The evidence comes in they were

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 13

1 prepared in conjunction with Mr. Bidsal.

2           They were -- that was provided to Mr. --  
3 the second of those was provided to Mr. LeGrand,  
4 who then provided a separate -- his own version of  
5 it. But it's a significant amount of time, since  
6 a significant amount of time was spent in his  
7 deposition, and I think we're probably going to  
8 spend a significant amount of time on it. And if  
9 it's a conclusive presumption, it's a conclusive  
10 presumption.

11           THE ARBITRATOR: Well, if that's  
12 something which is dispositive at the outset of  
13 our arbitration, do you have a bench memo or is it  
14 already in your brief so that I can take a quick  
15 look at it? Because my inclination would be that  
16 if it doesn't require very much in the way of  
17 arbitration hearing time, I would prefer not to  
18 have to rule on it until after I've taken all of  
19 the evidence up.

20           MR. LEWIN: And that's a -- that's --  
21 then I'll --

22           THE ARBITRATOR: That's --

23           MR. LEWIN: It's not going to take  
24 hours. It's not going to take hours. It's going  
25 to -- but there is -- I believe that based on

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 14

1 the -- it is one of the -- it is one of the areas  
2 of -- the respondent's position is that if there's  
3 an ambiguity, that CLA is charged with it because  
4 Golshani is the drafter. We're going to go  
5 through that, if we need to, to show that he's not  
6 necessarily the drafter and --

7 THE ARBITRATOR: My suggestion would be  
8 that that's what -- one of the reasons why we're  
9 in this arbitration hearing. And if we were going  
10 to cut that off, I -- I would think that that  
11 should have been presented maybe at a much earlier  
12 time for me to -- to do that and maybe even save  
13 us a trip, but --

14 MR. LEWIN: Well, I don't think -- I  
15 don't think, by the way, that it -- I think  
16 there's still an issue as to the interpretation of  
17 the agreement. The issue that -- the issue that  
18 I'm raising, and the issue that they have raised,  
19 is that who -- if the agreement is ambiguous,  
20 which we don't really believe it is, but if the  
21 agreement is ambiguous -- it was ambiguous enough  
22 for us not to get summary judgment. So but -- but  
23 if the agreement is ambiguous, then, you know,  
24 their position is, is that there's -- that  
25 ambiguity is charged to the drafter and we say

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 15

1     there's no drafter. And so it wouldn't --

2             THE ARBITRATOR: And I think -- and I  
3     think that I need to reserve that and -- and I'm  
4     inclined not to do that at this time, unless it  
5     would be unduly consummative of hearing time, so  
6     that really makes sense to put the bit in my teeth  
7     and decide the legal issue that you're presenting.

8             However, it appears to the Arbitrator  
9     that if those statutory sections have a bearing on  
10    our case, bring it to my attention, but it does  
11    bear on contractual interpretation issues.

12            MR. LEWIN: All right.

13            THE ARBITRATOR: And sometimes, if  
14    something isn't perfect equipoints, who the  
15    drafter is or isn't may tip the balance. And so  
16    that's what I'm -- I'm sort of hearing might be  
17    the case in our case.

18            MR. LEWIN: Well, I don't think -- I  
19    don't think he is the drafter. Forgetting about  
20    the presumption, I don't think that the evidence  
21    is going to show that the drafter -- there's an  
22    attorney -- we'll address that as we go.

23            THE ARBITRATOR: Okay. Let me hear from  
24    Mr. Shapiro.

25            MR. GOODKIN: Well, I'll address

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 16

1 Your Honor.

2 THE ARBITRATOR: Okay. Very well.

3 MR. GOODKIN: The evidence is going to  
4 come in like counsel said, so we're really just  
5 talking about legal -- I'm sure that will be  
6 addressed in closing argument, so I don't think  
7 there's any reason to address it now.

8 THE ARBITRATOR: What would be the  
9 position of your side on it just so the record and  
10 the Arbitrator are clear? We've heard on  
11 claimant's side. What's respondent's side?

12 MR. GOODKIN: Oh, the evidence -- the  
13 evolution of the agreement will be through  
14 Exhibit 315, where Mr. LeGrand started the process  
15 of drafting the operating agreement. But then  
16 with respect to the clause we're talking about  
17 today, that had a different evolution and that  
18 will come through with the witnesses.

19 Mr. Golshani and Mr. Bidsal will talk about the  
20 evolution of it, and how they talked about it and  
21 came to the final resolution of what that  
22 provision would be.

23 And so that's the evidence Your Honor is  
24 going to hear for the purposes of evaluating the  
25 intent of the parties, so you can have a full

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 17

1 understanding of the circumstances in which the  
2 agreement was entered into, the context, and the  
3 full flavor of what they were agreeing to in this  
4 agreement. Because I do believe the agreement is  
5 ambiguous for all the reasons why the motion for  
6 summary judgment wasn't granted, as well as the  
7 fact that it's just a complicated provision that  
8 needs to get full flavor of.

9 So once all the evidence comes out as to  
10 what the agreement provides, then you'll be able  
11 to decide one way or the other if that legal  
12 principle of, you know, the drafter will be  
13 applicable in any way.

14 THE ARBITRATOR: Why don't you give to  
15 me, in a very concise form, what your position is  
16 so we have it in the record in response to  
17 Mr. Lewin about those two statutory sections that  
18 he cited under California and Nevada law.

19 MR. GOODKIN: Well, I believe --

20 THE ARBITRATOR: What is respondent's  
21 position about those?

22 MR. GOODKIN: Go ahead.

23 MR. SHAPIRO: Let me -- I'll take that.

24 THE ARBITRATOR: Okay. The tag has been  
25 made to Mr. Shapiro.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 18

1 MR. SHAPIRO: The response is, number  
2 one, I don't recall this being raised before, so  
3 this is kind of off the cuff for us, but that's  
4 okay.

5 I don't believe the section of the  
6 operating agreement that they're referring to says  
7 what they claim it says. I read it to be  
8 different, and so I don't believe that the -- the  
9 statute that they're referencing even applies in  
10 the manner that they're referencing it. Because  
11 the language that they're relying upon in the  
12 operating agreement, which is Article 13 --

13 THE ARBITRATOR: Would you read it to  
14 me? Read it to me and for the court reporter.

15 MR. SHAPIRO: This is what it says.  
16 Sure.

17 This agreement has been prepared by  
18 David G. LeGrand, Esquire, in parentheses the law  
19 firm, as legal counsel to the company and, colon,  
20 paragraph A, the members have been advised by the  
21 law firm that a conflict of interest would exist  
22 among the members and the company, as the law firm  
23 is representing the company and not the individual  
24 members, and, subparagraph two -- or B, the  
25 members have been advised by the law firm to seek

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 19

1 the advice of independent counsel and,  
2 subparagraph C, the members have been represented  
3 by independent counsel or have had the opportunity  
4 to seek such representation, and, subparagraph D,  
5 the law firm has not given any advice or made any  
6 representations to the members with respect to the  
7 consequence of this agreement, and, subparagraph  
8 E, the members have been advised that the terms  
9 and provisions of this agreement have -- may have  
10 tax consequences and the members have been advised  
11 by the law firm to seek independent counsel with  
12 respect thereto and, subparagraph F, the members  
13 have been represented by independent counsel or  
14 have had the opportunity to seek such  
15 representation with respect to the tax and other  
16 consequences of this agreement.

17 THE ARBITRATOR: The Arbitrator has  
18 heard and understood the provision and believes  
19 that the thrust of that recitation is not to  
20 foreclose that anybody else may have had a hand in  
21 the drafting of that. That, of course, is subject  
22 to whatever the evidence is and -- and further  
23 consideration by the Arbitrator, that the  
24 provision is more in the nature of what appears to  
25 be self-protection of the drafts person to make



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 20

1 clear and -- in contractual language that the  
2 lawyer, who -- who puts a name to the document as  
3 having been involved with the drafting of the  
4 document, did so without a -- a serious conflict  
5 of interest or any conflict of interest. That  
6 appears to be what the Arbitrator is hearing.

7 I'm going to hear from Mr. Lewin. I'll  
8 give him the last word before we got to the second  
9 area that you wanted to --

10 MR. LEWIN: Sure, sure. The -- the  
11 provision says what it says.

12 THE ARBITRATOR: Okay.

13 MR. LEWIN: It says it was prepared by  
14 him. I think that that's a representation that  
15 he's prepared it. That -- I understand the  
16 protection, but it does say it's prepared by him.

17 THE ARBITRATOR: I understand, and we'll  
18 argue that.

19 MR. LEWIN: And the evidence -- and the  
20 evidence is going to come through. By the way,  
21 that provision, for the record, is on page 20 of  
22 the agreement.

23 THE ARBITRATOR: Okay. Very good.

24 MR. LEWIN: So I have nothing else to  
25 say on that issue.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 21

1 THE ARBITRATOR: Okay. Is there a  
2 second issue that you wanted --

3 MR. LEWIN: Yeah, the second issue --  
4 the second -- I'm sorry, Your Honor. The second  
5 issue had to do with the attempt by respondent to  
6 introduce an appraisal of the property. He -- we  
7 can address that when it comes up, so I think it's  
8 a -- it's going to -- the issue is going to come  
9 up at some point. But the evidence is going to  
10 show that after Mr. Golshani received the offer  
11 from the respondent to buy or sell, that he went  
12 and obtained for his own benefit an appraisal of  
13 the property.

14 The -- the respondent wants to introduce  
15 that appraisal, essentially solely for the purpose  
16 of showing that the -- in their mind, that the  
17 price that he offered and that my client accepted  
18 is too little now, that he should be bound by it.  
19 And I think that's irrelevant in the context of  
20 what the buy/sell says.

21 THE ARBITRATOR: Okay. Once again, I  
22 hear what you're saying. It sounds like argument  
23 and I'm either going -- or both going to hear in  
24 opening and closing, but that I am not going to  
25 rule -- that I'm not going to receive that in

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 22

1 evidence.

2 MR. LEWIN: Okay.

3 THE ARBITRATOR: If it's in the binder,  
4 it's going to be in -- in evidence already under  
5 the Arbitrator's ruling. And if it -- if it comes  
6 in by way of questioning as well, I'm probably  
7 going to take it, subject to an objection at that  
8 time. And I will invite you to bring it up  
9 when -- once again, and in -- in closing argument  
10 in written form, what your position is on that.

11 MR. LEWIN: Very well.

12 THE ARBITRATOR: And I'm probably going  
13 to take it and determine --

14 MR. LEWIN: Sure.

15 THE ARBITRATOR: -- the weight, if any,  
16 that the Arbitrator is going to give it after all  
17 of the evidence is in.

18 Anything else before we start  
19 opportunity for opening argument?

20 MR. SHAPIRO: Nothing from our side.

21 MR. LEWIN: My only question is,  
22 Your Honor, is have you had an opportunity to read  
23 our briefs?

24 THE ARBITRATOR: I did.

25 MR. LEWIN: Okay. Because I don't want

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 23

1 to -- I certainly -- I'm not intending on  
2 repeating everything that's in our brief.

3 THE ARBITRATOR: Well, I was about to  
4 say, hopefully to head off the question just made,  
5 that the Arbitrator has read both side's briefs  
6 and, with that in mind, would suggest to counsel  
7 that if they want to make an opening statement, it  
8 is invited, but it should be made with having the  
9 confidence and just having the reaffirmation by  
10 the Arbitrator that the Arbitrator has read the  
11 briefs and believes that the arbitrator is  
12 sufficiently familiar with the matter, that  
13 opening statement should hit the high points, what  
14 you think you want -- you wish to reiterate from  
15 your opening briefs. And anything that might not  
16 have made it to your openings briefs, this would  
17 be your opportunity to do that.

18 Would you like to do opening statements?

19 MR. LEWIN: I would. I would. Thank  
20 you, Your Honor.

21 Do you mind if I do it sitting down?

22 THE ARBITRATOR: I do not.

23 And, by the same token, I should say for  
24 respondents, that you not only have the  
25 opportunity to make opening argument or not, but

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 24

1 you have the opportunity to reserve your opening  
2 statement at the close of claimant's case if you'd  
3 like to do that.

4 So go ahead, Mr. Lewin.

5 MR. LEWIN: Thank you very much, Your  
6 Honor. So I'm not -- as I mentioned before, it is  
7 not my intention to -- let me stand up, then,  
8 because I probably -- I'll probably be a little  
9 louder.

10 So I'm not going to restate everything  
11 that's in our brief, but I do want to address a  
12 couple of points.

13 The evidence is really -- will show in  
14 this case that the parties, through a number of  
15 different areas of testimony -- it's going to come  
16 in with Mr. Golshani, I believe it's going to come  
17 in with Mr. Bidsal, and it's going to come in with  
18 Mr. LeGrand in some respect, that they were trying  
19 to provide for a forced buy/sell agreement.

20 And as we used -- it was discussed  
21 during our last hearing, the sort of concept of  
22 rush justice, although that was not words that  
23 they provided, and that that's a term that they  
24 now want to try to get away from. But the -- but  
25 the answer -- the point was, that a member makes

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 25

1 an offer, and the other member either buys or  
2 sells.

3 That the idea of that is obviously to  
4 force the offering member to make -- who has  
5 whatever time he wants to do his research, to make  
6 a fair offer. And there's a lot of reasons for  
7 that.

8 As it turns out, Mr. LeGrand did not  
9 think that -- he had some -- he who is really  
10 representing Mr. Bidsal from the beginning and as  
11 the -- you'll see that he doesn't even know  
12 Mr. Golshani's last name until well into the --  
13 well into it. He had -- but at a July --  
14 July 21st meeting, this concept was reiterated to  
15 him. And he, after thinking about it, thought it  
16 didn't really make too much sense, not because of  
17 how they took it in their brief out of context,  
18 but because of the difference in the capital  
19 accounts.

20 So he had suggested that there was a  
21 formula, that they needed to either do some --  
22 have some other way. He made a couple of other  
23 attempts to try to resolve it, Mr. Golshani, who  
24 had put up four -- \$4 million to buy the two  
25 properties that they were awarded at auction.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 26

1           This property, which he put in over  
2     \$2.8 million -- there was another property at the  
3     same time that they bought, the country club  
4     property, that he put in almost a million two --  
5     or more than a million two. He had \$4 million.  
6     And as September rolled around, he didn't have one  
7     piece of paper that showed that he was an owner.

8           Mr. Bidsal, who had said that he was  
9     going to have his lawyer take care of drafting  
10    this operating agreement, the evidence will  
11    show -- and this is -- and he's a very  
12    sophisticated man. For some reason, having an  
13    operating agreement that conformed to the parties'  
14    agreement, the oral agreement, was never  
15    forthcoming.

16           So Mr. -- Mr. Golshani, after the last  
17    version of this -- after the last version --

18           (Cell phone interruption)

19           THE ARBITRATOR: Let's all make sure  
20    that our phones are off. I did not indicate off  
21    the record or on the record that we should have  
22    our phones off. However, I will say that if  
23    history is -- the past is prologue, I'm the  
24    biggest violator of the Arbitrator's rule as -- as  
25    has just been shown. At least I'm the first

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 27

1 violator of the rule. I have just turned off my  
2 phone.

3 Go ahead, sir.

4 MR. LEWIN: So as of -- as of  
5 September 20, when they received Mr. LeGrand's  
6 latest version of the operating agreement, it  
7 still did not conform to what the parties told him  
8 they wanted.

9 Mr. Golshani and Mr. Bidsal got  
10 together, and he said, "If he wants a formula,  
11 let's put together a formula." Mr. Golshani  
12 talked to Mr. Bidsal, put something together,  
13 sends it to Mr. Bidsal. Mr. Bidsal commented --  
14 they met, they commented on it, he did another  
15 draft. Mr. Bidsal said it was okay. These two  
16 drafts, Mr. Bidsal now claims mysteriously, he  
17 never received, never received them.

18 So that's going to be an issue for you  
19 to decide who's telling the truth here.

20 But then Mr. Golshani sends it to  
21 Mr. LeGrand, who -- who then sends Mr. -- all  
22 parties saying he's got -- received a fax from Mr.  
23 Golshani, he's going to try to redraft on the --  
24 the operating agreement. And then he sends out  
25 a -- a draft of the provision that we've been



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 28

1 talking about that's the subject of this. It's  
2 in -- it's -- in his draft, it's called draft  
3 number two.

4 It's -- it's seven point -- it's -- he  
5 put -- he puts it at 7.1. It ends up being a  
6 different number, but that's the draft. It goes  
7 to all parties.

8 Now, as part of this process, they --  
9 the issue -- the issue -- and the evidence is  
10 going to show that the -- there was two things  
11 that happened. One, the parties, when they  
12 started talking together about trying to fix what  
13 Mr. LeGrand had done, Mr. Bidsal had raised the  
14 issue of what happens if one member -- if a  
15 party -- if there's an offer, but the one member  
16 is short on cash, doesn't have the ability, but  
17 the offer is so low he can't respond, he will be  
18 forced to -- he will be forced to sell at an  
19 artificially low price.

20 So they decided to put in this concept  
21 of a second -- of a second -- of an appraisal  
22 process. The appraisal process is designed to --  
23 to be as follows. It's the offering member  
24 submits a price to buy/sell, but the remaining  
25 member doesn't -- thinks it's too low, then the

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 29

1 appraisal -- then the remaining member had the  
2 option of asking for an appraisal. That protects  
3 the remaining member from the -- may not have the  
4 money to -- from being forced to sell the -- sell  
5 the property or his interest in the company at an  
6 artificial price. That the appraisal then  
7 becomes -- the appraisal number then becomes the  
8 fair market value, if the remaining member asks  
9 for it.

10 So let's say -- in this case, let's say  
11 Mr. -- Mr. Golshani -- in this case, if Mr. Bidsal  
12 had offered to sell -- to buy the -- excuse me --  
13 buy the property for \$5 million, he didn't have  
14 \$5 million, but he thought the property was worth  
15 \$7 million, he could then ask for an appraisal,  
16 and then that appraised price would then become  
17 the fair market value. That's a protection for  
18 the remaining member.

19 And that is the evolution. That's how  
20 this -- that's how this -- the second issue became  
21 a protection for the remaining member. That is  
22 how the -- that's how that whole issue becomes.

23 So fair market value, as the evidence is  
24 going to show, is really -- there's two fair  
25 market values. There's one fair market value if

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 30

1 the remaining member accepts -- you know, accepts  
2 the price -- accepts the offer or offers to buy;  
3 the second fair market value, if the remaining  
4 member decides he wants an appraisal. And that's  
5 why there's two -- that's why there's two issues.  
6 And this is all going to come out in the --

7 THE ARBITRATOR: As we were discussing,  
8 I think in the Rule 18 portion of the arbitration,  
9 the drafting of the document does not perfectly  
10 align, at least as recalled by the Arbitrator,  
11 with what you just said. And maybe that's what  
12 brought us here today.

13 MR. LEWIN: Well, I -- the drafting of  
14 the -- look, I wouldn't put -- we even say in our  
15 brief that the operating agreement -- so what  
16 happens is that the -- after they come to the  
17 rough draft number two between themselves, they  
18 send it to LeGrand. LeGrand then edits it, does  
19 some modifications for -- to it, sends it to the  
20 parties, the parties then say it's okay. He then  
21 inserts it into the operating agreement. And then  
22 there's some other changes that we'll get to later  
23 on, but there's some -- but that's how that --  
24 that's how it comes about.

25 And the drafting is not perfect. I

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 31

1 mean, we pointed out that there's some paragraphs  
2 that don't follow and whatnot. But when you go to  
3 the essence of the agreement and you really study  
4 it and find out why the -- what the purpose of --  
5 for the remaining -- for this appraisal process,  
6 it begins -- it all makes sense.

7 Now --

8 THE ARBITRATOR: So you're basically  
9 saying that the key purpose -- the word "key" is  
10 the Arbitrator's addition to what you said -- that  
11 the key purpose of the appraisal is to protect the  
12 remaining member. Is that what you said?

13 MR. LEWIN: That's what I'm saying and  
14 that's what the evidence is going to show and  
15 that's what the document says because only the  
16 remaining member has the right to demand an  
17 appraisal, and it's clear. It's absolutely clear.

18 And if there's any issue about -- about  
19 how this came up, a point that the -- that the  
20 respondent wants to avoid -- like a lot of other  
21 things -- I mean, there -- I expect that we're  
22 going to have a lot of evidence in here which  
23 is -- which is going to be evidence to misdirect,  
24 to try to -- to try to throw a whole -- as my old  
25 boss used to say when I was -- he was -- used to

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 32

1 say when I was his -- when I was hired, he was 70  
2 years old, and Max was a good lawyer. And he  
3 said, Rod, throw some fleas at them.

4 Well, that's what we're going to see  
5 here. I think you're going to see a lot of this  
6 evidence is only offered for the purpose of  
7 throwing fleas and misdirect.

8 But what they completely ignore is, and  
9 they would like to ignore, is the language in  
10 the -- the language that sets forth a specific  
11 intent of the parties.

12 Now, if there's anything that is -- if  
13 there's anything that should be most important  
14 in -- in trying to resolve what this agreement  
15 really was intended to do, is a paragraph that  
16 said the specific intent of the parties is that  
17 when one member offers to buy, the other member  
18 has the right to either buy or sell at the same  
19 price, unless he demands an appraisal. What else  
20 do you need in that? They want to ignore that,  
21 that's not part of the agreement, it's not what it  
22 means.

23 Under their theory, an appraisal is  
24 always needed because you would need an appraisal  
25 to -- to set forth what FMV means in the formula.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 33

1 The formulas are fairly -- are fairly  
2 straightforward.

3 So -- so I believe that the -- when  
4 the -- when you hear all of the evidence and you  
5 hear the story, number one, you're going to find  
6 that Mr. Bidsal, despite his protestations in  
7 the -- what I expect he's going to testify to,  
8 that he never received the drafts that were --  
9 that they were negotiating between themselves that  
10 were put in the formula, you're going to find that  
11 that's not true. We'll prove it's not true.

12 Number two, that even -- even if he  
13 didn't get the drafts, he got -- he got the  
14 language from Mr. LeGrange -- LeGrand, I mean,  
15 LeGrand. And he got -- he got that, so he's bound  
16 by it.

17 Thank you very much, Your Honor.

18 THE ARBITRATOR: Okay.

19 MR. GOODKIN: Your Honor, is there  
20 anything you need from us? Or if we can, we'd  
21 like to reserve our opening statement for when we  
22 start our chase in chief.

23 THE ARBITRATOR: As I indicated, you  
24 have that right and opportunity, and it sounds  
25 like you're exercising your right to reserve. And

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 34

1 so we'll -- we'll go to our first witness on  
2 behalf of plaintiff.

3 MR. LEWIN: Okay. We'd like to call  
4 Mr. Benjamin Golshani.

5 THE ARBITRATOR: Would you like to  
6 stay --

7 MR. LEWIN: Well, why don't we move him  
8 over here?

9 THE ARBITRATOR: Very good.

10 MR. LEWIN: I think that would be good.

11 THE ARBITRATOR: Mr. Golshani, if you  
12 would come around -- go -- go around the long way,  
13 around the horn, if you don't mind.

14 THE WITNESS: No problem.

15 THE ARBITRATOR: And before you're  
16 seated, if you would please face the court  
17 reporter, raise your right hand, and be sworn as a  
18 witness --

19 THE WITNESS: No problem.

20 THE ARBITRATOR: -- for arbitration.

21 Court Reporter, if you'd please swear  
22 our witness.

23

24 Whereupon,

25 BENJAMIN GOLSHANI,

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 35

1 was called as a witness, and having been first duly  
2 sworn to testify to the truth, was examined and  
3 testified as follows:

4

5

## DIRECT EXAMINATION

6 BY MR. LEWIN:

7 Q Mr. Golshani, what is your relationship  
8 to CLA Properties, LLC?

9 A I am the managing member and manager of  
10 that entity.

11 Q And where did you grow up?

12 A Pardon me?

13 Q Where did you grow up?

14 A Oh, I grew up in the country of Iran.

15 Q And when did you come to the United  
16 States?

17 A I came here 1979, after there was a, you  
18 know, big turmoil over there and they didn't  
19 need --

20 THE ARBITRATOR: I think we know what  
21 happened in 1979.

22 THE WITNESS: Yeah, education --  
23 education.

24 BY MR. LEWIN:

25 Q And could you please outline your



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 36

1     **educational background for His Honor?**

2           A     I have a -- a master degree in civil  
3     engineering and I have been -- I mean, I did  
4     practice civil engineering for some time back in  
5     Iran and in the United States.

6           Q     **What type of civil engineering did you**  
7     **practice?**

8           A     In here?

9           Q     **Yes.**

10          A     Well, when I came here, I had to take my  
11     license. I studied, and I got the license and I  
12     got a job with the government. And I worked in  
13     construction and supervising the construction.  
14     And after a while, I decided that -- to go and  
15     build buildings and that kind of -- and I became  
16     specialized in civil structural design.

17          Q     **I see.**

18                   **And at some -- was there a point in time**  
19     **when you stopped doing that and did something**  
20     **else?**

21          A     Yes. There -- at a -- a few years  
22     later, there was a recession in buildings and real  
23     estate, and I had some investment -- small  
24     investment in a textile company, and I went there  
25     to help. I didn't have much to do, and I started

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 37

1 becoming interested in that business. And I went  
2 into textile business.

3 Q And what kind of textile business was  
4 that?

5 A I started a -- a unique business using  
6 natural, environmentally-friendly fibers.

7 (Interruption in proceedings.)

8 THE WITNESS: And learning as to how  
9 to -- because I was an engineer, didn't have much  
10 difficulty. I learned about how to weave and dye  
11 and produce for apparel use and home -- home  
12 decor.

13 BY MR. LEWIN:

14 Q And, did -- now, when you say for "home  
15 decor," what do you mean?

16 A Like, for curtains, couches, chairs,  
17 things like that.

18 Q And how do you know Mr. Bidsal?

19 A Well, I had known Mr. Bidsal from long  
20 time ago. We are related and, you know, we -- I  
21 knew of him.

22 Q And how are you related?

23 A Oh, he's my cousin.

24 Q Is he a first cousin?

25 A First cousin. He's my first cousin.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 38

1 His mom is my dad's sister.

2 Q Okay. And were you -- were you close  
3 with him before 2010?

4 A No. We were not close, but we -- I knew  
5 him. I -- you know, from a distance.

6 Q Okay. And you lived where?

7 A Pardon me?

8 Q You lived where in 2010?

9 A I lived in the city of Encino.

10 Q Okay. And how about Mr. Bidsal, was he  
11 living in Los Angeles as well?

12 A Yeah, I learned that he was living  
13 almost close to me.

14 Q Was there a point in time when -- when  
15 you and Mr. Bidsal started talking about buying  
16 properties together?

17 A Yes. There was a time that we decided  
18 we -- you know, met each other and we had several  
19 talks, and it led to doing investments.

20 Q So tell us on or about, when did that  
21 start? Give us a -- give us a synopsis of when  
22 you first started talking with Mr. Bidsal.

23 A Well, I met her -- him at my sister's  
24 place, and, you know, we sat down. We were  
25 talking, and he mentioned that he has been doing

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 39

1 real estate business for some time and he had been  
2 doing very well. And he's specialized in doing  
3 real estate in Las Vegas. And he knows all the  
4 areas and the -- because of his practice in real  
5 estate and dealing with a lot of brokers and  
6 the -- and attorneys. He's extremely good with  
7 legal matters, also, and management of the  
8 properties. And he has been doing -- buying and  
9 selling and he has been doing very well.

10 Q Okay. When was this?

11 A This was sometime about probably 2008,  
12 '9, those time.

13 Q And were you -- were you looking to  
14 invest in real estate at that time?

15 A I was looking to invest in real estate,  
16 yes, and I was looking mostly in Los Angeles area.  
17 And there was a -- a crash in real estate in those  
18 times, so I was trying to see -- I had some  
19 savings and I had some moneys available to me from  
20 relatives, and I thought it would be a good idea  
21 to go invest, especially that I was very good in  
22 construction. I could buy things and make it  
23 better and, you know, sell it.

24 Q Had you invested in any real estate in  
25 Nevada?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 40

1           A       Before that?

2           Q       **Yes.**

3           A       About that time, some of my friends were  
4    buying real estate and they offered me to take  
5    part, which I did, and I had, like, 10 percent  
6    in -- interest. I was a minority shareholder,  
7    yes.

8           Q       **In what?**

9           A       In a shopping center in Las Vegas.

10          Q       **Okay. But you indicated you were  
11   looking primarily in Los Angeles?**

12          A       I was in Los Angeles. I mean, I was  
13   looking, they offered, and I knew them and I  
14   trusted them, so I did invest in that property.

15          Q       **So Mr. -- Mr. Bidsal says -- asked you  
16   if you're interested in buying some -- investing  
17   in real estate with him.**

18                   **What happens next?**

19          A       Well, we had a few meetings. And in  
20   those meetings, one of them, he said that if I  
21   came to Las Vegas, you know, to look him up. And  
22   one time I was here with one of my friends, I did  
23   so, and I called him, you know, and we went to  
24   have coffee and all of that.

25                   And then he took me around and showed me

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 41

1 some of the real estate that he had acquired and  
2 was managing. And the nature of those, you know,  
3 they were, like, big shopping centers and  
4 apartment buildings. And he mentioned to me that  
5 he has been managing them very well and he has  
6 been doing extremely good with those.

7 Q Was there -- was there a time when you  
8 and he began to look into properties to invest in  
9 together?

10 A Yes. What -- what happened, during one  
11 of those times, he mentioned that he had --  
12 because of the downturn, he had -- he does not  
13 have much cash available, and there would be a lot  
14 of opportunity. And I said, "I am looking for  
15 this." And I started becoming interested in what  
16 he was doing, especially, you know, when I ask  
17 question, I -- I -- it seemed to me that he had  
18 all of the answers and he knew what he was doing.

19 And we discussed more. And after I saw  
20 more, I was very impressed. And I told him that,  
21 you know, I could be -- we could be working  
22 together and he concurred, and we said that it  
23 would be a good idea if we were. And buy things  
24 and either fix it or make investment and create a  
25 partnership.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 42

1           Q     And did you begin to look at properties  
2 together?

3           A     Yes, we did.

4           Q     Properties to buy -- potentially buy?

5           A     That's correct.

6           Q     And how many -- over what period of time  
7 were you looking at properties to buy?

8           A     Well, it took a few months, and we would  
9 locate properties, mostly in Las Vegas. And then  
10 we would go see them. There was a time that a lot  
11 of properties went into auction in Vegas. And we  
12 went and we -- we made a list, and we went, we saw  
13 almost all of them. And then we would underwrite  
14 them.

15                   He was familiar with the locations as to  
16 what location is -- would fit our needs better.  
17 I -- I was not. And he seemed to know the history  
18 of every -- every building. He seemed to know the  
19 brokers when he called. He called the brokers by  
20 their first name. And I was very impressed that  
21 he had so much knowledge about this.

22                   And we decided that -- to go partnership  
23 and work together.

24           Q     Okay. So what -- was there a time when  
25 you began to bid on properties?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 43

1           A     Yes.

2           Q     Okay. Let me -- let me -- I have  
3     some -- I want to -- I'm coming back to that.

4                     But before, can you tell us how many  
5     properties you bid on before you actually acquired  
6     Green Valley?

7           A     I don't remember, but a few.

8           Q     Okay. And before you bid on any  
9     properties, did you and Mr. Bidsal have a  
10    discussion about what your -- how you would work  
11    together?

12          A     Well, we -- we -- it came a little  
13    later. And what happened in the beginning, we  
14    discussed that we work together and join effort  
15    and all that. And then he told me that, "As you  
16    know, I am a lot more familiar with the real  
17    estate, with the properties, with the location,  
18    with the legal matters, with everything. I know a  
19    lot of people here and you don't, so I need to get  
20    paid for that."

21                     And then I -- it sounded reasonable to  
22    me. And then he said that, "Well, I will bring  
23    some money, but I am short on cash, and I'm  
24    looking to borrow money. These properties are so  
25    profitable, I would be very happy to go get hard



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 44

1 money and put in these properties."

2 And then we discussed a little bit more.

3 He told me, "How about if you invest more than me,

4 and we" -- "because I do the work and because of

5 my knowledge and expertise, but we share the

6 profit 50/50." And I agreed tentatively on that.

7 I put 60 percent of the money and buy 60 percent

8 of the property, he would buy 40 percent of it.

9 However, we -- when we make money on

10 that -- on that property, whether if it is rent,

11 we cut it in half.

12 Q Okay. Now, was there a discussion about

13 what kind of entity you would -- you would buy

14 properties in?

15 A Well, he said that we should open an LLC

16 property, the LLCs are geared more toward real

17 estate. And I had no problem with that.

18 Q Was there any discussion -- was there

19 any discussion at the time before you purchased

20 any property about if you got one and formed an

21 LLC, about a -- about buying or selling each other

22 out?

23 A What happened when we were discussing

24 about the partnership and -- what I did, I told

25 him that, okay, now that we are -- we have decided

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 45

1 to go into partnership and we are friends and we  
2 trust each other and all of that, we better have  
3 to have an exit also, so that for whatever reason,  
4 if we don't want to be together or somebody is  
5 not -- doesn't want to work in Las Vegas or  
6 whatever, there should be a way to separate  
7 without having to go into court.

8 I have seen my friends to fight with  
9 their partners and all that, and I really wanted  
10 to avoid that. You know, I thought that the same  
11 way we became partners, we also, if -- whoever --  
12 if a partner didn't want to continue the  
13 partnership, he should be able to -- there should  
14 be a mechanism to separate.

15 Q And what did Mr. Bidsal -- what did  
16 Mr. Bidsal say?

17 A Oh, he said -- he said he also  
18 concurred, and he said it's no problem, he has  
19 done that before, and he knows that attorneys can  
20 write it and take care of that. And I insisted a  
21 few times, and, you know, I -- I'm talking ahead  
22 of time, but when we met with LeGrand, I did  
23 mention that --

24 Q Well, we're going to talk about  
25 Mr. LeGrand too.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 46

1           A       Yeah, I know. What I did mention, we  
2       don't want to go to court. We need to have a  
3       system that if a partner doesn't want to be a  
4       partner, should be able to somehow buy or sell and  
5       leave the partnership amicably.

6           Q       So were you bidding on properties at  
7       auctions?

8           A       Yes.

9           Q       And would you -- and the -- what is the  
10      process for being able to bid at an auction?

11          A       Well, the process is, that you first  
12      register, and they want you to put up some money,  
13      like 50,000, 100,000, depending on the value of  
14      the property. And after that, you start -- at a  
15      certain date, you bid. If you are awarded, within  
16      a few hours you need to put up, like, about 10  
17      percent of the money.

18                   And they give you a very short period of  
19      time to come up with the rest of the money and  
20      close the escrow.

21          Q       Now, if -- and did you put in bids --  
22      did you make it a -- did you and Mr. Bidsal make a  
23      deposit in order to be able to bid at these  
24      auctions?

25          A       We did. And one thing that happened,

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 47

1 Mr. Bidsal told me that he's short on cash and --  
2 for that 50,000, 100,000 deposit, it's not  
3 available. And I volunteered, I gave him my  
4 credit card. I had a few hundred dollars --  
5 thousand dollars' credit, and I said, okay, use  
6 this. And he would use that, and they would block  
7 the credit, and they would register us.

8 If he defaulted -- for example, if he --  
9 I agreed to buy a property awarded, and if he  
10 didn't do it, they would have confiscated that  
11 money.

12 Q And how many -- do you recall how many  
13 bids you put in on the auction process?

14 A Total?

15 Q Approximately, give us a --

16 A No. Many. Many, you know. Of every --  
17 I don't know, 10, 15, maybe one would materialize.

18 Q So --

19 A It was a difficult process.

20 Q So you put in -- did you put in 10 to 15  
21 bids to buy properties at auctions?

22 A Probably, yeah.

23 Q Okay. But many -- but more than one?

24 A Yes.

25 Q Okay. And ultimately, were you

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 48

1       **successful in acquiring -- being awarded a bid?**

2           A       Yes.

3           Q       **And for what properties?**

4           A       We -- the first property we were awarded  
5       was that Green Valley, which is in the -- the  
6       subject of this arbitration. And another property  
7       which is called Country Club. We bought it at the  
8       same day. We got awarded at the same day.

9           Q       **And what kind of property is Country**  
10       **Club?**

11          A       Country Club is a shopping center.

12          Q       **And where is that located?**

13          A       In Henderson, Las Vegas.

14          Q       **All right. So let's take a look at --**  
15       **let's take a look at Exhibit No. 2, if you would.**

16                   **What is Exhibit No. 2?**

17          A       Exhibit No. 2 is a -- a receipt of a --  
18       money that I wired to the escrow for the amount of  
19       \$404,250 on May 20th. It was probably a couple of  
20       days or same day that we got awarded.

21          Q       **I see.**

22                   **So did -- so you said that you had to**  
23       **put up a percentage of the purchase price to open**  
24       **up an escrow?**

25          A       Yes, sir.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 49

1 Q Okay. And is this --

2 A About 20 -- about 10 percent, I believe.

3 Q Well, and take a look. You know what --  
4 and did you -- I see.

5 So you understood the -- so you put up  
6 \$404,250?

7 A That's right.

8 Q And what was this -- what property was  
9 this for?

10 A For Green Valley.

11 Q And did Mr. Bidsal put up any of that  
12 money?

13 A No. At that time, he said that he is  
14 short on cash. And I said, "It's no problem. I  
15 do have the cash." So I did put up the money.

16 Q Let's take a look at Exhibit No. 3.  
17 What is this?

18 A That's the -- the -- I believe wire  
19 instruction of Mr. Bidsal to his bank to send  
20 money to the escrow.

21 Q All right. And take a look at Exhibit  
22 No. 4.

23 A That's the closing statement.

24 Q For Green Valley?

25 A Correct.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 50

1 Q Okay. And this shows that you put up --  
2 what was your total amount that you put up?

3 A I put up \$404,000 and --

4 Q Actually, 404,250. Don't forget the  
5 250.

6 A 250. At -- I mean, in the escrow. At  
7 the close, I put 2.4 million, 30,000. Total of  
8 2.834.

9 Q Now, that's 70 percent of the purchase  
10 price. I thought you said that the deal was  
11 supposed to be 60/40?

12 A Well, when we -- when things started  
13 getting serious, then Mr. Bidsal talked to me and  
14 said, "Listen, I thought about it. I thought  
15 about it, and the services and the time I'm going  
16 to put on this is tremendous. And you don't have  
17 the knowledge and you don't have the time to come  
18 and take care of these things.

19 "And I need to get paid for my time, and  
20 I need to get paid for my knowledge of legal  
21 matter and management matter, you know,  
22 transactional matter and all of that. And I have  
23 acquired all of these properties, you don't."

24 And I -- for two reason, I -- I agreed  
25 to -- he said that he wants to change that to

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 51

1 70/30. And I was too far ahead in the game,  
2 number one, and then I thought, okay, I have come  
3 so far for that 10 percent, I better not make an  
4 issue out of it and all that. Let's try it and  
5 see what comes out of it.

6 And I agreed with that 70/30, and I did  
7 pay. And the 70/30 was that I would buy  
8 70 percent of the property, he would buy  
9 30 percent of the property, but the profit would  
10 be divided in half.

11 Q Okay. 50/50?

12 A Yes.

13 Q Okay. And was there -- and did Country  
14 Club close at the same time?

15 A About the same time with the same setup.

16 Q Same setup.

17 And take a look at -- let's take a look  
18 at Exhibit No. 1.

19 A Okay.

20 Q Now, these are articles of organization  
21 for Green Valley Commerce, LLC, which were filed  
22 on May 26th, 2011.

23 And you received a copy of these?

24 A Yes.

25 Q And did you receive a -- and I -- and I



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 52

1     note that your name is nowhere to be found in this  
2     document.

3           A     That's correct.

4           Q     And did you ask Mr. Bidsal about that?

5           A     Well, I did. He said that, you know, I  
6     formed a corporation, and, you know, this is the  
7     corporation which is going to be the owner. And I  
8     noticed that he is both the member and the  
9     manager. And I said, how about me?

10                  He told me that by law, there is only  
11     one manager in the -- in the LLCs. And as far as  
12     the membership, he said, we will add you, not  
13     here, but we will write an operating agreement and  
14     will add you there.

15                  But at that time, he was the owner and,  
16     you know -- and I had trusted him with that money.

17           Q     But he was the owner in name?

18           A     That's right.

19           Q     So --

20           A     And the papers showed that.

21           Q     Okay. Now, I see the paper. You had  
22     already -- by the time this entity was already --  
23     by the time this -- you had already deposited the  
24     \$404,000 by the time this entity was formed;  
25     right?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 53

1 A I think I --

2 Q Look at Exhibit 2.

3 A -- before that.

4 Q Look at Exhibit 2. It's dated May 20th.

5 A Okay. This is May 25. The money was in  
6 May -- May 20.

7 Q Okay. All right. So now, at the time  
8 that escrow closed, June 3rd, 2011, had -- had  
9 you -- had you seen a draft of any operating  
10 agreements?

11 A No, sir, I hadn't.

12 Q Had you been introduced to a lawyer who  
13 was going to draft the operating agreements --

14 A No.

15 Q -- for Green Valley or Country Club?

16 A No, I hadn't.

17 Q Is it -- am I correct that you just  
18 said -- is the deal supposed to be the same for  
19 Green Valley and Country Club?

20 A Correct.

21 Q The same deal?

22 A Yes.

23 Q Were the -- the same buy/sell?

24 A That's correct.

25 Q Okay. So now, after the -- after the

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 54

1 escrow closed, did you receive -- did you begin to  
2 receive some operating agreements from Mr. Bidsal?

3 A Yes. I did sometime after close of  
4 escrow.

5 Q Okay. Did you receive -- how much --  
6 how many draft operating agreements did you  
7 receive? I mean, let me stop that.

8 Did you receive any direct -- any -- did  
9 you have any direct communication with any  
10 lawyer -- let me rephrase that.

11 Up until July 21, did you have any  
12 direct communications with any lawyer who was  
13 drafting the operating agreements for Green Valley  
14 or Country Club?

15 A No, sir.

16 Q You said you received some operating  
17 agreements.

18 From whom did you receive them?

19 A Bidsal would send me, and I did notice  
20 that somebody sent it to him, and he's sending it  
21 to me.

22 Q Well, for example, let's take a look at  
23 Exhibit No. 5.

24 Is this -- is this the -- is this one of  
25 the drafts of the operating agreement that you

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 55

1     **received before July 21?**

2           A     I'm not sure if I received this one,  
3     but -- because the one that I received had the  
4     cover sheet in form of an e-mail from Mr. Bidsal.  
5     So I'm not really sure that I received this one.

6           There was -- you know, I was not in  
7     communication with -- privy to the discussions.  
8     They were discussing among each other, and the  
9     only way I would receive something was through  
10    Mr. Bidsal.

11          Q     So in any case, before July 21, did you  
12    receive any operating agreement that had a forced  
13    buy/sell agreement in it, or any -- or anything  
14    like a forced buy/sell agreement in it?

15          A     No. I did probably receive something,  
16    but it didn't have any buy/sell agreement as we  
17    discussed with Mr. --

18          Q     Okay. At some point in time, did you  
19    meet a lawyer named David LeGrand?

20          A     That's correct.

21          Q     And where did you meet him at?

22          A     In his office.

23          Q     And do you remember the date that you  
24    met him?

25          A     I believe it was -- I believe it was

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 56

1 July 20 -- 20 or so.

2 Q Can you take a look at Exhibit 13,  
3 please.

4 MR. SHAPIRO: Did you say a date that  
5 you met him?

6 MR. LEWIN: He said --

7 THE WITNESS: Yeah.

8 MR. SHAPIRO: What date did you say?  
9 I'm sorry.

10 THE WITNESS: I said I think it was -- I  
11 think it was June -- the month of July.

12 MR. SHAPIRO: Oh, not a specific date.

13 MR. LEWIN: I think he said -- I think  
14 he said I thought it was July 20.

15 THE WITNESS: Twenty, around that, yeah.

16 BY MR. LEWIN:

17 Q Take a look at --

18 A No, I'm sorry, but if I look at this  
19 letter, I will remember exact.

20 Q Okay. Well, take a look at Exhibit 13.  
21 Are you looking at Exhibit 13?

22 A I'm looking at it.

23 Q Okay. Look at July 21.

24 This is Mr. LeGrand's bill?

25 A Yeah.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 57

1           Q     **Look at July 21.**

2           A     That's right. On this date, I know that  
3 we met Mr. LeGrand for the first time -- I met for  
4 the first time, yes.

5           Q     **Okay. And who did you understand**  
6 **Mr. LeGrand was?**

7           A     Our attorney.

8           Q     **All right. And can you tell us -- it**  
9 **says that the meeting lasted 2.2 hours.**  
10                    **So what -- what were you discussing**  
11 **during those 2.2 hours? Can you identify the**  
12 **topics, please?**

13          A     Well, the first topic was that I  
14 discussed how come I can't be a manager, you know.  
15 I have seen people -- companies that I -- can have  
16 many managers. And he said, yeah, your company  
17 can have 20 managers.

18                    And we discussed it with Mr. Bidsal -- I  
19 mean, he discussed it and all of that. And one of  
20 the things that came out of this meeting was that  
21 they named me as a manager also with Mr. Bidsal.

22          Q     **Okay. By the way, this is a meeting**  
23 **among all three of you?**

24          A     Yes, sir.

25          Q     **You, Mr. LeGrand, and Mr. Bidsal?**

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 58

1           A     That's right.

2           Q     And what else was discussed during this  
3 meeting that's pertinent to this arbitration?

4           A     The other discussion was that -- the  
5 buy/sell agreement.

6           Q     Okay. Tell us -- tell us what --

7           A     The -- for --

8           Q     Hold on. Just hold on, hold on a  
9 second.

10                   Tell us what was said about the  
11 buy/sell.

12          A     I'm not sure what --

13          Q     Just tell us --

14                   THE ARBITRATOR: Why don't you lead him  
15 and see if Mr. Shapiro objects.

16 BY MR. LEWIN:

17          Q     Okay. Well, just tell us what was said  
18 about the buy/sell agreement.

19                   MR. SHAPIRO: Object to leading.

20                   THE ARBITRATOR: Overruled.

21 BY MR. LEWIN:

22          Q     Just tell us what was said about the  
23 buy/sell agreement at this meeting.

24                   Who said what?

25          A     Okay. He didn't talk about it. I talk

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 59

1 about it and Mr. Bidsal. And I reiterated what me  
2 and Mr. Bidsal had talked and had -- I agreed.  
3 And I said that we are here so that you would  
4 write a provision that anytime we didn't want to  
5 be a partner, we would be able to separate without  
6 having to go to court and, you know, the court  
7 decide about us.

8 And, I mean, he asked some questions  
9 that for what reason and all of that, and  
10 Mr. Bidsal said that for no reason at all. Maybe  
11 a partner doesn't even want to be in Las Vegas or  
12 doesn't want to continue real estate. For  
13 whatever reason, we want to have a mechanism to  
14 give a notice and be able to leave.

15 And the way we have discussed it is  
16 that -- and I said and Mr. Bidsal said the same  
17 thing, that a partner, a member or an investor  
18 would offer to buy the interest of the other  
19 member, and within certain time, that member has  
20 to either sell his interest at that price or buy  
21 the interest of the first person at that price.

22 So this time, this way, everything would  
23 be fair, because the person who was making the  
24 offer for sure researches about how much he should  
25 offer so that either way, it would be fair. And



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 60

1 the person who is being offered to has the choice  
2 to do either one.

3 And he also mentioned what if one -- one  
4 person doesn't have money and all that, and we  
5 said we have decided that we always be prepared  
6 for a situation like this and would have the money  
7 to do this forced buy/sell.

8 Q Was there any other -- on this issue of  
9 the forced buy/sell, was there anything else  
10 discussed that you can remember?

11 A I don't -- well, I -- probably, but I --  
12 I don't remember. You know, if I had my notes,  
13 probably I would have said a few things. But  
14 the -- the manager and the buy/sell agreement  
15 would be the one that we discussed, that somebody  
16 makes an offer, and that offer -- the other person  
17 can buy or sell at the same.

18 Q By the time of this meeting on  
19 July 21st, had you received any documentation  
20 showing that you were an owner in Green Valley?

21 A No.

22 Q Okay. Let's take a look at --

23 MR. GOODKIN: I hate to ruin this -- you  
24 know, the process so far, but do you want to do  
25 anything about lunch? I just bring it up for --

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 61

1 THE ARBITRATOR: Let's go off the record  
2 and discuss.

3 (Discussion off the record.)

4 THE ARBITRATOR: Okay. Back on the  
5 record.

6 BY MR. LEWIN:

7 Q Okay. Mr. Golshani, talking about that  
8 July 21st meeting -- by the way, do you know how  
9 Mr. Bidsal chose Mr. LeGrand to be the attorney to  
10 draft this agreement?

11 A How Mr. Bidsal chose -- I'm sorry.

12 Q Do you know how Mr. Bidsal chose  
13 Mr. LeGrand?

14 A Oh, I didn't know, no.

15 Q Did Mr. Bidsal ask you if you knew an  
16 attorney to draft the agreement?

17 A No. He mentioned that he knows the best  
18 in Las Vegas.

19 Q All right. And at the meeting, was  
20 there any conversation about the buy/sell only  
21 occurring in the -- in an event of a deadlock?

22 A I'm not sure. It -- there was a  
23 discussion of that. It probably had or had not --  
24 I don't remember that.

25 Q Okay. Let's take a look at -- let me

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 62

1 just go back at -- just in some time here.

2 So the --

3 A But I remember that that forced buy/sell  
4 was independent of anything else. It did not have  
5 anything to do with the deadlock or anything else.  
6 That I remember.

7 I remember that the forced buy/sell that  
8 we had agreed was independent of the deadlock or  
9 any other thing. That I remember.

10 Q Take a look at Exhibit No. 10, would you  
11 please. This is now dated June 27th. This is  
12 before the meeting.

13 This is an e-mail from LeGrand to  
14 Mr. Bidsal on June 27th.

15 Did you receive -- did you ever receive  
16 a copy of this before this -- this lawsuit?

17 A Before this lawsuit, yeah; recently I  
18 did, yes.

19 Q Okay. Did -- did you -- did you know  
20 that Mr. Bidsal had -- was setting up the voting  
21 so that Shawn's vote was needed for any vote to  
22 pass? It says here, "One vote for 1,000, because  
23 the whole purpose of setting votes at 90 percent  
24 was to make sure your vote was needed for a vote  
25 to pass."

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 63

1 Do you remember --

2 A At that time, I did not know that, no.

3 Q And looking at the -- looking at the --  
4 okay. Let's back up. Okay.

5 Looking -- please turn to Exhibit  
6 No. 11. This is a -- it's an e-mail from -- two  
7 e-mails from Mr. LeGrand to Mr. Bidsal. It  
8 says -- this is July 22nd, the day after the  
9 meeting. It says, "Okay, I'm working on the  
10 OPAG" -- and I think that's his denomination for  
11 operating agreement.

12 A Correct.

13 Q "I'll send it shortly."

14 A Yes.

15 Q Was it -- at the meeting on July 21, was  
16 there a discussion that you were going to receive  
17 a -- that he was going to revise the operating  
18 agreement?

19 A Correct, yes.

20 Q Take a look at Exhibit No. 12.

21 A Okay.

22 Q This is a -- a July 22nd, 2011, e-mail  
23 from Shawn Bidsal?

24 A Uh-huh.

25 Q And then it says to Bengol@yahoo.com.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 64

1 By the way, is that your e-mail address?

2 A No. That ampersand should have been  
3 seven. I didn't receive this e-mail.

4 Q All right. Did you ever receive this  
5 e-mail?

6 A Recently, yes, after.

7 Q Okay. Well, did you receive this e-mail  
8 in July of 2011?

9 A No.

10 Q Okay. Take a look at --

11 A From that time, I didn't.

12 Q Let's take Exhibit 13 -- Exhibit 14.

13 This is a -- an e-mail dated August 10, 2011, and  
14 I see it's sent to you and Shawn Bidsal. It says,  
15 "Ben, please find the red-line revised OPAG per  
16 our last meeting."

17 Two things, did you have any meetings  
18 with Mr. -- with Mr. LeGrand in between July 21  
19 and August 10?

20 A No, I did not.

21 Q Did you have any communications with  
22 him?

23 A Probably by telephone.

24 Q And had you received the revised  
25 operating agreement before August 10?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 65

1           A     I'm not sure, but I know that on this  
2     August 10, I received this e-mail.

3           Q     And did you -- and did you review the  
4     operating agreement?

5           A     Yes.

6           Q     And what did you --

7           A     Well --

8           Q     Hold on a sec.

9                     What did you conclude about this revised  
10    operating agreement?

11          A     I realized that Mr. LeGrand didn't put  
12    here what we discussed in that July 21st meeting.  
13    We had discussed about that forced buy/sell, and  
14    he -- I think he took care of the managers, but he  
15    didn't take care of the -- he didn't mention  
16    anything about that.

17          Q     Okay. So let's take a look at the --

18          A     About the forced buy/sell.

19          Q     Okay. Let's take a look at the  
20    revision. Look at page 7 on the red line. It has  
21    a provision for deadlock in here.

22                     Do you see that?

23          A     Yes.

24          Q     And then it has a provision for  
25    arbitration; right?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 66

1 A Yeah, yes.

2 Q Page 8 has a provision for manager?

3 A Yes.

4 Q And page -- page 10 has, in Section 3, a  
5 right of first refusal in the -- if a member sells  
6 his interest?

7 A Yes.

8 Q But it didn't have anything -- but  
9 there's nothing in here about a forced buy/sell;  
10 right?

11 A No, it doesn't.

12 Q So after you received this and you  
13 looked at it, what -- what did you do?

14 A From what I remember, I contacted  
15 them -- him and Mr. Bidsal, and I said, "The  
16 operating agreement I received does not contain  
17 what we discussed."

18 Q And did you -- did you have a  
19 conversation with Mr. Bidsal about this?

20 A You -- generally, when I got things that  
21 I didn't think it was correct, yes, I would have  
22 had discussion, you know, if he was available.

23 THE ARBITRATOR: Would have had or did  
24 have?

25 THE WITNESS: Did have. Generally, I

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 67

1 did have conversation with Mr. Bidsal.

2 THE ARBITRATOR: On that subject?

3 THE WITNESS: Yes, and others,

4 generally. On that subject, I am not sure

5 100 percent. But generally -- like I said,

6 generally I do -- I did talk to Mr. Bidsal.

7 BY MR. LEWIN:

8 Q Well, the -- was the forced buy/sell  
9 important to you?

10 A Yes, it was.

11 Q Now, take a look at page 28 on this  
12 exhibit -- of this red line.

13 A Uh-huh.

14 Q And I see that it includes CLA  
15 Properties as -- as a 70 percent percentage  
16 interest.

17 Do you see that?

18 A That's right.

19 Q Okay. So take a look at Exhibit 15.

20 A Okay.

21 Q This is an e-mail from Mr. LeGrand to  
22 you, and it says, "Ben, I'm confused by your phone  
23 call. I included extensive right-of-first-refusal  
24 language in this OPAG draft. My notes are that  
25 this approach is what we discussed. Please call



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 68

1 me if this is wrong."

2 Okay. So did you -- did you call

3 Mr. LeGrand?

4 A I -- yes, and I had called him before,  
5 yes.

6 Q And do you remember what -- was this a  
7 telephone message or is this a conversation?

8 A I had left a message for him, and then I  
9 also contacted him.

10 Q So when you spoke to Mr. LeGrand, what  
11 did you tell him?

12 A I told him, you know, we had a meeting  
13 and -- for hours, and we discussed things in  
14 detail, and you said that you would prepare the  
15 operating agreement, and on that operating  
16 agreement there was supposed to be a forced  
17 buy/sell that we could separate, but I didn't see  
18 it here. And then --

19 Q What -- what did he say?

20 A He said he would do it. He would do it,  
21 he would take care of that.

22 Q Okay. Take a look at Exhibit 16.

23 A Okay.

24 Q This is an e-mail dated August 18 that  
25 says to Ben -- to Ben and Shawn. And it says,

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 69

1 "Ben and Shawn, please find attached OPAG based on  
2 my conversation with Ben this morning."

3 A That's correct.

4 Q "I modified the books and records  
5 provision, modified the right of -- ROFR to be for  
6 sales for third parties and added a Dutch auction  
7 provision. The Dutch auction only works if there  
8 are two members. To bring in more members, it  
9 would be more complex."

10 So when you -- you received it -- did  
11 you receive this?

12 A Correct.

13 Q And did you -- did you review it?

14 A Yes, I did.

15 Q And take a look at page 7 -- pardon me,  
16 page 12 of -- actually, there's -- actually,  
17 there's two -- if you observed what -- first of  
18 all, take a look -- first of all, take a look at  
19 the next page, the third page.

20 THE ARBITRATOR: Can you give the  
21 Arbitrator and the court reporter what page  
22 exactly?

23 MR. LEWIN: It's the third page of  
24 Exhibit 16.

25 THE ARBITRATOR: Is there anything

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 70

1 written on the bottom of that page?

2 MR. LEWIN: Yeah, it says "Bidsal  
3 Version."

4 THE ARBITRATOR: Thank you.

5 BY MR. LEWIN:

6 Q Okay. And the purpose of this is --

7 THE ARBITRATOR: Down in the bottom  
8 right-hand corner, just for the record, it says  
9 9/13/2017, 2:08 p.m. down at the bottom right  
10 corner.

11 Go ahead.

12 BY MR. LEWIN:

13 Q And when you received this e-mail from  
14 Mr. LeGrand, were there two attachments?

15 A Yes.

16 Q Okay. Were the attachments -- one was a  
17 red line and one was a clean version?

18 A It was, but they were not the same.  
19 They were two different versions.

20 Q Okay. So are you saying the red line  
21 was not a red line of what the clean version was?

22 A Correct.

23 Q Okay. Let's take a look at the clean  
24 version. And I don't think there's any dispute in  
25 this, the red line is not a red line of the clean

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 71

1 version.

2 So take a look at the clean version,  
3 page 12. That's the -- that's the second version.  
4 Okay. Looking at section -- there's now a  
5 Section 7. You have to look at the clean version,  
6 Mr. Golshani. That's the second -- that's the  
7 second document in the package.

8 A Page --

9 Q Twelve.

10 THE ARBITRATOR: 29 it says there; is  
11 that correct?

12 MR. LEWIN: That's correct.

13 THE ARBITRATOR: All right.

14 THE WITNESS: Yeah, page 12, correct.

15 BY MR. LEWIN:

16 Q So when you received this e-mail from  
17 Mr. LeGrand and he said he put it in the -- he put  
18 it in, the Dutch auction, did you locate this  
19 provision here on 7.1?

20 A That's right, I read that.

21 Q And was this what -- was this consistent  
22 with what your -- with your understanding of what  
23 Mr. LeGrand was supposed to be drafting?

24 A No, it was not. This was not what we  
25 discussed at that July 21st meeting.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 72

1 Q Okay.

2 A It was still not what we want.

3 Q And how -- and what was wrong with this  
4 version of the -- of the buy/sell?

5 A First, there -- there -- here -- let me  
6 take a look at it. I apologize.

7 Okay. First thing was that the offering  
8 member should bring an offer -- an appraisal  
9 showing that this offer is bona fide, and that is  
10 what -- not we had agreed. We had agreed that the  
11 offering member would offer any amount that he  
12 thinks is fair, to have the freedom to have any  
13 number. And the second problem I had was that it  
14 would give the second party -- the other party  
15 only ten days to make a decision, and it was not  
16 enough.

17 And then it was talking about the fair  
18 market value here, and that was not what we  
19 discussed, either. Because we -- the offering  
20 member was supposed to offer something that he  
21 thinks is fair, and he can -- he could do his due  
22 diligence and appraisal, whatever come of it, a  
23 number that he is comfortable with, buy or sell,  
24 and offer it; whereas here it would tie it to a  
25 fair market value that we didn't know how to get

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 73

1 it.

2 For this reason, I told him that this is  
3 not what we wanted to have.

4 Q So after you saw this, did you -- did  
5 you discuss this provision with Mr. Bidsal?

6 A Correct, yes.

7 Q Okay. Tell us what the conversation was  
8 between you and Mr. Bidsal about this -- about  
9 this proposal.

10 A Exactly the same conversation, that  
11 we -- I -- you know, that I told him that these  
12 are not what we discussed, and he said he would  
13 talk to him and he would take care of it --  
14 things. And by that time, I was a little bit  
15 frustrated. I didn't -- I wanted to have an  
16 operating agreement signed.

17 So I asked to please expedite and talk,  
18 whatever they need to talk and --

19 Q Well, when you -- did you go through --  
20 did you tell Mr. Bidsal what you saw were the  
21 problems in the Section 7.1?

22 A Yes, yes.

23 Q And did he -- what was his comment about  
24 what you saw?

25 A He concurred. He said that that's not

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 74

1 what we discussed with Mr. LeGrand.

2 Q And you said you were frustrated.

3 Had you received any written -- did you  
4 have any written agreement reflecting that you  
5 were -- that you owned Green Valley or Country  
6 Club by this time?

7 A That was the problem. Here I was, you  
8 know, trusting \$4 million of my money and buying  
9 these properties, and I didn't have -- have a  
10 single paper in my name that I have the ownership.  
11 And I didn't like that, and I started, you know,  
12 questioning that. And I thought that was wrong.  
13 I talked to Mr. Bidsal about it and I talked to  
14 Mr. LeGrand, that we need to wrap this up and we  
15 need to have an operating agreement.

16 Q And you wanted one for both Green Valley  
17 and Country Club; right?

18 A Definitely.

19 Q And did -- look at the Section 7.  
20 Did you draft any of this language?

21 A No, not at all.

22 Q And take a look at the last -- the last  
23 section, the last sentence of Section 7.1.

24 A That's right.

25 Q Where it says, quote, "The specific

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 75

1 intent of this provision is that the offering  
2 member shall be obligated to either sell his or  
3 its member interest to the remaining members or  
4 purchase the member's interest of the remaining  
5 members based on the fair market value of the  
6 company's assets."

7 Did you -- did you draft that language?

8 A No.

9 Q Did you suggest that language be put in  
10 this --

11 A No.

12 Q -- this document?

13 A No, not at all.

14 Q Okay. Now, I want to take a look at  
15 Exhibit 17. This is a -- an e-mail from  
16 Mr. LeGrand, which is almost -- is almost a month  
17 later -- no, pardon me. No. It's -- well, it's  
18 almost a month later, actually.

19 A Yeah.

20 Q Between -- between August 10 and  
21 September 16, did you receive -- did you receive  
22 any other versions of the -- any further revised  
23 operating agreement?

24 A I don't think so.

25 Q Okay. Was anything happening with



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 76

1     respect to the operating agreement during this  
2     time period?

3           A     Not really.

4           Q     Were you -- did you have any discussions  
5     with Mr. Bidsal between August 10, when you got --  
6     pardon me -- August 18 -- August 18th and -- let  
7     me start over.

8                     You received the draft with the -- from  
9     Mr. LeGrand on August 18. Between August 18 and  
10    September 16, did you have any conversations with  
11    Mr. Bidsal about what was happening getting the  
12    revision out?

13          A     Yes. We -- we had discussion and I said  
14    that we need to wrap the operating agreement, and  
15    he said he's on top of it and he would take care  
16    of it. And I left it at that at that time.

17          Q     Did you call -- okay. So when you  
18    received this -- this August -- September 16,  
19    2011, e-mail that, again, has a -- a draft of -- a  
20    revised operating agreement, did you read it?

21          A     On which date?

22          Q     This is -- this is Exhibit 17. It's  
23    September 16, 2011.

24          A     Yes, I have reviewed that.

25          Q     Okay. So did you -- did you -- did you

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 77

1 see anything in this September 16, 2011, revision  
2 that caught your attention?

3 A Well, I realized that everything is  
4 eliminated.

5 Q When you say "everything is eliminated,"  
6 what do you --

7 A I mean, the -- that forced buy/sell is  
8 eliminated.

9 Q Is not included in this agreement?

10 A I didn't see it.

11 Q Okay.

12 A I didn't see it.

13 Q Okay. So Mr. LeGrand says, "I made  
14 some" -- in his e-mail says, "I do not know how to  
15 address the concept of the Dutch auction after  
16 much thought. We discussed that you want to be  
17 able to name a price and either get bought or" --  
18 "bought or buy at the offer price." Let me stop  
19 there.

20 A Right.

21 Q When it referred to "we discussed," was  
22 that a discussion -- do you know who he's talking  
23 about there?

24 A What discussion?

25 Q Well, it says, "We discussed that you

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 78

1 want to be able to name a price and" --

2 A It means three of us, yeah.

3 Q I can -- then it goes on, "I can write  
4 that provision, but I'm not sure it makes sense  
5 because Ben has put in more than double the  
6 capital of Shawn. So if Ben names a price to be  
7 bought out, that price has to reflect getting his  
8 capital back."

9 Did you -- did you recognize this as a  
10 an -- as an issue?

11 A Yeah, I recognize.

12 Q But after you -- but you -- but when you  
13 noticed that there was no buy/sell provision in  
14 this new redraft, did you talk to anybody about  
15 it?

16 A Well, yes, I did.

17 Q Who did you speak to?

18 A I talked both to LeGrand and Mr. Bidsal.  
19 What -- when -- do you want me to explain about  
20 what is here or --

21 Q I just want to know what you said --  
22 what did you say to Mr. Bidsal about this?

23 A Well, I said that I understand capitals  
24 are different. And there should be -- I mean,  
25 it's not that if somebody offers a dollar a month,

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 79

1 the other party can buy the other amount at the  
2 same amount, because the capital -- the  
3 contribution in the beginning was different.

4 And the -- we thought that we should  
5 come up with a way to address that.

6 Q Did you -- and did -- was -- did you  
7 have a conversation with Mr. LeGrand about this?

8 A Yes. And he also said the same thing,  
9 that, you know, we need to address so that it  
10 would be working, the capital -- the initial  
11 capital.

12 Q Well, did you have a conversation with  
13 LeGrand or did you leave him a voicemail?

14 A I don't remember.

15 Q Okay. Let's take a look at Exhibit 18,  
16 which is a -- it's called -- it's dated  
17 September 19th. And it says, "Shawn" -- it says,  
18 "Shawn and Ben, I got Ben's voicemail Saturday  
19 regarding buy/sell, and I talked with Shawn about  
20 that issue. Because your capital contributions  
21 are so different, you should consider a formula or  
22 other approach in valuing your interest. A simple  
23 Dutch auction, where either of you can make an  
24 offer to the other and the other can elect to buy  
25 or sell at the offered price does not appear

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 80

1 sensible to me.

2 "But you are both the clients, and I  
3 will write it up as you jointly instruct. I know  
4 Ben wants to get this finished. We can talk by  
5 phone and figure this out" -- "figure out this  
6 last issue."

7 Were you anxious to get this deal done?

8 A Definitely.

9 Q For the same reasons that you discussed  
10 earlier?

11 A Exactly.

12 Q And take a look at Exhibit 19, which is  
13 an e-mail dated September 20. And it says -- it  
14 says, "Ben and Shawn, please find the revised OPAG  
15 with the new Article 5, Section 5 which sets forth  
16 the Dutch auction."

17 Now, take a look at page -- that portion  
18 is on page 12.

19 And it's at the bottom of page 12, and  
20 it says "sales between members." And it goes on  
21 to page 13.

22 Did you -- did you read this section?

23 A Yes.

24 Q And did you believe that this -- did you  
25 form any opinions or conclusions about whether

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 81

1     **this -- this fit the bill? In other words, it**  
2     **satisfied what -- your idea of what -- what you**  
3     **and Mr. Bidsal agreed to?**

4           A     No, it didn't, for the -- for the  
5     following reason. Number one, it did not -- I  
6     mean, it did eliminate that appraisal and the fair  
7     market value, and the -- but I realized that it is  
8     not the forced buy/sell at the last paragraph. If  
9     the second party was offered, don't do anything,  
10    this thing is not enforceable and --

11           Q     **So you mean if the -- if the offeree**  
12    **doesn't do anything.**

13           A     The offeree, yeah, if he doesn't do  
14    anything, the person who made an offer cannot  
15    enforce it.

16           Q     **You mean there's no mechanism for**  
17    **forcing the sale?**

18           A     For force -- exactly. And also it  
19    talked about the ratio of capital that we hadn't  
20    discussed and was not very familiar.

21           Q     **Did you discuss this with Mr. Bidsal?**

22           A     Yes, I did.

23           Q     **Okay. So tell -- and when did you**  
24    **discuss it with Mr. Bidsal?**

25           A     Well, after this and I discussed with

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 82

1 Mr. Bidsal and I told him that, listen, we all  
2 talked about this, everybody knows the problem,  
3 everybody knows what we need to do, but the end  
4 result is that we still do not have an operating  
5 agreement and we need to take care of it. Okay.  
6 How difficult can it be? We know the basics.

7 Mr. LeGrand says, okay, the capitals are  
8 different, we need a formula. Okay. So let's sit  
9 down and work up a formula.

10 And then there was --

11 **Q And what did Mr. Bidsal say when you**  
12 **said that?**

13 **A** Pardon me?

14 **Q What did Mr. Bidsal say?**

15 **A** Mr. Bidsal said, okay, you know, we --  
16 oh, he was busy at that time, and he -- you know,  
17 but he would listen to me. And, you know, he  
18 said, okay, yeah, there is a formula needed.

19 And then I asked him, what else do you  
20 think is needed? He said that the -- when the  
21 offering member offers, if the offer is low and  
22 the -- the remaining member doesn't -- is not in  
23 the position to buy and has to -- because they  
24 don't -- I'm sorry. Because they don't have  
25 money, so they have to sell and they have to sell

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 83

1 at a low price.

2 So we need to have a mechanism that the  
3 remaining member should appraise the property  
4 and -- and if the price is higher, the offering  
5 member offers at that appraised price so that the  
6 remaining member would be protected.

7 And I thought it was fair, and I said --

8 **Q Well, why did you think it was fair?**

9 A Because if the -- you know, the -- the  
10 offering member has the right to -- to offer at  
11 anytime they want. They can go spend time,  
12 research, find out how much it is, and all of  
13 that. And then at that time, when they -- and  
14 acquire the money and be ready and offer to the  
15 remaining member.

16 And the remaining member has to come up  
17 with money and the price is low. And if they  
18 can't, but they really want to, they can so they  
19 have to sell it at the lower price.

20 In that case, to protect them, it's  
21 better that remaining member have the opportunity  
22 to ask for appraisal. All right?

23 **Q So, I'm sorry, you're talking about if**  
24 **the price -- if the -- if the -- when you say if**  
25 **the price is low, what do you -- what did you**



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 84

1 mean? When you said if the -- if the -- if the  
2 offered price is low --

3 A Yes.

4 Q -- did you mean low -- what did you mean  
5 by that?

6 A Lower than the regular going market  
7 price. And the other guy doesn't have the money  
8 but wants to sell, at that time, if you give him a  
9 right to appraise, he would be protected.

10 Q I see.

11 A That's -- that's the -- that's what  
12 the -- he said, and I thought it was a -- it's a  
13 good idea. It's a balancing point.

14 And then there was another issue that  
15 I -- these were the main two -- I'm sorry. These  
16 were the main two issues, to come up with a  
17 formula and to come up with an appraisal for the  
18 remaining member. And I discussed it with him,  
19 and I said, okay, let's figure out the -- made  
20 suggestion, I said, "You know, would you like to  
21 write something, and we go take it to LeGrand?"  
22 He said, "I'm busy, you write it."

23 And I went down and I put everything  
24 that I just said on the paper. If you look at  
25 the -- and I called it rough draft, you know, it's

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 85

1 a suggestion that I have to my partner. And I  
2 asked him that -- to take a look and give me --  
3 give me his comments.

4 Q Okay. So let's --

5 A And --

6 Q Let's -- let's move on. Let's turn to  
7 the page. Let's turn to exhibit --

8 A May I say something?

9 Q Sure, go ahead.

10 A Yeah. If you look at the -- whatever  
11 e-mail that Mr. LeGrand sent on August 18, I took  
12 that, the same -- the specific intention or the  
13 same -- everything, and I added two -- actually,  
14 it was one formula, but then we thought that it's  
15 difficult to understand it. I added two formula  
16 and appraisal, and that's it.

17 Q So you said you -- could you -- did you  
18 use a prior draft from Mr. LeGrand to help you  
19 draft -- to help you come up with the formula --

20 A Exactly. If you look at it verbatim,  
21 you know, the bottom and the top is the same. The  
22 two formula and the appraisal is what LeGrand  
23 wanted. LeGrand wanted a formula, and we thought  
24 it's a valid thing. I did -- I added that.

25 And the -- also, the appraisal, we --

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 86

1 one thing I would like to do -- to tell you, that  
2 the -- on August 18, the appraisal, the offering  
3 member had the right to appraise, and we didn't  
4 agree with that. All right? We thought that the  
5 offering member should be free to make any number  
6 that he is happy with, you know, because he's  
7 going to either buy or sell.

8 All right? So that appraisal went to  
9 the remaining --

10 Q You said you -- "we thought." Is this  
11 a -- like, a conversation you had with somebody?

12 A Oh, about the --

13 Q About the appraisal. You said "we  
14 thought." I want to know who is "we."

15 A No, I'm talking about me and Mr. Bidsal.

16 Q Okay. And you're saying that you took  
17 the -- you took the Section 7 -- you -- are you  
18 saying you used Section 7 from the August 18  
19 e-mail that's on page 12 of 29 and used that as a  
20 basis for creating -- creating a formula?

21 A Yes, sir. If you --

22 Q Well, let's -- we'll get there.

23 A I'm sorry.

24 Q We'll get there.

25 Take a look at Exhibit 20. Okay. Is

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 87

1     this what you -- is this what you've been talking  
2     about?

3             A     That's correct.

4             Q     And -- and it says Section 7. Can  
5     you --

6             A     Do you want me to read my e-mail?

7             Q     Okay. You said you -- did you send  
8     this -- did you send this e-mail September 20 --

9             A     Yes.

10            Q     -- to Mr. Bidsal?

11            A     Yes.

12            Q     Did he ever acknowledge that he received  
13     it?

14            A     We discussed about it many times.

15            Q     Okay. And looking at this Section 7,  
16     did -- do you -- what is -- did you use the  
17     August 18 --

18                   THE ARBITRATOR: Did you understand the  
19     question from your lawyer?

20     BY MR. LEWIN:

21            Q     Okay. The question is, did Mr. Bidsal  
22     ever acknowledge that he received this rough  
23     draft?

24            A     Yes.

25            Q     And how did he acknowledge that he

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 88

1     **received it?**

2           A     We discussed about it.

3           Q     **Okay. So tell me -- when did -- when**  
4     **was the first time you discussed it?**

5           A     I don't remember exact date, but I sent  
6     a letter, and I called and I said, "Hey, I sent  
7     you what we discussed, what do you think?" And he  
8     said he was busy; he didn't talk to me for a few  
9     weeks.

10                   And then I called and I called, and then  
11     finally I got him. And we discussed -- there was  
12     a time that we came to Las Vegas together and we  
13     were talking about it. And he had questions. I  
14     had a copy of this, and I brought it. And we sat  
15     down and he went through it, and he had some  
16     problems with it, had some questions, that I said,  
17     "I will correct and I will send it to you."

18           Q     **Well, did -- what were Mr. Bidsal's**  
19     **issues with this rough draft --**

20           A     Well --

21           Q     **-- that he told you about?**

22           A     That he told me about? From what I  
23     remember, he liked that -- that we are -- the  
24     way -- you know, the appraisal worked, because  
25     both parties would seek the appraisal. I put

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 89

1 three MIA, and then he said this overkilling it,  
2 two would suffice. And then on the formula, I  
3 have put the FMV minus the cost of purchase, which  
4 is the profit, and multiply it by the coefficient  
5 of the interest percentage of offering member.  
6 And he mentioned to me that it wouldn't be fair to  
7 him, because he would get less in since his  
8 percentage is 30 percent, and he wanted it to be  
9 50 percent. And I changed it in the next draft.

10 Q Okay. I want to go -- I want to stop  
11 there for a second.

12 You had -- you had the formula as being  
13 FMV, which --

14 A Fair market value.

15 Q Which is the price of the cost of the  
16 purchase --

17 A That's right.

18 Q -- times the percentage interest of the  
19 remaining member.

20 So if you were being bought out, that  
21 would be -- what would that -- what number would  
22 be in there?

23 A If I would be bought out, I would be the  
24 remaining member. Well, not necessarily. Because  
25 offering member -- member could be bought out or

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 90

1 could also buy.

2 Q Okay.

3 A But regardless, if the person -- if I  
4 was going to be buying out, the profit would be  
5 multiplied by 70 percent.

6 Q And what did Mr. Bidsal --

7 A Regardless if I'm remaining or not.

8 Q So what was your deal with Mr. Bidsal  
9 about the division of profits?

10 A We had agreed to cut it in half.

11 Q Okay.

12 A We said that, you know, I put more money  
13 because he's working and because he's a specialty  
14 and things that he knows that I didn't know. And  
15 in return, we take a profit, half-half.

16 Q Okay. So Mr. Bidsal questioned whether  
17 or not that -- that this formula was correct?

18 A That's right. He -- he told me that is  
19 not fair to him.

20 Q Okay. And did it -- was there any  
21 other -- was there any other -- anything else that  
22 he objected to in this rough draft?

23 A He -- he mentioned -- he mentioned  
24 probably some comments. I am not -- I don't  
25 remember.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 91

1           Q     Okay. Looking at the rough draft, at  
2     the last paragraph on the first page --

3           A     Yes.

4           Q     -- where it talks about the specific  
5     intent --

6           A     Yes.

7           Q     -- where did you get that language from?

8           A     As I said, I got it from LeGrand's  
9     October -- August 18, Section 7; Section 7, what  
10    he calls it, a Dutch auction. And if you look at  
11    the numbering, the numbering all is exactly like  
12    what he wrote. And on the top -- on the top it  
13    says "Purchase to sell right amount," all of them  
14    is LeGrand, you know.

15          Q     Okay. So after -- after you met with  
16    Mr. Bidsal and went over the rough draft, did you  
17    create another draft?

18          A     That's right.

19          Q     And --

20          A     Then I created the second draft that  
21    addressed his concern.

22          Q     And that's on Exhibit 22?

23          A     Yes. 21, sir -- no, you are right, 22.

24          Q     And did you -- did you send this to  
25    Mr. Bidsal?



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 92

1           A     Yes, I e-mailed it to him.

2           Q     And did you -- and this was the cover  
3 letter?

4           A     That's correct.

5           Q     And the second draft says "Rough draft  
6 two"?

7           A     That's right. As I said, you know,  
8 these were like suggestion. It was, like, you  
9 know, because I really wanted to get this thing  
10 done and get my operating agreement.

11          Q     So then I see -- what changed --

12          A     So that's why I, you know, rolled up my  
13 sleeve and --

14          Q     And I see you made a change on the fair  
15 market -- on the formula -- on the formula to  
16 provide that he gets, instead of 70 percent, it's  
17 50 percent?

18          A     That's correct.

19          Q     That's in the second.

20                 Did you make any other changes that you  
21 can recall?

22          A     The one that I remember -- yeah, I made  
23 the appraisal, two appraisals. And then there was  
24 this question, by the way, about who is offering  
25 member and -- because, you know, the offering

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 93

1 member offers and the other party can buy or sell,  
2 so it was a little bit confusing.

3 And I tried to -- and, you know, we came  
4 up with this -- with this definition. I'm not  
5 sure if I talked to Mr. Bidsal about definition or  
6 LeGrand, but we came up -- I got some help to do  
7 that.

8 Q And then you -- did you -- did you speak  
9 to Mr. Bidsal about this rough draft number two  
10 after you sent it to him?

11 A Yes, I discussed it. The other thing  
12 was that I changed the -- the offer from selling  
13 to a -- to a second person. I changed it to start  
14 the offer with purchasing.

15 Q I see. And had you discussed that with  
16 Mr. Bidsal before you -- before you drafted this?

17 A Oh, yes.

18 Q Okay. Tell us -- tell us what -- so  
19 that was in the discussion regarding the first  
20 draft; right?

21 A No. Between the first draft and second  
22 draft. On the first draft, it was offer to sell,  
23 although it didn't matter, because the other party  
24 could buy or sell. All right? But I change it to  
25 an offer to buy.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 94

1           Q     And why did you do that?

2           A     Because to make sure that the person who  
3     is initiating the forced buy/sell really has  
4     thought about it and has the money ready for it.  
5     If somebody offers to sell by mistake or, you  
6     know, somebody buys this company and there is  
7     something between them, they may forget about this  
8     idea, and they would say, okay, I offer to sell  
9     without having the money available. I did it --  
10    you know, in my mind, I did it so that the person  
11    who is initiating this forced buy/sell has the  
12    money available, because he has to close escrow in  
13    30 days. And we discussed it among our --  
14    ourselves, me and Mr. Bidsal, and we changed it to  
15    offer to --

16          Q     Okay. So was -- how many discussions  
17    between draft one and draft two did you have with  
18    Mr. Bidsal about this?

19          A     A few discussions.

20          Q     All right. And after -- after you sent  
21    this to Mr. Bidsal, did he -- did you have a  
22    discussion in which he acknowledged receiving it?

23          A     Yes. What happened -- again, things got  
24    delayed. And I called and I said, you know, let's  
25    take care of this. You know, right now, we were

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 95

1 in October, so meaning from May that I have paid  
2 my money in good faith until then, my money was  
3 the -- I had no papers showing the company was in  
4 my name. God forbid if something happened to me  
5 or him, who would have been collected, you know,  
6 who would have believed all of these things.

7 THE ARBITRATOR: Did you understand the  
8 question that your lawyer asked? What is the  
9 question that you think you're answering now, sir?

10 THE WITNESS: I'm not sure. I just --  
11 I'm telling what --

12 THE ARBITRATOR: Okay. Let me -- let  
13 me --

14 THE WITNESS: Yeah.

15 THE ARBITRATOR: -- see if I can help.

16 How do you know Mr. Bidsal received  
17 draft number two? That's what I understood the  
18 question to be.

19 THE WITNESS: Because I talked to him  
20 after a couple of days as to -- actually, I  
21 believe the same day I called and we had a  
22 discussion, lengthy discussion about it.

23 THE ARBITRATOR: About draft number two?

24 THE WITNESS: About draft two, that's  
25 correct.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 96

1 THE ARBITRATOR: Is that the answer to  
2 your question?

3 MR. LEWIN: Yes, that's the answer.

4 THE ARBITRATOR: All right. Next  
5 question.

6 THE WITNESS: Oh, I'm sorry. I  
7 apologize.

8 BY MR. LEWIN:

9 Q And did Mr. Bidsal have any further  
10 comments about rough draft two after you -- when  
11 you spoke to him about that?

12 A He said he reviewed it and he would talk  
13 to Mr. LeGrand about it. And he is the attorney,  
14 and return it to him. And that was the whole idea  
15 from the beginning.

16 Q Okay. And did you -- did he ask you to  
17 send it anybody?

18 A Yes. He told me, okay, send it to  
19 Mr. LeGrand, and let him -- let him take care of  
20 it. His attorney, he has to take care of it.  
21 With this, he knows what the discussion is.

22 Q All right. And did you -- did you send  
23 it to Mr. LeGrand?

24 A Yes, sir.

25 Q Which document did you send him?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 97

1           A     I send the rough draft two.

2           Q     Okay. Take a look at Exhibit 23.

3           A     Twenty-first?

4           Q     Twenty-three.

5           A     Okay.

6           Q     It says -- it's a letter to -- it's an  
7 e-mail from Mr. LeGrand to Shawn Bidsal. It says,  
8 "Shawn, I received a fax from Ben and rewriting it  
9 to be more detailed and complete. I will send it  
10 out to both of you shortly." And he asked about  
11 some money that he was -- billings he was looking  
12 to get paid for.

13                   Did you send out -- is this Ben -- take  
14 a look at Exhibit No. 48 -- not 48, I'm sorry, 24.

15                   By the way, before we go to that, the  
16 fax that Mr. LeGrand is referring to, did you ever  
17 fax him anything else other than the rough draft  
18 two?

19           A     No, I don't think so.

20           Q     Okay. So take a look at Exhibit 24, if  
21 you would. The bottom -- the bottom part of this  
22 is an e-mail dated November 10, 2011, from LeGrand  
23 to you and Mr. Bidsal. It says, "Gents, here's a  
24 revised version of what Ben sent me. I will  
25 insert it into the OPAG if these terms are

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 98

1 acceptable to you." And take a look at the  
2 attachment, which is direct -- it says -- his is  
3 draft two.

4 Did you receive this -- did you receive  
5 this e-mail from Mr. LeGrand on or about --

6 A Yes.

7 Q -- November 10, 2011?

8 A I did, yes.

9 Q And did you read -- did you read this  
10 draft two?

11 A Yes.

12 Q And did -- was it acceptable to you?

13 A Yes, I think so.

14 Q Did it seem to be what -- did it seem to  
15 be consistent with what you understood your deal  
16 was with Mr. Bidsal?

17 A Yeah, we -- and I discussed it with  
18 Mr. Bidsal, also.

19 Q Oh, you did?

20 So -- so I see you sent an e-mail to  
21 Mr. LeGrand, still back on Exhibit 24, the day  
22 after he sent this draft to you, and said, "Hi, it  
23 looks good. Please complete and send it to us.  
24 Please issue share certificates and send to us" --  
25 "send it to us by UPS."

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 99

1                   You sent that to Mr. LeGrand?

2           A       Yes, I did.

3           Q       Now, in between -- in between your  
4 receipt of this -- his rewrite of Exhibit -- of  
5 Section 7, and you're saying in this e-mail that  
6 says, "It looks good, please complete it and send  
7 to us."

8                   Had you talked to Mr. Bidsal about it?

9           A       Yes.

10          Q       Tell Your Honor what that discussion  
11 was.

12          A       Well, we discussed that this is a draft  
13 that you -- are modified by -- a rough draft  
14 number two -- put it draft two. This is the work  
15 of LeGrand. And it addressed the -- what we  
16 discussed -- what Bidsal and I discussed in having  
17 a formula and having the appraisal, and it seemed  
18 to be what both partners might want.

19          Q       When you sent the rough draft number 2  
20 to Mr. LeGrand, did you believe that was a draft  
21 that you created, or was that a draft that you and  
22 Mr. Bidsal had worked on and put it together?

23          A       Jointly, because we discussed that, and  
24 he would comment, I would comment. And based on  
25 that, I would write it. And that's why I send it



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 100

1 to him. And if you look at the -- my cover sheet,  
2 I said, "Per our discussion." I was -- both of us  
3 were open to discuss.

4 Q Did you -- do you have any legal  
5 training?

6 A No, not at all.

7 Q Had you ever drafted a -- an operating  
8 agreement?

9 A No.

10 Q Had -- how many LLCs were you involved  
11 with before -- well, you hadn't been involved with  
12 this one yet, but how many other LLCs had you been  
13 involved with before --

14 A I was --

15 Q -- before this -- before this  
16 transaction with Green Valley?

17 A A couple of LLCs, yeah, but never went,  
18 you know, so deep into any of that.

19 Q Okay. So November 11, you're still --  
20 you're still -- you've got your \$4 million out  
21 there, don't have anything signed?

22 A Correct.

23 Q Okay. So then Exhibit -- please turn to  
24 Exhibit 25.

25 Did you receive this from Mr. LeGrand?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 101

1           A     Correct.

2           Q     And what did you observe about this --  
3     this document?

4           A     I believe that this was a mistake,  
5     because it didn't have any of the things that we  
6     had discussed in it.

7           Q     So he sent the wrong agreement?

8           A     I think so, yes.

9           Q     Okay. So then look at Exhibit -- so  
10    this was sent at 3:40. And then at Exhibit 26, he  
11    sends another e-mail to both you and Mr. Bidsal on  
12    November 29 at 5:06 that says, "Ben and Shawn,  
13    this version has Ben's Dutch auction language and  
14    a buy/sell at FMV and a death or dissolution of a  
15    member."

16                   And did you look at this agreement?

17          A     Yes.

18          Q     And if you look at page 10, this has --  
19    this agreement -- look at page 10 of 28. There's  
20    a section of -- there's a purchase -- even though  
21    it's a -- labeled "Right of First Refusal for Sale  
22    of Interest by Members," there's a section for  
23    purchase and sale by members; is that correct?

24          A     Where are you reading?

25          Q     I'm looking at -- on page 10 of 28 on

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 102

1 Exhibit 20 -- 26.

2 A Which -- oh, Section 3?

3 Q Yeah.

4 A Oh, okay.

5 Q But you see it says -- internally it  
6 says Section 7.1, 7.2. Do you see that? On  
7 Section 4 it says in terms of Section 7.1 it's --  
8 it -- did this agreement still have errors in it?

9 A Yes, it does have errors, yeah. It does  
10 have errors.

11 Q So then what -- did you have a  
12 discussion with Mr. Bidsal about this version of  
13 the agreement?

14 A Well, as to --

15 Q Did he indicate that he was going to  
16 revise this agreement?

17 A Yes. Yes.

18 MR. SHAPIRO: Did -- you said "he." The  
19 last one was --

20 BY MR. LEWIN:

21 Q Did Mr. -- did Mr. -- did you have a  
22 discussion with Mr. Bidsal where he said he was  
23 going to make some final revisions in this  
24 agreement?

25 A After LeGrand send the -- this revision,

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 103

1 I inquired about it, that, okay, if -- you know,  
2 this should be what we wanted. He -- Mr. Bidsal  
3 said he has to find time and revise it and look at  
4 it, and if any -- there is any revision required,  
5 to do it.

6 Q Did he indicate to you of how he was  
7 going to revise it?

8 A No. He said that I will check the whole  
9 thing.

10 Q And then take a look at Exhibit 28 --  
11 no, pardon me, Exhibit 20 is -- pardon me.

12 Exhibit 27, which is an e-mail from  
13 Mr. LeGrand to Mr. Bidsal as of December 10  
14 saying, "Shawn, did you finish the revisions? Ben  
15 really wants to get this finished."

16 Were you in communication with -- with  
17 anyone about getting this agreement done as of  
18 August -- December 10?

19 A That's -- that's -- yeah. Yes, sir.  
20 Yes, sir.

21 Q And then if you look at Exhibit 29, you  
22 finally have an agreement that's signed. And this  
23 was -- do you recall when this -- this was signed  
24 on -- this is not dated, but do you recall when  
25 this was signed?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 104

1           A       End of 2011.

2           Q       Okay.

3           A       There is a -- there is a letter to that  
4 effect.

5           Q       And did -- subsequently, did you notice  
6 something about this -- since we got involved in  
7 this lawsuit, did you notice something about this  
8 agreement that you didn't notice before?

9           A       Well, after, you know, the lawsuit and  
10 the -- after the -- I looked at the documents that  
11 I did not have access before. And after I looked  
12 at this -- the signed operating agreement closely,  
13 yes, I found things. As I mentioned, everything I  
14 did is -- was based on trust. All right? But  
15 from the time that David LeGrand sent the final --  
16 his final version until the time that we signed,  
17 there were changes that was not communicated with  
18 me.

19                   And one of those changes, if you look at  
20 all of the operating agreement that LeGrand sent,  
21 as me and Mr. Bidsal agreed, it was 70 percent  
22 share mine and 30 percent his. And then on the  
23 signed agreement, I realized that it was changed  
24 to 50/50. It doesn't make any -- probably -- to  
25 be honest with you, I'm not an attorney and I

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 105

1 didn't inquire, but this is what change I saw he  
2 had made.

3 Q Okay. Well, take a look at Exhibit --

4 THE ARBITRATOR: When you say "he had  
5 made," who made it?

6 THE WITNESS: Mr. Bidsal, because he  
7 had -- he was in the possession of the operating  
8 agreement. I don't think LeGrand --

9 THE ARBITRATOR: Who prepared the  
10 document -- from whose computer generated the --  
11 what you signed?

12 THE WITNESS: From Mr. Bidsal.

13 THE ARBITRATOR: So it was not a  
14 LeGrand --

15 THE WITNESS: No.

16 THE ARBITRATOR: -- document, it was a  
17 Bidsal document --

18 THE WITNESS: Correct.

19 THE ARBITRATOR: -- according to your  
20 testimony? All right. I think I'm getting it  
21 now.

22 MR. LEWIN: Take a look at --

23 THE ARBITRATOR: That's what --

24 MR. LEWIN: That's right. That's the  
25 point.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 106

1 BY MR. LEWIN:

2 Q Look at Exhibit -- go back to  
3 Exhibit 25, the last page, which is Exhibit B. It  
4 shows the membership interest at 70/30; is that  
5 correct?

6 A I'm sorry. That is correct, 70/30.

7 Q And going to -- looking at the  
8 Exhibit 29, the last page, which is Exhibit B,  
9 shows the -- the membership interest is -- that  
10 the ownership interest as being 50/50.

11 Do you see that?

12 A That's correct.

13 Q Now, if there's a profit, it doesn't  
14 make any difference. But if there were losses,  
15 how would that make a difference?

16 A Well, that's the second thing I noticed,  
17 that I was burdening all the risks from the  
18 beginning until the end. And here it says that if  
19 you lose, I pay 70 percent of that loss. But if  
20 we profit, I get 50 percent of that profit.

21 Q Okay. Well, going forward now to 2017,  
22 the -- was there a point in time where Mr. Bidsal  
23 asked if you were interested in investing more  
24 money on any more properties?

25 A Yes, from time to time.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 107

1           Q     Okay. In 2017, just to put it in some  
2     time frame, if you look at Exhibit 30, the time  
3     framework here shows that his offer to purchase  
4     your membership interest is dated July 7, 2017.

5                     Before -- at any time in 2017 before  
6     July 7, did Mr. Bidsal approach you about making  
7     further investments?

8           A     Before July?

9           Q     Before July.

10          A     Yes, sir.

11          Q     And when was that?

12          A     Generally, he would want me to invest --  
13     have more investment. And the last one that he  
14     asked about some property that he found was  
15     probably, like, four or five months before this.

16          Q     And at the time -- and -- tell us about  
17     the conversation.

18                     MR. SHAPIRO: Five months before what?

19                     THE WITNESS: Before the July 7 that I  
20     got this and -- well, he mentioned that there are  
21     opportunity and if I were -- I'm interested to  
22     invest.

23     BY MR. LEWIN:

24          Q     And what did you tell him?

25          A     At that time, I had -- there was not



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 108

1 liquid, and I said that I don't have cash  
2 available and -- or if I have, I have other  
3 project that I'm thinking, and I am not in the  
4 position to invest.

5 Q Okay. And the next thing that happened  
6 in connection with Green Valley was what?

7 A Pardon me?

8 Q The next thing that happened in  
9 connection with Green Valley was what? Is the  
10 next thing that happened in connection with Green  
11 Valley in terms of your -- in terms of this  
12 arbitration was that you received the offer to  
13 purchase?

14 A Yes. After that, of course, you know,  
15 we discussed to market the property and sell and  
16 be done with it. And he, as usual, he was in  
17 charge of the event. And he researched the event  
18 and he exactly got all of the figures and all of  
19 that. I -- and he worked with the brokers and  
20 came up with a price to sell it, put it in the  
21 market, and came to me and said that it is not  
22 selling. I said, "Okay, how about if you reduce  
23 your price?" Which he said he would. And then we  
24 were in this discussions that I received the  
25 letter of July 7, 2011.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 109

1           Q     All right. Now, at the same -- when you  
2     signed the Green Valley agreement, did you also  
3     sign the Country Club agreement?

4           A     Yes.

5           Q     And was the Country Club agreement a  
6     mirror image of Green Valley?

7           A     Yes, same -- yes, sir.

8                     MR. LEWIN: Okay. I have --

9     BY MR. LEWIN:

10          Q     What was the property listed to sell --  
11     to sell for?

12          A     From what I remember in the beginning,  
13     was 6.3 million, and then he said that he reduced  
14     it for \$5.8 million.

15          Q     And when was this?

16          A     This was four or five months before --

17          Q     And was this for all of the Green  
18     Valley --

19          A     -- July --

20          Q     Is this for all the Green Valley  
21     properties?

22          A     For all six buildings, yeah. And --

23                     MR. LEWIN: Okay. I have nothing  
24     further. I'll turn it over.

25                     MR. SHAPIRO: Can we take a rest break

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 110

1 real quick, five minutes?

2 THE ARBITRATOR: We have a -- maybe not  
3 discussed this before, perhaps, but what I call  
4 the Haberfeld five. There is really a ten-minute  
5 break because there really is no such thing as a  
6 five-minute break. So we'll take a ten-minute  
7 break. See you back in ten.

8 MR. SHAPIRO: Okay.

9 (Whereupon, a recess was taken.)

10 THE ARBITRATOR: Back on the record.

11 I have had a brief introductory  
12 conversation that I will now put on the record --

13 MR. LEWIN: He'll tell you what  
14 exhibits -- just listen to him. He'll direct you  
15 to what he wants you to look at.

16 THE WITNESS: Okay.

17 THE ARBITRATOR: -- with our witness.

18 And speaking to you directly, now, sir,  
19 as I indicated just a moment ago, what we're about  
20 to start in -- in law is called cross-examination.  
21 What you were doing before under the questioning  
22 of Mr. Lewin is what is called direct examination,  
23 which within certain limits -- and I've tried to  
24 limit my interference to -- as much as possible to  
25 kind of bring you back to what I thought the

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 111

1 question was that was asked.

2 But on cross-examination, it's even more  
3 important, if not highly important, that you give  
4 the most truthful, responsive, concise answer to  
5 the question that's asked and to nothing else  
6 beyond the question asked, to consider yourself as  
7 much as you possibly can, realizing that this is  
8 the lawyer for the other side and you're in an  
9 adverse -- what we call an adversarial proceeding.  
10 I would ask you please to try to do what I ask and  
11 not to defend, argue, explain, anticipate, or do  
12 any of those kinds of things which are normal  
13 human responses in the situation that you probably  
14 find yourself in.

15 So resist that, follow my directions.  
16 I'll try to be as nice the first time, if there is  
17 one, where I have to remind you about this  
18 conversation. But if there's a second or a third  
19 time, I think you'll feel that there's a  
20 difference in the way that we're talking. Okay?

21 THE WITNESS: No problem.

22 THE ARBITRATOR: Okay. Do you have any  
23 questions about --

24 THE WITNESS: No, I'm just --

25 THE ARBITRATOR: Okay. Are we ready for

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 112

1 cross-examination?

2 MR. SHAPIRO: Yeah.

3 THE ARBITRATOR: Who will be  
4 cross-examining?

5 MR. SHAPIRO: What's that? I will.

6 THE ARBITRATOR: Okay. Mr. Shapiro,  
7 cross-examination.

8 MR. SHAPIRO: Thank you.

9

10 CROSS-EXAMINATION

11 BY MR. SHAPIRO:

12 Q Good morning -- or good afternoon,  
13 Mr. Golshani. I'm Jim Shapiro. You and I have  
14 met before, but I represent Shawn Bidsal.

15 This is not going to be as  
16 chronologically flowing as your attorney. I'm  
17 going to kind of be jumping around, but I'm going  
18 to try and hit the top hot points, and then be  
19 done.

20 I just want to go back initially to your  
21 relationship with Shawn. My understanding is that  
22 Shawn is the one who found the properties that  
23 were ultimately purchased by Green Valley  
24 Commerce; is that correct?

25 A No.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 113  
11

1 Q Who found the properties?

2 A Both of us found them.

3 Q Okay. Now, when -- when you were  
4 testifying, it sounded like you purchased the  
5 properties on Auction.com.

6 A Correct.

7 Q And you purchased -- so you made a bid,  
8 and then they transferred the property to you. Is  
9 that your testimony?

10 A When you say "they," whom do you mean?

11 Q Whoever owned the property.

12 A That's right.

13 Q Okay. Do you recall that instead of  
14 purchasing the property, you actually purchased a  
15 promissory note?

16 A Yes, I do.

17 Q Okay. And -- and then after you  
18 purchased the promissory note, there was a deed in  
19 lieu of foreclosure that was negotiated; is that  
20 correct?

21 A Correct, yes.

22 Q Shawn handled the negotiations on the  
23 deed in lieu; correct?

24 A Most of it, yes.

25 Q He kept you up to date on what was going

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 114

1 on; right?

2 A Well, we worked with each other, but  
3 most of it was done by myself and Shawn, yes.

4 Q Okay. And then ultimately the property  
5 was subdivided --

6 A Correct.

7 Q -- to separate parcels; correct?

8 A Yes.

9 Q And Shawn was the one who handled that  
10 subdivision process?

11 A He hired the surveyor, yes, he --

12 Q But he was the one working with the  
13 surveyors and everybody; correct?

14 A I worked with it too, but, he -- again,  
15 he did most of the work.

16 Q Okay. But certainly you were involved  
17 in the process and understood what was going on?

18 A To some extent, yes.

19 Q Okay. And then Shawn was the one who  
20 managed and leased the properties; correct?

21 A Correct.

22 Q And Shawn didn't receive a management  
23 fee for doing so; correct?

24 A Well, he received -- well, he received  
25 the money in turn -- that our agreement was that I

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 115

1 pay him more. I mean, pay -- invest more and that  
2 would take care of his services.

3 Q Okay. So the compensation that Shawn  
4 was going to receive was essentially sweat equity  
5 to hypothetically equal the cash that you put in?

6 A Yes.

7 Q Okay. Now, if you could turn to  
8 Exhibit 2. This is a -- an exhibit that your  
9 attorney showed to you earlier.

10 A All right.

11 Q And if I understood your testimony  
12 correctly, you -- you testified that this was the  
13 initial deposit that you made?

14 A Correct.

15 Q Okay. Now, you were giving me a number  
16 of 400-and-some-odd thousand -- 404,000; correct?

17 A Yes.

18 Q Can you show me on Exhibit 2 where that  
19 number shows up?

20 A Isn't it, you know, at the last number  
21 in the left column, it says May 20, 2011, the  
22 number above that.

23 MR. SHAPIRO: Your Honor, I'm wondering  
24 if maybe my exhibit is not the same, because my  
25 exhibit is not showing that, so -- okay.



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 116

1 THE ARBITRATOR: Do you show something  
2 called "credit amount"?

3 MR. SHAPIRO: Well, so here is -- my  
4 first page has an amount of 2,430,000 and a value  
5 date of June 2nd, 2011.

6 Is that what you're showing?

7 THE WITNESS: No, that's the closing  
8 statement.

9 MR. SHAPIRO: So I'm afraid that my  
10 Exhibit 2 is not what you -- can I --

11 MR. LEWIN: Do you have the second page?

12 MR. SHAPIRO: Okay. There's a -- yes, I  
13 have a second page.

14 Is that what we're talking about?

15 Now, the second page is a fax, a couple  
16 of -- faxed a couple of times.

17 THE ARBITRATOR: What is the top on the  
18 fax header you're showing that -- towards the  
19 right-hand side of the top?

20 MR. SHAPIRO: May 20th, 2011.

21 THE ARBITRATOR: That's what we're --  
22 I'm showing as the first page of two, on the  
23 Arbitrator's number two.

24 MR. SHAPIRO: And is there a second page  
25 in the Arbitrator's exhibit?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

		Page 117
1	THE ARBITRATOR: It feels like it. Yes,	
2	there is.	
3	MR. SHAPIRO: Okay. And what is --	
4	THE ARBITRATOR: And there's a -- on the	
5	second page is something with a letterhead of	
6	"Habib American Bank."	
7	MR. SHAPIRO: Okay. And is the message	
8	Serial 290-1871?	
9	THE ARBITRATOR: That's what it's	
10	showing here.	
11	MR. SHAPIRO: Okay. All right. That's	
12	why I'm --	
13	THE ARBITRATOR: Does anybody disagree	
14	with the conversation that Mr. Shapiro and I are	
15	having compared to what is before them?	
16	MR. LEWIN: No.	
17	THE ARBITRATOR: Okay. I think we're	
18	all together now.	
19	MR. SHAPIRO: Okay. All right. That's	
20	what's -- okay.	
21	BY MR. SHAPIRO:	
22	Q Now, you had testified -- and I -- let's	
23	see. Potentially -- no, it's not Exhibit 1. I	
24	don't recall which exhibit you were looking at,	
25	but you testified there was an incorrect e-mail	

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 118

1 address. I'm trying to find that. I apologize if  
2 you --

3 MR. LEWIN: That's 12.

4 MR. SHAPIRO: 12, thank you.

5 BY MR. SHAPIRO:

6 Q If you turn to Exhibit 12.

7 A Okay.

8 Q Now, you testified previously that you  
9 did not receive this e-mail, and indicated that  
10 the e-mail address was incorrect.

11 Do you recall that testimony?

12 A That's right, yes, I said --

13 Q Here's my question to you.

14 There's -- do you recall that David  
15 LeGrand produced a copy of his file that was  
16 pretty thick?

17 A Yes, sir.

18 Q Have you seen that copy?

19 A Yes.

20 Q And Mr. LeGrand Bates-stamped his --

21 A Yes.

22 Q -- his documents, DL000, and then --

23 A Yes.

24 Q -- 1 through whatever it worked out to  
25 be. Okay.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 119

1 Did you look at all of the documents in  
2 the documents that Mr. LeGrand produced?

3 A I don't think so. Some of them, yeah.  
4 It was so bulky, I --

5 Q There was a lot. What I'm trying to do  
6 is avoid showing you each of the e-mails, and I'm  
7 wondering if there were any other e-mails that  
8 you've seen in the documents that have been  
9 produced that you did not receive prior to this  
10 lawsuit.

11 A The -- there was. There was a lot of --  
12 anything before this --

13 Q Okay.

14 A -- most likely I didn't receive. It  
15 was -- the e-mails had only Mr. Shawn Bidsal as  
16 the receiver and I did not receive those.

17 Q Okay. So the e-mails that didn't even  
18 purport to be sent to you, obviously you didn't  
19 get those.

20 A Yeah.

21 Q But there were a number of e-mails after  
22 July 22nd from David LeGrand or from Shawn to you,  
23 and, I mean, I can go through each of them if I  
24 need to, but my question is -- I mean, you sat  
25 through Mr. LeGrand's deposition; correct?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 120

1 A Yes. Yes.

2 Q Were there any e-mails in his deposition  
3 where you thought, I didn't get this e-mail, but  
4 the -- but the document says I did?

5 A I didn't look at all his e-mail to come  
6 to that conclusion.

7 Q Okay. Well, I've got a witness list.  
8 I'm just going to go through this as fast as I  
9 can. This is plaintiff's exhibits -- and I just  
10 need to verify which e-mails you did or did not  
11 receive. So, again, I'll move through this as  
12 fast as we can. Bear with me and let me --

13 MR. LEWIN: What number are you going to  
14 go through?

15 MR. SHAPIRO: I'm going through our --  
16 right now I've got the binder that has 301 through  
17 340 in it.

18 THE ARBITRATOR: Is that a binder --

19 MR. SHAPIRO: That's -- yes. That's  
20 a --

21 THE ARBITRATOR: -- before the  
22 Arbitrator?

23 MR. SHAPIRO: That's this binder right  
24 here.

25 THE ARBITRATOR: Very well.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 121

1 BY MR. SHAPIRO:

2 Q So, Mr. Golshani, if you can turn to  
3 Exhibit 378 --

4 MR. SHAPIRO: Rod, I'll wait for you.  
5 Tell me when you're ready.

6 MR. LEWIN: All right. I'm here.

7 BY MR. SHAPIRO:

8 Q Mr. Golshani, this Exhibit 308 indicates  
9 that it was an e-mail from David LeGrand to you.  
10 Did you receive this e-mail on or about  
11 August 10th, 2011?

12 A I think so.

13 Q Okay. And it appears to be your correct  
14 e-mail address; right?

15 A It is my correct address.

16 Q Okay.

17 THE ARBITRATOR: Off the record for just  
18 a second.

19 (Discussion off the record.)

20 THE ARBITRATOR: Back on the record.

21 BY MR. SHAPIRO:

22 Q All right. Exhibit 309, did you receive  
23 this e-mail?

24 A I think so, yes.

25 Q All right. 310, did you receive that

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 122

1 e-mail?

2 A I think so.

3 Q Did you receive Exhibit 311?

4 A I -- I think so, although my last name  
5 is spelled wrong, but I think I received it.

6 Q Okay. And Exhibit 312, did you receive  
7 that e-mail?

8 A Yes, I think so.

9 Q And Exhibit 313, did you receive that  
10 e-mail?

11 A I think so.

12 Q And Exhibit 314, did you receive that  
13 e-mail?

14 A Yes.

15 Q And Exhibit 315, did you receive that  
16 e-mail?

17 A Yes.

18 Q And Exhibit 318, did you receive that  
19 e-mail?

20 A I think so.

21 Q And Exhibit 322, did you receive that  
22 e-mail, the November 10th, 2011, e-mail?

23 A I think so, yes.

24 Q And Exhibit 323, did you receive that  
25 e-mail?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 123

1 A Yes.

2 Q And Exhibit 325, did you receive that  
3 e-mail?

4 A Would it help if I say that all -- okay.  
5 Go ahead.

6 Q Exhibit 325?

7 A If my name -- hold on a second. 325.  
8 Looks like it, yes.

9 Q And Exhibit 331, the middle of the page  
10 there's an e-mail header from Jeff Chang to what  
11 appears to be Shawn and you from July 18th, 2012.  
12 Just tell me if you received that e-mail.

13 A Probably.

14 Q Okay.

15 A I don't remember the e-mail.

16 MR. LEWIN: You have to keep your voice  
17 up.

18 Did you hear him?

19 THE COURT REPORTER: Yes, I did.

20 MR. LEWIN: Okay. Please keep your  
21 voice up.

22 BY MR. SHAPIRO:

23 Q Okay. When -- after Green Valley  
24 Commerce obtained title to the property by virtue  
25 of the deed in lieu of foreclosure, the expenses



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 124

1 for leasing were paid by Shawn; correct?

2 A What kind of expenses you are referring  
3 to?

4 Q The expenses associated with preparing  
5 the lease agreement, negotiating the lease  
6 agreement, any tenant improvement or other moneys  
7 that needed to be put into the property.

8 A I have no recollection of that.

9 Q Okay. I want to shift gears a little  
10 bit and talk about David LeGrand.

11 Do you -- do you know who Jeff Chan is  
12 or Jeff Chang? I don't how to --

13 A Yes, I do.

14 Q How do you say his last name?

15 A Chang.

16 Q Chang.

17 A Chang.

18 Q Okay. Jeff Chang.

19 Who is Jeff Chang?

20 A As far as I know, Jeff Chang was  
21 Mr. Bidsal's broker, that Bidsal introduced me to  
22 him. And he became -- and Bidsal wanted him to  
23 become our broker to buy properties later on, the  
24 chance to do some work for Green Valley --

25 Q Okay.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 125

1           A     -- and Country Club.

2           Q     And do you recall a meeting that you and  
3     Shawn and Jeff were present when Jeff got David  
4     LeGrand on the phone to make an introduction?

5           A     I don't remember. Sorry.

6           Q     Now, I want you to take -- go back to  
7     the exhibit binder that your attorney was using.  
8     Now, I want to start with Exhibit 11.

9           A     Okay.

10          Q     If you turn to Exhibit 11, at the bottom  
11     of Exhibit 11, do you see the DL00086; correct?

12          A     Correct.

13          Q     And that indicates that this document  
14     came from David LeGrand's file; correct?

15          A     Yes.

16          Q     Okay. If you could turn to Exhibit 10.  
17     Now -- oh, I'm sorry. I'll wait.

18          A     Go ahead.

19          Q     The first page of Exhibit 10 is an  
20     e-mail, as is the second page, but you don't have  
21     the Bates -- the DL Bates number at the bottom;  
22     correct?

23          A     That's right.

24          Q     But when you look at the third  
25     agreement, all of a sudden you do have a DL Bates

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 126

1     **number; correct?**

2           A     Uh-huh, yes.

3           Q     **So the first two pages of Exhibit 10 did**  
4     **not come from David LeGrand's file; correct?**

5           A     It appears so. I'm not sure. Maybe he  
6     missed that. I don't know --

7           Q     **Okay.**

8           A     -- if it came or not.

9           Q     **But the rest of Exhibit 10 did come from**  
10    **David LeGrand's file; correct?**

11          A     Because it has a Bates stamp -- stamp  
12    number, I -- I think so. If it has a Bates stamp,  
13    I think it did.

14          Q     **Okay. Do you know -- do you have any**  
15    **knowledge about why this exhibit has a combination**  
16    **of documents from David LeGrand's file and**  
17    **documents that weren't from David LeGrand's file?**

18          A     I don't know, but I can guess that --

19          Q     **Well, I don't want you to guess. That's**  
20    **okay. If you don't know, you don't know.**

21          A     I don't know.

22          Q     **All right. Can you turn to Exhibit 12.**

23                   Now, Exhibit 12, on the bottom of the  
24    first page, someone handwrote DL 137 and 38, but  
25    that Bates number isn't there; correct?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 127

1           A     Correct.

2           Q     But when you look at the third page,  
3 then it picks up and you do have Bates numbers;  
4 correct?

5           A     That's right.

6           Q     And, again, do you know why this is --  
7 exhibit has some documents from LeGrand's file and  
8 some that were not?

9           A     I don't know. I don't recall.

10          Q     Okay. And if you turn to Exhibit 14, we  
11 have the same situation here.

12                   Is your answer the same, you don't know  
13 why we have a mix of exhibits?

14          A     No, I don't.

15          Q     Okay.

16                   THE ARBITRATOR: Are you representing  
17 that there is a mix of exhibits as opposed to  
18 drawing an inference?

19                   MR. SHAPIRO: I'm -- I'm representing  
20 that some of these -- well, I am representing it's  
21 a mix of exhibits, that -- that unless it has DL  
22 on it, it wasn't from LeGrand's file. And that  
23 will become important, because I believe that some  
24 of the exhibits that have a combination of both  
25 don't belong in that order.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 128

1 THE ARBITRATOR: Should the Arbitrator  
2 inquire as to who has the actual production from  
3 the LeGrand production?

4 MR. SHAPIRO: On the exhibit log that we  
5 have, a lot of -- not all, but a lot of these  
6 exhibits are also found in our exhibit list, and  
7 we cross-referenced the ones that were the same.  
8 They're not identical, and I'm not sure why. So  
9 what we tried to do is just take the exact  
10 documents from Mr. LeGrand's file, and --

11 THE ARBITRATOR: Does anybody have --

12 MR. SHAPIRO: The complete --

13 THE ARBITRATOR: -- the complete --

14 MR. SHAPIRO: I don't have it --

15 THE ARBITRATOR: -- LeGrand production,  
16 so that if -- it appears to be highly important --

17 MR. SHAPIRO: We have --

18 THE ARBITRATOR: -- to get to your  
19 point, if the Arbitrator has a proper  
20 understanding, perhaps the Arbitrator's question  
21 is pertinent.

22 MR. SHAPIRO: It absolutely is.

23 MR. LEWIN: Well, we have -- we -- can  
24 we -- let me tell you what my understanding is, is  
25 that when Mr. LeGrand produced files, he produced

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 129

1     them first to Mr. Garfinkel, who he produced them  
2     in a way that was disorganized. And so they were  
3     organized by Mr. Garfinkel, and then he produced  
4     them and -- in a Bates-stamped portion and that --  
5     to the extent there may be some copies of  
6     documents, that may be the reason. But we do have  
7     the LeGrand production. I think we have all of  
8     his exhibits with us here. So that -- I think  
9     that's -- that's my understanding.

10           THE ARBITRATOR: Mr. Shapiro seems to be  
11     indicating that either now or at some point in our  
12     arbitration it's going to become relevant that  
13     what he calls mixed trial exhibits, some with and  
14     some without the LeGrand Bates stamp, have  
15     significance. So that's all I have to say.

16           MR. SHAPIRO: Sure. I -- I will have  
17     with -- Rod, with -- with your consent, what I can  
18     do is just have a copy from DL1 to the end  
19     produced and we'll mail it -- in fact, we can have  
20     it tomorrow, so that you can have that there as  
21     well.

22           THE ARBITRATOR: Well, it appears to me  
23     that it's more salient that it be between the  
24     lawyers about what's going on here. As you're  
25     presenting it to me, we'll see what happens.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 130

1 MR. SHAPIRO: Okay.

2 THE ARBITRATOR: I -- I would rather not  
3 be a monkey and go through it one by one to see.  
4 I leave that to the lawyers --

5 MR. SHAPIRO: Absolutely.

6 THE ARBITRATOR: -- to sort it out.

7 MR. SHAPIRO: Yeah.

8 MR. LEWIN: Sorry about that. We'll  
9 sort it out.

10 THE ARBITRATOR: All right. Let's go  
11 back to cross-examination.

12 BY MR. SHAPIRO:

13 Q Okay. Now, are you still at Exhibit 14?

14 A Yes.

15 Q Okay. I believe you testified that you  
16 did receive this document from Mr. LeGrand, and I  
17 think this was the -- according to your testimony,  
18 this was the first document you received after  
19 your meeting with Mr. LeGrand; is that accurate?

20 A It is accurate.

21 Q Okay. If you can turn to page 8 of the  
22 exhibit, which is Bates-stamped DL00175 --

23 A Uh-huh, I am there.

24 Q Okay. Under Section 1, it appears that  
25 you were added as a manager of the company in this

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 131

1 version of the document; correct?

2 A Yes.

3 Q And if I understand correctly, that  
4 flowed through and ultimately was part of the  
5 operating agreement that was signed?

6 A That's right, yes.

7 Q Okay. Now, turning to Exhibit 17, this  
8 is just another instance where the -- it's a mixed  
9 exhibit, and I'm guessing you don't have any  
10 knowledge as to why some of the documents are from  
11 LeGrand's file and some are not; correct?

12 A I don't.

13 MR. LEWIN: That question assumes a fact  
14 that's not really proven. It doesn't prove that  
15 it's not from his file. It proves it's not  
16 Bates-stamped.

17 MR. SHAPIRO: Except his whole file was  
18 Bates-stamped. Are you saying that his -- that  
19 wasn't a complete copy of his file? Because  
20 that's concerning.

21 MR. LEWIN: I can't -- all I'm saying is  
22 that the fact -- just -- I don't want to  
23 interrupt. I'm just saying that --

24 THE ARBITRATOR: Let's go off the record  
25 for just a second.



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 132

1 (Discussion off the record.)

2 THE ARBITRATOR: Back on the record.

3 We've had an off-the-record  
4 conversation, the substance of which, in colloquy  
5 between the Arbitrator and Mr. Lewin, is that the  
6 Arbitrator had an understanding from what he said  
7 earlier on the record that there was an initial or  
8 maybe only one production from Mr. LeGrand, and it  
9 was made to Mr. Garfinkel, and Mr. Garfinkel  
10 apparently found it in some way wanting, either in  
11 terms of adequacy or -- and/or organization. And  
12 that he then got either things organized or a new  
13 production where all of the documents at that  
14 point were Bates-stamped beginning with DL. And I  
15 asked Mr. Lewin if that was correct, he said it  
16 was.

17 This is your opportunity, Mr. Lewin, to  
18 correct me in my understanding. And I then asked  
19 you where you got that understanding, and you said  
20 from Mr. Garfinkel. And then I started talking  
21 with Mr. Shapiro, and we decided to go on the  
22 record.

23 Go ahead, Mr. Shapiro.

24 MR. SHAPIRO: Thank you.

25 Mr. LeGrand testified at his deposition

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 133

1 that the Bates-stamped documents were the sum  
2 total of the file as he produced it. Some of the  
3 exhibits -- for instance, the -- Exhibit 12 is a  
4 good example. Exhibit 12, there is, on DL137,  
5 138 -- hold on. I think I can illustrate this a  
6 little bit better, if you'll just bear with me for  
7 a second.

8 If you -- your Honor, if you turn to  
9 Exhibit 307 in -- no, stay on Exhibit 12 in that  
10 binder, and turn to Exhibit 307 in the separate  
11 binder.

12 THE ARBITRATOR: I have it.

13 MR. SHAPIRO: Now, if you look at  
14 Exhibit 307, you see Bates-stamped DL00137 and  
15 138, and then it continues on 139, et cetera.

16 Now, the formatting of the document that  
17 David LeGrand testified came from his file, the  
18 verbiage may be similar, but the formatting is  
19 different and the actual language is different.  
20 So I don't know where exhibit -- the first two  
21 pages of Exhibit 12 came from, so that's an  
22 example. Some of these, the -- the content does  
23 appear in his file, although the formatting is  
24 different, so I don't know -- and it doesn't  
25 contain all of the information, but there's other

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 134

1 instances that are a little more problematic.

2 And so I'm -- I'm just pointing that out  
3 for the Arbitrator's benefit and to lay a  
4 foundation for future arbitration proceedings.

5 MR. LEWIN: I'm trying to understand how  
6 you say the language is different.

7 MR. SHAPIRO: Well, if you look at  
8 DL137, it starts with an e-mail from David LeGrand  
9 to Shawn Bidsal on July 25, 2011, at 3:30 p.m.,  
10 and that e-mail is nowhere contained in your  
11 Exhibit 12.

12 MR. LEWIN: Okay. So -- okay. So  
13 you're -- they're correct, the top part -- I have  
14 it right here. The top part of the e-mail -- I  
15 mean, it's an e-mail chain. We did not include  
16 the -- we did not include the irrelevant portion  
17 of the e-mail chain. So that -- if that's your --  
18 if that's your issue, that -- that the language is  
19 different, then I can -- it's the top portion of  
20 the e-mail chain.

21 The portion of the e-mail that is --  
22 that's pertinent to this arbitration is exactly --  
23 exactly the same.

24 THE ARBITRATOR: The Arbitrator makes  
25 the following observation: I don't think it's

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 135

1 fruitful to spend too much more time on this right  
2 now, but that something has been highlighted that  
3 might lead to the following. I don't know that I  
4 want to order counsel to meet and confer to sort  
5 this out, because it may be Mr. Shapiro's purpose  
6 just to let -- let things be as they are, and to  
7 use them for whatever purpose and benefit you  
8 think appropriate in light of what you've --  
9 you've said and what the Arbitrator's  
10 understanding is.

11 So I'm not requiring you to speak with  
12 Mr. Lewin about how his exhibits got organized.  
13 And you can just do what you just did with 307 in  
14 your book compared to what you've shown me, and to  
15 give that as -- as a -- an illustration where you  
16 think it's going to be more significant in -- in  
17 later use. And then we can just leave it at that.  
18 Now I think I've got it.

19 MR. SHAPIRO: Thank you.

20 THE ARBITRATOR: All right.

21 MR. SHAPIRO: We'll just move forward,  
22 Your Honor.

23 THE ARBITRATOR: All right. Because the  
24 rest of it is just kind of argument and solving a  
25 possible mystery or not, but we're in trial. All

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 136

1 right. Let's keep going.

2 MR. SHAPIRO: All right. Thank you.

3 BY MR. SHAPIRO:

4 Q Could you turn -- Mr. Golshani, could  
5 you turn to Exhibit 19, please.

6 A Yes.

7 Q Now, this document -- actually, you know  
8 what, no questions on that.

9 Turning to Exhibit 20, the first page of  
10 Exhibit 20, this is your e-mail to Shawn dated  
11 September 22nd, 2011; correct?

12 A Yes.

13 Q And it states, "Shawn Aziz," A-Z-I-Z.  
14 Is that how you address him?

15 A Sometimes, yes.

16 Q Okay. And then you say, "Enclosed,  
17 please find a rough draft of what I came up with,"  
18 period.

19 A Yes.

20 Q Did I read that correctly?

21 A Yes.

22 Q Okay. And then you attached the  
23 document that you had drafted that -- that is  
24 titled "Rough draft"; correct?

25 A Yes.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 137

1           Q     Okay. Looking at that rough draft, I  
2     want to draw your attention to the first formula.

3           A     Uh-huh.

4           Q     It's a little lower than halfway down  
5     the page. It says "FMV minus cost of purchase  
6     stated in escrow closing statement times interest  
7     percentage."

8                     Do you see that?

9           A     Yes.

10          Q     Where did that formula come from?

11          A     That formula came -- the idea came  
12     from -- after LeGrand told us that we need a  
13     formula and we discussed between us, we decided to  
14     come up with something that addresses the  
15     difference between the capitals, and this is what  
16     I came to discuss further with him.

17          Q     Let me -- I'm going to ask some very  
18     detailed questions just to get a better  
19     understanding.

20                     Does David LeGrand suggest this exact  
21     language?

22          A     The formula?

23          Q     Yeah, the exact language of the formula.

24          A     No.

25          Q     So David LeGrand just suggested that a

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 138

1     **formula be used?**

2           A     Yes.

3           Q     **And you came up with this formula as a**  
4     **proposal?**

5           A     I came -- yes, I did come with that.  
6     And, you know, that was the result of  
7     negotiations. And we said -- I said to him that  
8     if the formula is needed, how difficult could it  
9     be. Let's sit down and come up with an idea. And  
10    if it is -- because of the percentage of the  
11    difference in -- between the percentage, I put  
12    that there.

13          Q     **Okay. Now, if I remember your testimony**  
14    **correctly -- I took some notes, but maybe I wrote**  
15    **it down wrong. I don't know.**

16                    **My understanding is that you testified**  
17    **that prior to Exhibit 20 -- which I believe is the**  
18    **first draft; right?**

19          A     The -- no. This -- this is the first  
20    draft. The one that I say rough draft is the  
21    first one.

22          Q     **Okay. So this is the very first draft**  
23    **that you prepared?**

24          A     That's right, yes.

25          Q     **Okay. And prior to preparing that, you**

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 139

1 had asked Shawn if he wanted to draft language,  
2 but Shawn said, "I'm too busy, you draft it"?

3 A That's right.

4 Q Okay. Did you talk to Shawn about the  
5 formula prior to drafting this?

6 A Yes.

7 Q Tell me about that conversation.

8 A Well, we -- the conversation was that,  
9 yeah, our capitals are different and we have to  
10 have a formula that addresses that. We get the  
11 profit, but we have to come up with something to  
12 make up for that. And this is what I came. And  
13 later on I -- we found out that it's not the right  
14 thing. He pointed it out to me, and I agreed and  
15 I changed it.

16 Q Okay. So, again, I'm going to kind of  
17 ask the same question about Shawn that I asked  
18 about David LeGrand.

19 So Shawn agreed with you, yeah, we need  
20 a formula?

21 A Yes.

22 Q But he really didn't talk specifics  
23 prior to you putting this together?

24 A Not the specifics, but we did talk as  
25 to -- we -- the idea.



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 140

1 Q Okay. So -- so he said, yeah, I'm in --  
2 I'm in agreement with the idea of a formula?

3 A Yes. Yes.

4 Q You came up with your first shot --

5 A Yes.

6 Q -- at the formula?

7 A Yes, that's right.

8 Q So this was your idea?

9 A This was something I came up with as a,  
10 you know, rough draft.

11 Q Okay.

12 A Something that, you know, you just put  
13 down.

14 Q You've got to start somewhere?

15 A Scratch paper, yeah.

16 Q Okay. Now, how much of this rough draft  
17 did you pull from David LeGrand? Because as I've  
18 compared it, it seems that there's a portion of --  
19 at the bottom of the first page, that it looks  
20 like it came from part of his language, but the  
21 rest of it doesn't seem familiar to me, so --

22 A No, it does. On the top, you know, the  
23 top is what -- if you look at the whole thing, you  
24 know, even the sections and all are the same. And  
25 the -- the part that -- it says that "Any member,

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 141

1 operating member, may give notice to the remaining  
2 member," starting from there is something that I  
3 wrote, and I had this appraisal procedure and the  
4 formula. And the rest is, again, David  
5 LeGrand's --

6 Q Okay.

7 A I mean, the main thing is from that.  
8 And I concur that I did add the formula and the  
9 appraisal.

10 Q Okay.

11 A And I told you how it happened.

12 Q So going down to -- and I'm looking at  
13 the bottom half of the first page of the rough  
14 draft where it says, "The remaining member shall  
15 have 30 days within which to respond in writing to  
16 the offering member by either," and then you have  
17 a Roman numeral I and a Roman numeral II?

18 A Uh-huh.

19 Q That's your language; right?

20 A Actually, I got that from LeGrand, too.  
21 Look at the LeGrand, and it has the numerical --  
22 Roman numeral called I and II.

23 Q All right. So you're saying that came  
24 from LeGrand, too?

25 A I think so, yeah.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 142

1 Q Okay. Can you show me where that is?

2 And I'm not -- I'm not familiar with that. That  
3 doesn't ring a bell, so I'm trying to understand.

4 A Do you have --

5 MR. LEWIN: It's Exhibit 16, page 12.

6 THE WITNESS: -- do you have -- if you  
7 don't have it, I --

8 MR. LEWIN: If you're looking -- want to  
9 look at what we're talking about.

10 MR. SHAPIRO: Exhibit 16, page 12?

11 MR. LEWIN: Look in your book.

12 BY MR. SHAPIRO:

13 Q Okay. So go ahead and turn to  
14 Exhibit --

15 A Oh, I am sorry.

16 Q -- Exhibit 16, page 12.

17 MR. LEWIN: It's the -- it's the --

18 THE WITNESS: Okay.

19 BY MR. SHAPIRO:

20 Q Okay. And show me where in that  
21 document you got it from.

22 MR. LEWIN: Is everyone looking at the  
23 clean version?

24 MR. SHAPIRO: Yeah. Yeah.

25 MR. LEWIN: Okay.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 143

1 THE WITNESS: I am reading the LeGrand.  
2 He says, "The other member shall have then ten  
3 business days within which to respond to the  
4 writing" -- I am sorry, "in writing to the offer  
5 member by either" numerical -- I mean, Roman  
6 numerical I, "accepting the offering member's  
7 offer or not" -- Roman numerical II, "rejecting  
8 the offer." And if you go to there, it is the  
9 same thing, accepting the offering member, number  
10 two, reject it.

11 BY MR. SHAPIRO:

12 Q Okay. Now --

13 THE ARBITRATOR: Off the record for just  
14 a second.

15 (Discussion off the record.)

16 THE ARBITRATOR: Back on the record.

17 MR. SHAPIRO: Thank you.

18 BY MR. SHAPIRO:

19 Q Now, looking at the rough draft, you use  
20 the acronym FMV; correct?

21 A Where is that?

22 Q I'm looking under Roman numeral II.

23 A "Rejecting and based on same fair market  
24 value." That's right.

25 Q And you see the acronym FMV?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 144

1           A     That's correct.

2           Q     And is that in Mr. LeGrand's language?

3           A     On the August 18?

4           Q     Wherever you pulled it from.

5           A     Yes. Well, FMV is mentioned there, but  
6 not in this context.

7           Q     Okay.

8           A     It was something else.

9           Q     And the language that deals with how you  
10 arrive at FMV in your rough draft, that didn't  
11 come from Mr. LeGrand, either; correct?

12          A     You mean on the top?

13          Q     Yeah, the -- the one where it says you  
14 pick two appraisers.

15          A     No, no, no. This FMV came from -- on  
16 the top, it says "fair market value." This is  
17 if -- I mean, the -- one person can offer a  
18 price --

19          Q     Well, that's not the question. So  
20 here's the question.

21                 If you look at Exhibit 20 -- do you have  
22 Exhibit 20?

23          A     Twenty is the rough draft, no?

24          Q     Yes.

25          A     Yeah, okay.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 145

1           Q     And if you look at Section 7.1, and you  
2     look at -- one, two -- three paragraphs down, the  
3     one that starts with, "The remaining member must  
4     provide the offering member."

5                     Do you see that?

6           A     There -- the third line --

7           Q     Do you see that?

8           A     No. It says, "The offering party may  
9     offer to sell."

10          Q     Okay. I'm not sure where you're at and  
11     that's why I'm asking. I want to make sure we're  
12     on the same page. So I'm on Exhibit 20. I'm on  
13     the document that says "Rough draft."

14          A     Uh-huh.

15          Q     And I'm under Section 7.1.

16          A     Uh-huh.

17          Q     And I'm three paragraphs down --

18          A     You mean, "The remaining member"?

19          Q     That's the paragraph.

20          A     Oh, okay.

21          Q     Okay. So we're on the same paragraph.

22          A     Uh-huh.

23          Q     That paragraph did not come from David  
24     LeGrand; correct? That was what you prepared?

25          A     That's right. That's when we discuss we

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 146

1 need an appraisal for the remaining member.

2 Q Okay. And you're the one that wrote the  
3 last sentence of that paragraph that says, "The  
4 medium of these two appraisals constitute the fair  
5 market value of the property which is called FMV";  
6 correct?

7 A I typed it, but this is something we  
8 discussed together.

9 Q Okay. Perfect.

10 And then when you keep going down, under  
11 Roman numeral II, the counteroffer provision, you  
12 inserted the -- the acronym FMV; correct?

13 A Yes.

14 Q And that wasn't part of David LeGrand's  
15 language?

16 A That's right.

17 Q Okay.

18 A I'm not sure. I have to look, though.

19 Q No, that's okay. You can look.

20 A "Rejecting the offer" -- "same appraisal  
21 and fair market" -- it is -- it is the same. It's  
22 the same appraisal and fair market value. It is  
23 from him, too.

24 Q Well, you used an acronym; right?

25 A It doesn't matter --

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 147

1 Q Well, no, no, just answer my question.

2 You used an acronym; right?

3 A In here?

4 Q In the rough draft.

5 A Yes.

6 Q And their acronym is FMV; correct?

7 A Yes, yes.

8 Q But that acronym does not show up in  
9 David LeGrand's language; correct? Just yes or  
10 no, does it show there or not?

11 A I don't think so.

12 Q Okay. That's all I was asking. Okay.  
13 Now, I want to have you turn to Exhibit 22.

14 This is your rough draft two; correct?

15 A Correct.

16 Q Okay. I thought it would be helpful to  
17 be able to identify the differences between rough  
18 draft one and rough draft two, so I came up with a  
19 red line. And I'm going to hand you a document --  
20 I'm going to ask you some questions and see --

21 THE ARBITRATOR: Let's hand it around  
22 the corner, please.

23 MR. SHAPIRO: Let me give you two, one  
24 for him, one for -- there, there's two.

25 THE WITNESS: Oh, thank you.



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 148

1 THE ARBITRATOR: No, we don't do that.

2 It's what we have in arbitration called the  
3 Haberfeld Antiskittle rule. We don't do that.  
4 Okay.

5 BY MR. SHAPIRO:

6 Q So what I want to do -- what I attempted  
7 to do was compare your rough draft with your rough  
8 draft two.

9 A Uh-huh.

10 Q My question to you is, as you look at  
11 the document I just gave you, does this appear to  
12 show the changes between the rough draft and the  
13 rough draft two?

14 A I haven't looked at it, you know,  
15 verbatim, but it does.

16 Q So you --

17 A Yeah.

18 Q -- you believe this shows the changes?

19 A I don't believe. I just think that  
20 it --

21 Q Okay.

22 THE ARBITRATOR: What's the last  
23 numbered exhibit in your 300 series, Mr. Shapiro?

24 MR. SHAPIRO: The last --

25 THE ARBITRATOR: And let's make this one

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 149

1 the next one in order. And make sure that it gets  
2 in the Arbitrator's exhibit book, please.

3 MR. SHAPIRO: Yes. Bear with me, and I  
4 will tell you which one that would be. It will be  
5 Exhibit 358. And you should have an empty  
6 Exhibit 358. If you'd like me to help you insert  
7 it, I'd be happy to do so.

8 THE ARBITRATOR: I will let you do that  
9 later.

10 MR. SHAPIRO: Okay.

11 THE ARBITRATOR: However, shall we  
12 characterize this as a demonstrative exhibit?

13 MR. SHAPIRO: That's the way I would  
14 characterize it.

15 THE ARBITRATOR: All right. Proceed.

16 MR. SHAPIRO: Thank you.

17 BY MR. SHAPIRO:

18 Q So as you -- and I'm going to now refer  
19 to this as Exhibit 358. You know what --

20 THE ARBITRATOR: Is this mine?

21 MR. SHAPIRO: Well, we're going to put  
22 it in the binder that you don't even have yet.  
23 Just hang on to that for now. We'll get it  
24 inserted later.

25 THE WITNESS: Well, should I put it --

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 150

1 MR. LEWIN: I've got it here, right  
2 here.

3 MR. SHAPIRO: Perfect. Thank you.

4 BY MR. SHAPIRO:

5 Q Looking at Exhibit 358, is it your  
6 testimony that these are the changes that were  
7 made after you talked to Shawn? You're going to  
8 have to say out loud. She can't get a head nod.

9 A I'm sorry. Yes, I -- after talking to  
10 him, yes.

11 Q Okay. Thank you.

12 A Some of them was my opinions, some of  
13 them was his, some of them were joint, things like  
14 that.

15 Q Okay.

16 A Yes.

17 Q As you sit here today, do you know which  
18 was which or you just remember that that's how it  
19 was?

20 A Ask me and what do I remember, I'll tell  
21 you.

22 Q Well, can you identify what was -- what  
23 you were offering as far as these changes?

24 A I don't know the significance of that,  
25 but, you know, why don't you ask your question and

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 151

1 I will be happy to answer.

2 Q Outside of just asking you about each  
3 change, I don't know any other way to do it. So  
4 unless there's something you want to volunteer,  
5 we'll just move on.

6 A The first one that we changed from  
7 "sale" to "purchase" --

8 Q Okay.

9 A -- that is my idea.

10 Q Okay.

11 A And I explained the reason. If you  
12 want, I repeat it.

13 Q No, that's okay.

14 Any other that you can remember?

15 A I need help, because I don't know which  
16 one is mine, which one is yours -- which one is  
17 the first, which one is the --

18 Q Well, I can explain it. So the red  
19 cross-through indicates that that was language in  
20 the rough draft that was removed in rough draft  
21 two, and the blue underline is language that did  
22 not exist in the rough draft --

23 A Okay.

24 Q -- but was inserted in the rough draft  
25 two.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 152

1           A     All right.

2           Q     **Does that make sense?**

3           A     Yes.

4           Q     **Okay.**

5           A     So the -- the definition probably came  
6     from the discussion of -- I had with Bidsal and  
7     Mr. LeGrand. And then the next change, I don't  
8     know. The next paragraph, I don't know. "The  
9     remaining members shall provide," we changed the  
10    "three MIA" to "two" because there was two -- I  
11    mean, it was overkill.

12                     And, of course, when "buy" changed to --  
13    "sell" changed to "buy," other things changed.  
14    The formula changed to reflect Mr. Bidsal's  
15    interest. And this is all I can tell you.

16           Q     **Okay. Now, as far as the individual who**  
17    **actually made the changes, this -- was it done on**  
18    **a computer?**

19           A     I think so, yes.

20           Q     **And were you the ones that were -- was**  
21    **making the changes on the computer?**

22           A     Yes, I was.

23           Q     **Okay. Now, if you could turn to**  
24    **Exhibit 23.**

25           A     Okay.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 153

1           Q     Now, how many pages does your Exhibit 23  
2     have? Is it just one page or is it multiple  
3     pages?

4           A     One.

5           Q     Okay. So you sent -- actually, you know  
6     what, I see what you did here. If you turn to  
7     Exhibit 24, here you attached -- the last two  
8     pages of Exhibit 24 is a draft two.

9                     Do you see that?

10          A     I did not attach that. From what I  
11     remember -- may I ask why you say I attached it?

12          Q     Well, I say -- I said that loosely.  
13     That was -- I guess I should say your attorney  
14     attached draft two to Exhibit 24.

15          A     Well, my attorney -- our attorney,  
16     Mr. LeGrand, prepared this draft two --

17          Q     Okay.

18          A     -- and sent it to us.

19          Q     Okay. All right.

20          A     I have -- I have not anything to do with  
21     this, rather that I suggested some language, and  
22     that's it.

23          Q     Got it. Okay.

24          A     So whatever it says draft two only, it  
25     is Mr. LeGrand, not mine.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 154

1           Q     Let me -- let me back up and just  
2     clarify, though.

3                     Looking at Exhibit 22, you sent your  
4     rough draft two to David LeGrand for incorporation  
5     into the operating agreement; correct?

6           A     Not -- no. Not for incorporation into  
7     operating agreement. It was for his review and  
8     corrections.

9           Q     Okay. Do you know what corrections he  
10    made?

11          A     Well, I -- right now, I don't know, but  
12    he discussed it with Mr. Bidsal and they did  
13    things to it and they modified it.

14          Q     Okay. Did you make --

15          A     Okay.

16          Q     Did you make any changes to the rough  
17    draft two before sending it to David LeGrand?

18          A     Make any changes to this rough draft  
19    two?

20          Q     Yes.

21          A     I don't think so.

22          Q     Okay. I want to have you turn to  
23    Exhibit 353 -- and I'm going to have to give you  
24    the other binder. You're not going to have that.  
25    So let me hand this to you -- in fact, here, I'll

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 155

1     **just walk around.**

2                 MR. SHAPIRO:   And, Your Honor, that  
3     should be the third binder that you haven't  
4     touched yet.

5                 MR. LEWIN:    There's three binders?

6                 MR. SHAPIRO:   Well, two from us, but  
7     he's got three in front of him --

8                 MR. LEWIN:    Oh, okay.

9                 MR. SHAPIRO:   -- yours plus our two.

10                MR. LEWIN:    353?

11                MR. SHAPIRO:   Yeah.

12     BY MR. SHAPIRO:

13                **Q     Okay.   Exhibit 353 is a declaration, and**  
14     **this is a declaration of Petra Latch.   And I'm**  
15     **going to ask some questions looking at part of the**  
16     **documents from Exhibit 353.**

17                **My first question to you is, did you --**

18                MR. LEWIN:    Your Honor, we have an  
19     objection to this.   I'm assuming it's all coming  
20     in, but I just wanted -- you said to bring it up  
21     at the time it came up.   It's come up.   I'm making  
22     my objection as -- just for the record.

23                THE ARBITRATOR:   Ground of the  
24     objection?

25                MR. LEWIN:    It's irrelevant what the --



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 156

1 what the -- what the appraised price is. It's a  
2 forced buy/sell.

3 THE ARBITRATOR: All right. Noted.

4 Thank you. Proceed.

5 BY MR. SHAPIRO:

6 Q Thank you.

7 Mr. Golshani, you commissioned an  
8 appraisal in July of 2017 of property owned by  
9 Green Valley Commerce; correct?

10 A Correct.

11 Q What day did you commission that  
12 appraisal?

13 A I don't remember. Sometime in June,  
14 July.

15 Q Okay. Looking at the first page, which  
16 is Bates-stamped Bidsal 000244, this is a  
17 declaration of Petra Latch. In paragraph 5, she  
18 states that, "On or about July 20th, 2017, Shawn  
19 Golshani contacted me and requested an appraisal  
20 report be prepared on behalf of Benjamin  
21 Golshani."

22 Do you see that?

23 A Yes.

24 Q Does that sound accurate to you?

25 A I -- I asked her to do, but there was

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 157

1 other things involved. But, yes, I -- I hired  
2 her.

3 Q Okay. And does -- July 20th, do you  
4 have any reason to believe that that's not the  
5 date that you contacted --

6 A About right, yes.

7 Q Okay. So you reached out to her on  
8 July 20th; right?

9 A Uh-huh.

10 Q Now, going to paragraph 10, it said,  
11 "Benjamin Golshani requested that I produce the  
12 appraisal by July 31st, 2017."

13 A Uh-huh.

14 Q Do you see that?

15 A Yes.

16 Q Is that true?

17 A I think so, yes.

18 Q Okay. And then did she produce an  
19 appraisal report by July 31st, 2017?

20 A I'm not sure, but I believe she did.

21 Q Okay. Well, if you want to turn to --  
22 bear with me and I'll find it -- Bidsal 257.

23 A Uh-huh.

24 Q This is an appraisal report, and it's  
25 got a date of July 31st, 2017.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 158

1 Do you see that?

2 A Yes.

3 Q And this says the appraisal was prepared  
4 by Petra Latch for Benjamin Golshani?

5 A Uh-huh.

6 Q Do you see that?

7 A Yes.

8 Q Does that refresh your recollection as  
9 to whether or not you received a report on or  
10 about July 31st, 2017?

11 A That's what it says here. I probably  
12 received it, but I don't have right now my e-mail  
13 to take a look at --

14 Q Okay. All right.

15 So within a matter of 11 days, less than  
16 two weeks, you were able to obtain an appraisal of  
17 the property; correct?

18 A Well --

19 Q Is that yes or no?

20 A Yes, with --

21 Q Okay. Thank you.

22 A -- an explanation.

23 Q Why is it that you requested the  
24 appraisal?

25 A Variety of reason. Number one was that

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 159

1 I -- you know, my partner wanted me -- wanted to  
2 buy me out, and I had to get money. And I went to  
3 a couple of friends to see if they would like to  
4 come and -- and take over. And one of them  
5 suggested the appraisal, and the appraiser was  
6 introduced by him.

7 The other was just to have an appraisal.  
8 So I wrote a letter to Mr. Bidsal that I would  
9 like to appraise the property and inform the  
10 broker to cooperate with me.

11 Q Okay. Did you ever provide a copy of  
12 the appraisal to Shawn?

13 A No, I didn't. This was a -- an  
14 appraisal that I paid for. He didn't ask. When  
15 we met in the coffee shop, he asked me how much  
16 the appraisal came. I was very busy and I was  
17 extremely sick in those times, and I hadn't even  
18 looked at it, but I heard that it was the number  
19 and I gave him the number.

20 Q Okay. Did you say you wrote Shawn a  
21 letter?

22 A Yes, I did.

23 Q Which letter are you referring to?

24 A A letter that I -- an e-mail I sent to  
25 him and I said I would like to appraise the

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 160

1 property.

2 Q Have you produced a copy of that e-mail?

3 A I have given it to --

4 Q If I -- I can tell you that we haven't  
5 seen that e-mail in anything that your attorney  
6 produced.

7 MR. LEWIN: Well, we weren't -- I don't  
8 think we're obliged to produce it. If you want a  
9 copy of it --

10 MR. SHAPIRO: Well, I don't want a copy  
11 of it now.

12 MR. LEWIN: Well, because I don't think  
13 it --

14 MR. SHAPIRO: Okay.

15 MR. LEWIN: We were supposed to -- we  
16 were supposed to produce things that we intended  
17 to use at the time of the trial -- at the  
18 arbitration. This is not one of them --

19 MR. SHAPIRO: Okay.

20 MR. LEWIN: -- but I'll provide it for  
21 you if you want it.

22 MR. SHAPIRO: I'm not asking for it.

23 MR. LEWIN: Okay.

24 BY MR. SHAPIRO:

25 Q Okay. So it's your contention that you

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 161

1 e-mailed Shawn and said you were going to appraise  
2 it, but you didn't give him a copy of the  
3 appraisal report?

4 A He didn't ask and he didn't need it. He  
5 didn't -- he just wanted to know how much it was  
6 and I said based on what I heard, yes.

7 Q And it's your contention that he never  
8 asked you for a copy of the appraisal?

9 A He never asked me for a copy.

10 Q Okay. Now, going back to Exhibit 353 --

11 A That -- if you're -- okay. I  
12 shouldn't --

13 Q If you could look at the first page of  
14 Exhibit 353.

15 A Okay. I'm there.

16 Q And I'm going back to paragraph five. I  
17 just want to be clear. It says, "On or about  
18 July 20th, 2017, Shawn Golshani contacted me."

19 That's -- that's your son. That's not  
20 Shawn Bidsal; right?

21 A That's right.

22 Q Okay. Just wanted to be clear.

23 A As I mentioned, I was very sick.

24 Q Now, you produced a declaration in this  
25 matter that was signed January 19th, 2018;

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 162

1 correct?

2 A May I see that?

3 Q Sure.

4 THE ARBITRATOR: Has this been  
5 previously marked?

6 MR. SHAPIRO: No, it has not.

7 THE ARBITRATOR: Should we make this  
8 359?

9 MR. SHAPIRO: Yeah, let's make that 359.

10 BY MR. SHAPIRO:

11 Q Looking at Exhibit 359, this is your  
12 declaration; correct?

13 A Uh-huh, yes.

14 Q Okay. And in Section 2, the first  
15 sentence says, "I did not draft or provide the  
16 language contained in Section 4 or, in particular,  
17 Section 4.2."

18 Do you see that?

19 A Yes.

20 Q And you're referring to the language  
21 that shows up in rough draft -- in rough draft  
22 two; correct?

23 A No, I'm not referring to that.

24 Q What are you referring to?

25 A I'm referring to the signed operating

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 163

1 agreement.

2 Q Okay. So let's go look at the signed  
3 operating agreement. I don't remember which  
4 Exhibit -- I think that's Exhibit 29. If you can  
5 turn to Exhibit 29.

6 Show me the language that you're  
7 referencing in Exhibit 29.

8 A Our Exhibit 29, yeah?

9 Q Yes, correct. Actually, they made it  
10 easy because all of our exhibits are in 300s,  
11 so ...

12 THE ARBITRATOR: That's because you're  
13 following my orders. Thank you.

14 MR. SHAPIRO: You're welcome.

15 THE WITNESS: Okay. What would you like  
16 me to --

17 BY MR. SHAPIRO:

18 Q What language are you referring to when  
19 you say Section 4 and in particular Section 4.2?

20 A The whole Section 4 is something -- I'm  
21 referring to that.

22 Q Okay. So you're saying you didn't draft  
23 any of the language in Section 4?

24 A Well, it depends what you mean by  
25 "draft." If you think that I came and I wrote



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 164

1 something here and included it into the operating  
2 agreement, no. But I gave -- I wrote some draft,  
3 rough draft, as a, you know, an idea with my  
4 partner; send it to my partner, and nobody else.  
5 And later on he said, "Send it to LeGrand, our  
6 attorney." And after that, I really didn't know  
7 what happened to that and what they did with it.

8 So when I look at this Section 4 as a  
9 whole, I did not draft this.

10 Q Okay. You previously testified that  
11 Exhibit 29, you said Shawn prepared the document.  
12 Maybe I misunderstood it.

13 But are you saying that Shawn prepared  
14 what is now contained in Exhibit 29?

15 A When did I say that?

16 Q Earlier today. And maybe --

17 A No, in what context? I'm sorry.

18 Q It was the context of a discussion.  
19 Your attorney was asking you questions about  
20 Exhibit 29, and you made a statement that Shawn  
21 prepared the document. I just want to make sure I  
22 understood it correctly.

23 So is it your contention that Shawn  
24 prepared this Exhibit 29?

25 A I don't recall that I said Shawn

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 165

1 prepare -- 29 is a signed agreement.

2 Q Right.

3 A And my contention is that David LeGrand  
4 did this.

5 Q Okay.

6 A So, however, it -- we have to go back to  
7 see in what context I said that and I will explain  
8 to you.

9 Q I've given you the best context I can.

10 A You told me the whole thing? How do  
11 I -- I mean -- and I'm sure I was not talking  
12 about the whole thing.

13 Q Well, maybe that was my  
14 misunderstanding. But my understanding is that  
15 you had said that he prepared the document, is the  
16 word. So I just want to clarify.

17 But it sounds like you're saying, no, he  
18 didn't prepare it?

19 A I am not saying that either. You know,  
20 I -- you asked me a question and I answered you to  
21 the best of my ability. I need to know in what  
22 context I said that sentence and I will clarify  
23 it.

24 Q Well, let me just ask a fresh question.

25 A Ask me a fresh question.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 166

1           **Q     Okay. The fresh question is, who**  
2   **prepared Exhibit 29?**

3           MR. LEWIN: Objection. Because the  
4   judge asked the question about this. The word  
5   "prepared" in this context is vague. I know you  
6   don't like that, but you asked the question. I  
7   think there's a -- that's where we are.

8           THE ARBITRATOR: Overruled.

9           MR. SHAPIRO: It depends on what the  
10   definition of "is" is.

11          THE ARBITRATOR: Overruled.

12   BY MR. SHAPIRO:

13          **Q     Okay. Go ahead and answer the question.**

14          THE ARBITRATOR: Let's have the question  
15   read back. Let me have the question read back,  
16   unless you're going to withdraw it.

17          MR. SHAPIRO: No.

18          THE ARBITRATOR: Let's have it read  
19   back, please.

20                   (Whereupon, the record was read.)

21          THE WITNESS: Meaning the signed  
22   agreement. I am saying that Mr. LeGrand prepared  
23   the operating agreement, gave it to Mr. Bidsal,  
24   and he -- and I am under belief that he made some  
25   changes. And then in his computer, when we were

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 167

1 in his office and he made a printout, and he  
2 gave -- we signed it and he gave me to sign.

3 I -- if you look at it, I see here  
4 that --

5 BY MR. SHAPIRO:

6 Q Okay. So I'm going to cut you off.

7 A Uh-huh.

8 MR. LEWIN: Well, he's explaining --

9 THE ARBITRATOR: Let him complete his  
10 answer.

11 MR. SHAPIRO: Okay.

12 THE ARBITRATOR: Complete your answer,  
13 sir.

14 THE WITNESS: If you look at page 28 of  
15 28, my interest has changed from 70 percent to  
16 30 -- 50 percent, and I don't believe LeGrand did  
17 that. None of his -- his operating agreement, it  
18 is 50/50. This is 70/30.

19 BY MR. SHAPIRO:

20 Q So you -- your statement was "I don't  
21 believe LeGrand did that"?

22 A I never saw in any of his operating  
23 agreement. And I remember he was telling you that  
24 to the end, I was not -- I was -- I didn't know.  
25 And this was something that LeGrand -- I mean,

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 168

1 this was something I -- when I look at all the  
2 operating agreement LeGrand did, it was all 70/30.  
3 And when Mr. Bidsal took possession of it, it  
4 became 50/50. That's what I am saying.

5 Q You just said when you look at all of  
6 the operating agreements David LeGrand did.

7 Did you look at all of the operating  
8 agreements that David LeGrand prepared?

9 A Recently I looked at whatever I had,  
10 yes.

11 Q Okay. Did you look through the file  
12 that he produced?

13 A What file?

14 Q Did you look at the operating agreements  
15 that David LeGrand produced in his file?

16 A Yes.

17 Q Okay.

18 A Unless I missed, but I -- it's very easy  
19 to check again to see.

20 Q Okay. I'm just asking, because before  
21 you said you didn't look through his file, but now  
22 you did look at -- through all of them. I'm just  
23 trying to understand what you looked through.

24 A No, you said -- I said that I didn't  
25 look through every -- page by page. It is very

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 169

1 bulky. But the things that caught my interest, I  
2 went and I looked at them.

3 Q Okay.

4 A That's not --

5 Q Did you see Shawn make changes to the  
6 operating agreement? Did you ever --

7 A I saw he was behind his computer doing  
8 things, but I am not sure. I didn't -- I didn't  
9 pry to see what he is doing.

10 Q Well, tell me about that. Tell me --  
11 explain what happened when you saw Shawn behind  
12 his computer.

13 A And it's very normal thing. I mean, I  
14 went to his office, and he was doing his things.  
15 There are nothing unusual. But when he was  
16 printing that, he was working on that, he made the  
17 printout. He signed it. He gave it to me.

18 And because I haven't seen anything  
19 that -- I haven't seen LeGrand putting that 70 --  
20 changing 70/30 to -- to 50/50, and he had no  
21 reason to -- for doing that, it make -- it gets me  
22 to the conclusion that Mr. Bidsal did it.

23 Q Okay. So you're drawing an assumption  
24 that Mr. Bidsal did?

25 A Yes.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 170

1           Q     But you don't have any knowledge that he  
2     did?

3           A     I don't know the difference, I'm not an  
4     attorney, but that is what I come to the  
5     conclusion.

6           Q     Okay. Now, if I understand your  
7     testimony correctly, you went to Mr. Bidsal's  
8     office at some point?

9           A     Yes.

10          Q     Mr. Bidsal printed an operating  
11     agreement?

12          A     Correct.

13          Q     And then you and he both signed that  
14     operating agreement?

15          A     He -- he signed it. And I am not  
16     sure -- because I had to go. I took it or I  
17     signed it or have signed it, you know, whatever.  
18     But, yes, both of us signed after his printing.

19          Q     So you watched Shawn sign the operating  
20     agreement?

21          A     Yes, I did.

22          Q     But you don't know if Shawn saw you sign  
23     it?

24          A     I -- I am not sure about that. Maybe I  
25     took it. It was not -- but eventually -- but I

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 171

1 looked at it and I signed it.

2 Q Do you recall when this meeting  
3 occurred?

4 A Sometime, I believe, in December of  
5 2011.

6 Q You don't recall when in December?

7 A No, sir.

8 Q Okay. Now, Green Valley Commerce sold  
9 part of the property that it originally purchased;  
10 correct?

11 A Correct.

12 Q Why did it sell the property?

13 A Well, we are in the business of buying  
14 and selling, and we marketed in the -- we  
15 subdivided it and marketed it and then there was  
16 an offer and we thought it's good to sell.

17 Q Did you agree to sell it?

18 A Yes, sir.

19 Q Did you obtain a -- or did you or Shawn  
20 obtain a broker opinion of value prior to selling  
21 it?

22 A Generally, Shawn is so good at finding  
23 the value, people come to him for opinion. And I  
24 don't think he would rely on any broker value. He  
25 may ask a broker as to how much it is worth to see



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 172

1 if he would -- if they would concur with him or  
2 not, but I've never seen Shawn, based on somebody  
3 else's value, sell something.

4 Q So you don't know if -- I mean, do you  
5 know if -- if he got a broker opinion of value?

6 A He may have.

7 Q Okay. Did he share that with you?

8 A In the context that, hey, listen, we  
9 want to sell it at that price and this broker is  
10 about the same amount, so we give it to him.  
11 Because there are -- usually the brokers come with  
12 a lower price to sell that property easily. And  
13 he had the price in mind, and whoever was close to  
14 him, he would put them on the top of the list.  
15 This is his --

16 Q So -- so he was communicating all this  
17 to you throughout the process?

18 A Well, we have -- don't forget, we have  
19 worked with each other for some time, very  
20 closely. And yes, I -- I saw that he's  
21 extremely -- I mean, micro manager, checking  
22 everything and finding everything for himself, and  
23 this was one of those.

24 Q Well, my question was, and he was  
25 keeping you in the loop? In other words, this --

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 173

1     **you were aware of all of this?**

2           A     Not necessarily, but when you work with  
3     someone, they -- he talks to other people, he  
4     treats other people, he treats -- you know, does  
5     other things. You get an idea, you know.

6           Q     **I guess I'm not following any answer.**

7                   **So you --**

8           A     What's your question? And I will answer  
9     exactly that thing.

10          Q     **The question is, did Shawn keep you up**  
11     **to date through the process of selling these**  
12     **properties? Did he give you --**

13          A     For the most part, yes.

14               MR. SHAPIRO: Okay. With the Court's  
15     indulgence, I think I'm done, but I've got some  
16     notes that I'm not deciphering, so --

17               THE ARBITRATOR: Want to take a couple  
18     of minutes?

19               MR. LEWIN: Yeah.

20               MR. SHAPIRO: Yeah, that would be great.

21               THE ARBITRATOR: Okay. We have a  
22     request for a break, so it will be longer than  
23     that.

24               MR. SHAPIRO: For a Haberfeld five  
25     minutes?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 174

1 THE ARBITRATOR: A Haberfeld five.

2 MR. LEWIN: Do you need 15?

3 THE ARBITRATOR: Do you need 15 minutes?

4 MR. SHAPIRO: No, ten minutes. Ten  
5 minutes is good.

6 THE ARBITRATOR: Ten minutes. See you  
7 back in ten.

8 (Whereupon, a recess was taken.)

9 THE ARBITRATOR: All right.

10 BY MR. SHAPIRO:

11 Q Okay. Mr. Golshani, if you could turn  
12 to Exhibit 336 -- 336. This is going to be in our  
13 second -- no, it's our first binder, the one 301  
14 to 340. And tell me when you're there.

15 A 336, you say?

16 Q Yes, 336.

17 MR. LEWIN: It's the last --

18 MR. SHAPIRO: Well, it's a couple from  
19 the last, but ...

20 THE WITNESS: I don't have -- I don't  
21 have 336.

22 MR. LEWIN: Do you want me just to show  
23 him on this?

24 MR. SHAPIRO: Well, it shouldn't be the  
25 last one.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 175

1 MR. LEWIN: You're looking at the wrong  
2 version.

3 MR. SHAPIRO: Yeah, maybe it's a  
4 different binder.

5 THE WITNESS: Okay.

6 BY MR. SHAPIRO:

7 Q Now, again, middle of the first page,  
8 this appears to be an e-mail from Shawn Bidsal to  
9 you dated October 30th, 2012, and it says,  
10 "Valuation for Green Valley and Horizon Ridge,  
11 Shawn."

12 Do you see that?

13 A Yes.

14 Q And then there's some documents attached  
15 that speak to the value of the Green Valley and  
16 Horizon Ridge.

17 Do you see that?

18 A Okay.

19 Q Was this typical for Shawn to send you  
20 e-mails like this?

21 A I don't think so.

22 Q You don't think so?

23 A You mean all the time he would --

24 Q Well, anytime that the information came  
25 up, would he send it to you?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 176

1           A     I have thought so, yes. I have thought  
2     that he would share information with me, yeah.

3           Q     Okay. Okay. And yet when you got the  
4     appraisal from Petra Latch, you didn't share that  
5     with Shawn; correct?

6           A     I was never asked.

7           MR. SHAPIRO: Okay. All right. No  
8     further questions.

9           THE WITNESS: And it didn't matter -- I  
10    mean, I --

11          THE ARBITRATOR: Any redirect?

12          MR. LEWIN: Just a couple of questions.

13

14                   REDIRECT EXAMINATION

15    BY MR. LEWIN:

16          Q     When Petra Latch -- did you accompany  
17     Petra Latch when she visited the property?

18          A     Yes, sir.

19          Q     Did -- did she go on the roof?

20          A     I didn't see him going to the roof.

21          Q     How about -- was there an inspection of  
22     the air-conditioning?

23          A     I didn't see him inspecting the  
24     air-conditioning.

25          MR. LEWIN: I have nothing further.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 177

1 THE ARBITRATOR: May we excuse the  
2 witness?

3 MR. SHAPIRO: Well, hold on. We might  
4 have some follow-up, we might not.

5 THE ARBITRATOR: This is based on his  
6 question.

7 MR. SHAPIRO: It would be, yep.

8 No questions.

9 THE ARBITRATOR: Are we then concluded  
10 with Mr. Golshani's testimony?

11 MR. SHAPIRO: Yes, we are.

12 THE ARBITRATOR: Okay. Thank you, sir.  
13 Are you going to hold your seat there?

14 MR. LEWIN: Yeah, I'm going to call  
15 Mr. Bidsal.

16 THE ARBITRATOR: Are we going to call  
17 Mr. Bidsal?

18 MR. LEWIN: Yes.

19 THE ARBITRATOR: Okay. Calling  
20 Mr. Bidsal. If you would, please, take the  
21 witness chair. Before you take your seat, sir,  
22 would you please face our court reporter, raise  
23 your right hand, and be sworn as a witness in  
24 arbitration.

25

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 178

1 Whereupon,

2 SHAWN BIDSAL,

3 was called as a witness, and having been first duly  
4 sworn to testify to the truth, was examined and  
5 testified as follows:

6 THE ARBITRATOR: Mr. Bidsal, we're on  
7 the record and I'm speaking to you just for a few  
8 moments to ask whether you heard the conversation  
9 that I had about cross-examination with  
10 Mr. Golshani?

11 THE WITNESS: Yes.

12 THE ARBITRATOR: The other side is  
13 calling you as a witness as part of its case, to  
14 my understanding. And therefore we're having this  
15 conversation because they're calling you in the  
16 nature of what's called calling the adverse party  
17 by cross-examination. So that if you heard and  
18 understood what I said with Mr. Golshani, do you  
19 have any questions you would like to ask me before  
20 you're going to start cross-examination under the  
21 questioning of Mr. Lewin?

22 THE WITNESS: No.

23 THE ARBITRATOR: Okay. Go ahead,  
24 Mr. Lewin.

25

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 179

1

2

CROSS-EXAMINATION

3

BY MR. LEWIN:

4

**Q Mr. Bidsal, good afternoon.**

5

**Would you please take a look at**

6

**Exhibit 20?**

7

MR. LEWIN: Here, give him the witness

8

book. Yeah, I'll hand it to him.

9

THE WITNESS: Thank you.

10

BY MR. LEWIN:

11

**Q Did you receive this e-mail from**

12

**Mr. Golshani on or about September 22nd, 2011?**

13

A I believe so.

14

**Q Pardon me?**

15

A I think so.

16

**Q You think so. Okay.**

17

**And did you review this rough draft with**

18

**Mr. Golshani after -- after you received it?**

19

A I'm going to start calling him Ben with

20

your permission, or should I call him his full

21

name?

22

THE ARBITRATOR: Do you have any --

23

MR. GOLSHANI: Both is okay. Sure.

24

THE ARBITRATOR: Sounds like it will be

25

fine with Mr. Golshani.



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 180

1 THE WITNESS: That's fine. So, yes, he  
2 called me on this day. We talked about it.

3 THE COURT REPORTER: I'm going to need  
4 you to speak up.

5 THE WITNESS: Okay.

6 THE ARBITRATOR: Maybe as you answer,  
7 you can face more towards the court reporter so we  
8 have our record. I can hear you fine.

9 MR. LEWIN: Why don't I move over? Why  
10 don't I -- I'll change places with -- I'll change  
11 places with -- with Ben.

12 THE WITNESS: Or Mr. Golshani, either  
13 way is fine.

14 MR. LEWIN: Okay. So --

15 THE ARBITRATOR: No, it's fine. I think  
16 we're comfortable.

17 BY MR. LEWIN:

18 Q Okay. And then looking at Exhibit 22,  
19 did you -- did you receive this e-mail from  
20 Mr. Golshani on or about October 26, 2011?

21 A When I saw this for the first time when  
22 you produced it, I did a snapshot of my e-mails.  
23 I couldn't find it, so I told my attorney that I  
24 can't find it in my e-mail list. And that's what  
25 I reported to him, but I might have received it,

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 181

1     yes.

2           Q     Okay.  And when you -- and when you  
3     received e-mails from Mr. Golshani, you read them;  
4     right?

5           A     Yes.

6           Q     Now, is it fair to say that by -- going  
7     back to -- going back to September --  
8     September 22, 2011, is it fair to say that  
9     Mr. Golshani was upset by the fact that -- seemed  
10    upset by the fact that he honestly didn't have an  
11    operating agreement for Green Valley?

12          A     Well, I'm -- I wouldn't know his  
13    emotional state in terms of being upset or not,  
14    but we both were unhappy about not getting it done  
15    by then.

16          Q     Well, you were familiar with a forced  
17    buyout provision in operating agreements; right?

18          A     What do you mean by "forced"?

19          Q     Well, you had had them in other  
20    operating agreements that -- where you were a  
21    party to; right?

22          A     Not in this format, no.

23          Q     My question is, you were familiar -- you  
24    were familiar with the format of a forced buyout  
25    where one -- where there's two members, one member

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 182

1 makes an offer, the other member has to buy or  
2 sell.

3 You were familiar with that concept;  
4 right?

5 A No.

6 Q Never heard about that before?

7 A Until these proceedings --

8 Q Okay.

9 A -- with the characterization that you  
10 have under the word "forced."

11 Q Well, mandatory buyout.

12 How is that? Is that a better word?

13 A As I said, same answer.

14 Q How many -- how many -- how many LLCs  
15 had you entered into as of September 20, 2011 in  
16 your whole life? Give me a best estimate.

17 A From that point -- or up to that point?

18 Q Up to that point?

19 A A few.

20 Q How many?

21 A Four or five.

22 Q And did any of them have a -- have a --  
23 a process where there was -- one member makes an  
24 offer and the other -- to buy or sell and the  
25 other member had -- forcing the other member to

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 183

1 either -- let me rephrase that.

2 Did any of those other LLCs have a --  
3 have a provision where they -- one member can make  
4 an offer to buy and the other member had to either  
5 buy or sell?

6 A Well, I had provisions, buy/sell  
7 agreements, but not in the same format as Green  
8 Valley Commerce is.

9 Q I didn't ask about your same format.  
10 I'm talking about a straightforward agreement  
11 where one member makes an offer, and the other  
12 member has to buy or sell based on that offer.

13 A Not in that format, no.

14 Q None of them in that --

15 THE ARBITRATOR: Can we go off the  
16 record for a second?

17 MR. LEWIN: Certainly.

18 (Whereupon, a recess was taken.)

19 THE ARBITRATOR: Back on the record.

20 BY MR. LEWIN:

21 Q And he knows what I'm asking -- talking  
22 about, don't you?

23 A I just answered you.

24 Q Okay. Didn't you have a mandatory  
25 buy/sell agreement with Mr. Tabankia?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 184

1           A     I don't recall that.

2           Q     Where -- okay. And didn't you actually  
3 go --

4                   THE ARBITRATOR: How is that spelled?

5                   MR. LEWIN: T-A -- T-A-B-A-N-K-I-A, I  
6 think.

7 BY MR. LEWIN:

8           Q     Isn't it true that -- that you actually  
9 went to arbitration with Mr. Tabankia because  
10 he -- you had a mandatory buy/sell agreement and  
11 you contended that he had to do it -- do an  
12 appraisal first?

13          A     That's a completely different case.

14          Q     Can you just answer my question? Didn't  
15 you go to arbitration with Mr. Tabankia?

16          A     Yes, we did go to arbitration.

17          Q     And the name of that LLC was what?

18          A     I don't remember.

19          Q     Cheyenne --

20          A     Cheyenne Technology.

21          Q     Cheyenne Technology. And you went to --  
22 you went to -- that was -- you entered into  
23 that -- an operating agreement with Cheyenne  
24 Technology Park, LLC in 2003; right?

25          A     Sometime at that time, yes.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 185

1           Q     And isn't it true that that operating  
2     agreement had a mandatory buy/sell -- mandatory  
3     buy/sell proposal?

4           A     I don't remember.

5           Q     And isn't it true that when Mr. Tabankia  
6     tried to enforce that mandatory buy/sell proposal,  
7     that you contended that an appraisal was  
8     necessary?

9                     MR. SHAPIRO: I'm going to object as to  
10    an entirely different lawsuit, different operating  
11    agreements not in front of the court. I'm not  
12    sure where he was going with this.

13                    THE ARBITRATOR: I'm not sure that it's  
14    not in front of the Arbitrator ever, so we'll see  
15    where this goes.

16                    MR. SHAPIRO: Okay.

17                    THE ARBITRATOR: Overruled for now.  
18    Let's see where this goes.

19    BY MR. LEWIN:

20           Q     Isn't it true that Mr. Tabankia sent you  
21     a notice to sell -- sell or buy -- essentially to  
22     buy or sell your interest and specified his  
23     appraisal of the value of the company, and you  
24     claimed it did not become effective until he gave  
25     you an appraiser's appraisal?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 186

1 MR. SHAPIRO: Object. Compound.

2 THE ARBITRATOR: Overruled.

3 THE WITNESS: He -- if I remember --  
4 this is many years ago -- I think he sent an offer  
5 to buy.

6 MR. LEWIN: Okay. Let's mark as  
7 Exhibit -- Exhibit -- what are we at, our next  
8 Exhibit? Our last Exhibit is --

9 THE ARBITRATOR: We'll mark as  
10 Exhibit 39 the operating agreement for Cheyenne  
11 Technology Park.

12 MR. SHAPIRO: Was this produced?

13 MR. LEWIN: No.

14 MR. SHAPIRO: Your Honor, this wasn't  
15 ever produced to us. This is --

16 THE ARBITRATOR: The Antiskittle  
17 agree -- rule is in effect.

18 MR. LEWIN: I'm sorry. I beg your  
19 pardon.

20 THE ARBITRATOR: He violated it.  
21 Do you want to take a look at it?

22 MR. SHAPIRO: Is it going to be  
23 admitted?

24 THE ARBITRATOR: I don't know. You want  
25 to take a look at it before you have a further

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 187

1 conversation?

2 MR. LEWIN: Well, he testified he never  
3 had any buy/sell agreements, and this is  
4 impeachment.

5 THE WITNESS: That's not what I said.  
6 You said forced buy/sell agreement similar to this  
7 case and I said I don't recall.

8 MR. LEWIN: I didn't say "similar to  
9 this case."

10 THE ARBITRATOR: I will await  
11 Mr. Shapiro's review of the document.

12 Are you familiar with it?

13 THE WITNESS: Yeah.

14 THE ARBITRATOR: Maybe you ought to take  
15 a look at it.

16 I'll take argument as soon as the  
17 parties are --

18 MR. SHAPIRO: So I'm -- I am going to  
19 object to it. And the objection is that, number  
20 one, it was not produced before today. This is  
21 the first time it's being seen. As I look at  
22 this, it's -- it's totally different language,  
23 much shorter, different terms. I don't know the  
24 relevance. I just don't -- I don't see why it's  
25 being presented at this point and I would object



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 188

1 to it being entered under the trial by ambush.

2 MR. LEWIN: I asked him if he had  
3 been -- if he had entered into other LLCs that had  
4 a forced buy -- buy/sell agreement, and he said  
5 no. And then so -- and so now I'm impeaching him.  
6 And so if he said yes, then we could have gone  
7 into it a different way.

8 THE ARBITRATOR: Okay. Yes,  
9 Mr. Shapiro.

10 MR. SHAPIRO: His answer was not with  
11 the language that is similar to what we're dealing  
12 with. That was his answer.

13 MR. LEWIN: No, no. And then I  
14 clarified it and he answered again.

15 THE ARBITRATOR: Let's go back into the  
16 record and have our court reporter read the  
17 testimony starting with the initial questioning  
18 about forced buyout agreement being the keywords,  
19 and I'm asking that -- our reporter to search the  
20 testimony of Mr. Bidsal.

21 (Whereupon, the record was read.)

22 THE ARBITRATOR: I think you have a  
23 little bit more to do. I'm not going to help you  
24 here.

25 MR. LEWIN: All right.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 189

1 THE ARBITRATOR: So far, the objection  
2 is sustained.

3 BY MR. LEWIN:

4 Q Well, Mr. -- Mr. Bidsal, in the Cheyenne  
5 Technology Park, LLC, which you signed in 2003,  
6 isn't it true that there was a provision where one  
7 member could -- could buy out another -- could  
8 make an offer to buy out the other, and the other  
9 member either had to buy or sell based on that  
10 same offer?

11 A Can I take a look at this provision for  
12 a minute?

13 THE ARBITRATOR: Yes --

14 MR. LEWIN: Sure.

15 THE ARBITRATOR: -- because it is  
16 permitted under the rules of evidence to refresh  
17 your recollection. And he's giving you a document  
18 to use to refresh your recollection.

19 BY MR. LEWIN:

20 Q You can look at paragraph 3.2 on page  
21 two.

22 THE ARBITRATOR: What's the designation  
23 we're going to give this?

24 MR. LEWIN: This is 39.

25 THE ARBITRATOR: 39. Thank you.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 190

1 MR. SHAPIRO: Is it being admitted?

2 THE ARBITRATOR: No.

3 MR. LEWIN: Okay.

4 THE ARBITRATOR: But it's being marked  
5 for reference. So far, I've indicated objection  
6 sustained, and the document is only being used to  
7 refresh the witness's recollection. And that's  
8 the Arbitrator's understanding and ruling to this  
9 point.

10 THE WITNESS: Okay. What is the  
11 question?

12 BY MR. LEWIN:

13 Q The question is, is it true that the  
14 buy -- the buy/sell of members' interest in the  
15 Cheyenne Technology's operating agreement provided  
16 that one member could make an offer to buy the  
17 other member out, and the other member either had  
18 to buy or sell based on that offer?

19 A Subject to the language of this  
20 operating agreement with appraisals and so forth,  
21 yes.

22 Q Well, didn't you -- as a matter of fact,  
23 didn't you make -- you made the claim that the  
24 offering member had to provide an -- a formal  
25 appraisal -- appraisal; isn't that right?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 191

1 MR. SHAPIRO: Your Honor, I'm not sure  
2 why arguments made in a different case -- that  
3 Mr. Lewin happened to be representing the other  
4 side on, which is why he knows about it -- are  
5 relevant to these proceedings. I think we're  
6 getting fair afield. And asking him about what  
7 the arguments he made in that case when it's  
8 different language, different facts, different  
9 scenarios, it's inappropriate.

10 MR. LEWIN: It's -- actually, the idea  
11 that they both agreed upon from the very beginning  
12 was that they were going to have a straightforward  
13 buy/sell. It evolved into having -- it evolved  
14 into having additional language, but not the first  
15 part.

16 The claim of the first part is that a  
17 member -- that in this case, is that offering  
18 member makes an offer, the remaining member,  
19 unless -- unless he demands an appraisal, either  
20 has to buy or sell on that basis, which is the  
21 same thing in -- as in Cheyenne. And he's made  
22 the same -- he makes the same contentions.

23 THE ARBITRATOR: I'm going to allow you  
24 to make the argument, but not to go much deeper  
25 into this. I don't want to be going into the --

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 192

1 another arbitration unless you can really show in  
2 a case where -- in this case, it involves  
3 contractual interpretation. You're basically  
4 saying what the Arbitrator thinks he's hearing is  
5 pattern evidence. And -- and it -- if that's what  
6 you're -- you're doing, I -- I'm not going to  
7 permit you to go much deeper into this, especially  
8 given the hour. It's about 4:30, with a 5:00 hard  
9 stop for our court reporter today.

10 Do you want to make good use of our  
11 time? Maybe you can try again with this tomorrow.  
12 But between now and 5:00, let's not spend any more  
13 time on another arbitration.

14 MR. LEWIN: Well, I just want -- can I  
15 just have the answer to the last question?

16 THE ARBITRATOR: Restate it --

17 BY MR. LEWIN:

18 Q Okay. So the question is -- the  
19 question is --

20 THE ARBITRATOR: -- so we don't have to  
21 go searching in the record.

22 BY MR. LEWIN:

23 Q -- isn't it correct that in -- that you  
24 made the same claim in the Cheyenne Technology  
25 arbitration that a formal appraisal was necessary?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 193

1 MR. SHAPIRO: I'm going to object for  
2 the same reasons as the prior objection.

3 THE ARBITRATOR: Overruled.

4 BY MR. LEWIN:

5 Q Did you make such a contention?

6 A I don't even remember the details of  
7 that case.

8 THE ARBITRATOR: He doesn't remember.  
9 Next question.

10 MR. LEWIN: Okay. All right. So I'm  
11 going to come back to this tomorrow, because I  
12 have the --

13 THE ARBITRATOR: That's fine, but I  
14 think there must be better use of  
15 cross-examination time --

16 MR. LEWIN: I'll move on to something  
17 else.

18 THE ARBITRATOR: -- between now and  
19 5:00.

20 MR. LEWIN: Sure.

21 BY MR. LEWIN:

22 Q Okay. Will you please take a look at  
23 Exhibit 23.

24 A Okay.

25 Q Did you receive this e-mail from David

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 194

1     LeGrand?

2           A     I probably did, yes.

3           Q     So it says, "Shawn, I received a fax  
4     from Ben and am rewriting it to be more detailed  
5     and complete and will send it out to both of you  
6     shortly."

7                     Now, did you -- did you -- so does that  
8     refresh your recollection that you had received  
9     the -- that you had received the e-mail -- the  
10    October 26th e-mail from Mr. Golshani?

11          A     What's the exhibit number on that?

12          Q     That's 22. And 22 has the rough draft  
13    too on it, Mr. -- the rough draft two from  
14    Golshani.

15          A     Probably received it, yes.

16          Q     And so did you -- did you -- so you had  
17    already -- isn't it true that before -- before  
18    November 10, you told Mr. Golshani to send the  
19    rough draft number two to Mr. LeGrand?

20          A     I don't think I told him to send  
21    anything to anyone, but he was going to send it,  
22    yes.

23          Q     Well, did he -- did you and he discuss  
24    the fact that he was going to send it to  
25    Mr. LeGrand to have him review it and -- and --

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 195

1     **and correct it? Yes or no, sir?**

2           A     I don't recall -- I don't recall if I  
3     told him that, but --

4           Q     **You deny that you told him that?**

5           A     It was --

6           Q     **Do you deny that he told you that?**

7           A     I'm not denying that. He --

8                   MR. SHAPIRO: Your Honor, I had to let  
9     Mr. Golshani finish an answer, I request the same  
10    courtesy for Shawn.

11                   THE ARBITRATOR: That's fine. From now  
12    on -- I've been trying to keep a little bit of  
13    flexibility. But from now on, non-cross-examining  
14    attorney is not to say anything, even to help,  
15    unless with the first word being objection,  
16    period, and the grounds stated. Objection  
17    sustained.

18    BY MR. LEWIN:

19           Q     **Okay. Actually, just going back, did**  
20    **you ask Mr. LeGrand to send you the fax that he**  
21    **received from Ben?**

22           A     One more time. To receive a fax from?

23           Q     **In the e-mail to Mr. LeGrand on**  
24    **Exhibit 23, it says, "Shawn, I received a fax from**  
25    **Ben, and" -- "and am rewriting it to be more**



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 196

1 detailed and complete."

2 A Okay.

3 Q Did you ask Mr. LeGrand to send you what  
4 Ben had sent you -- had sent him?

5 A I don't recall.

6 Q Did you ask Ben to send you what he had  
7 sent to LeGrand?

8 A He already did that, yes.

9 Q Okay. So you knew what -- when  
10 Mr. LeGrand sent you this, you knew that he was  
11 talking about the rough draft number two?

12 A He is stating that he's going to send  
13 it, but it's not attached, but yes.

14 Q Okay. Now, Exhibit -- going back to  
15 Exhibit 24, looking at the bottom part, it says --  
16 where it says -- this is an e-mail from LeGrand to  
17 both you and Mr. Golshani, it says, "Gents, here  
18 is the revised version of what Ben sent me. I  
19 will insert it into the OPAG if these terms are  
20 acceptable to you."

21 You received this from Mr. LeGrand?

22 A Probably, yes.

23 Q And -- and you were -- in looking at the  
24 attachments where his -- his attachment says draft  
25 two.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 197

1                   You received that from Mr. LeGrand?

2           A       Probably, yes.

3           Q       And you read this?

4           A       Yes.

5           Q       Is that correct?

6           A       Yes.

7           Q       Did you have any questions about it at  
8 the time?

9           A       At that time, no.

10          Q       Okay. And you heard Mr. Golshani  
11 testify about how the appraisal rights to the  
12 remaining member came about, the conversation  
13 where he said that you and he discussed the fact  
14 that if the remaining -- if the offer was too low,  
15 and the remaining member doesn't have enough  
16 money, the remaining member, unless -- unless the  
17 remaining member had the right of appraisal, he  
18 could be disadvantaged because he would be forced  
19 to sell at a price that he thought was too low.

20                   You heard Mr. Golshani testify to that?

21          A       Yes, I heard that.

22          Q       Do you recall that conversation you had  
23 with Mr. Golshani?

24          A       No, I don't. And also the issue about  
25 one person not having enough money and being

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 198

1     disadvantaged, that was -- never came up. Both  
2     parties in this case at all times had the money,  
3     so I don't think not having the money was an  
4     issue.

5           Q     Well, you could -- well, didn't you tell  
6     Mr. Golshani at the outset that you were sort of  
7     short of cash, that's why you wanted him to put up  
8     the deposit?

9           A     No.

10          Q     Did he put -- did he put up all the  
11     deposits for the auctions?

12          A     The auction structure doesn't work that  
13     way. There are two levels of deposits. One is a  
14     deposit where you put up to participate in an  
15     auction, and the other one is to show proof of  
16     funds.

17          Q     He gave you his credit cards to put up  
18     the deposit for the auctions; right?

19          A     In a couple of instances; and we bid on  
20     multiple auctions. And few others, like three or  
21     four, I did that.

22          Q     Didn't he -- didn't, in fact, you max  
23     out his credit cards?

24          A     I don't recall doing that.

25          Q     You don't? Didn't Mr. Golshani tell you

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 199

1 in February of 2012 that his credit cards were  
2 maxed out and he needed a few thousand for  
3 traveling expenses, and asked you to release some  
4 of his credit card?

5 A Okay.

6 Q Yes or no, sir?

7 A No, because you need to understand how  
8 the auction process worked.

9 Q I just asked you if he made that request  
10 of you.

11 A No.

12 MR. LEWIN: Okay. Mark as Exhibit 40.

13 THE ARBITRATOR: This is for  
14 Mr. Shapiro.

15 MR. SHAPIRO: Was this produced  
16 previously?

17 MR. LEWIN: I don't think so. I don't  
18 think we -- it's impeachment.

19 MR. SHAPIRO: Your Honor, if it wasn't  
20 produced previously, I don't think it should come  
21 in.

22 THE ARBITRATOR: Overruled.

23 BY MR. LEWIN:

24 Q Did you receive this e-mail from  
25 Mr. Golshani?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 200

1           A       It's not addressed to -- to my e-mail,  
2       so I don't know.

3           Q       **It says to Shawn Bidsal. You're not --**  
4       **you don't recall receiving this?**

5           A       Shawn Bidsal is my name, but there's no  
6       e-mail address. Usually when an e-mail comes  
7       from -- from, to, from has an e-mail address of  
8       Ben. But mine, it just says Shawn Bidsal.

9           Q       **Do you recall -- do you deny receiving**  
10      **this e-mail?**

11          A       I wouldn't know.

12          Q       **Okay. Do you know why he'd be asking**  
13      **you to release some of his credit cards?**

14          A       I'm not the one who released anything.  
15      It's the auction company. And they only hold it  
16      for 24 to 48 hours.

17          Q       **Do you know why Mr. Golshani is asking**  
18      **you to release some of his credit cards?**

19          A       I would not know.

20          Q       **Who put the up the deposit for the**  
21      **purchase of the Green Street property?**

22          A       You mean Green Valley property?

23          Q       **Green Valley.**

24          A       Which deposit?

25          Q       **The initial -- the initial deposit in**

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 201

1       escrow, \$404,250.

2           A       Can I look at that --

3           Q       It's Exhibit No. 2.

4           A       Ben put that deposit.

5           Q       Okay. And then didn't he put that  
6       deposit down because you told him that you were  
7       short on cash?

8           A       No.

9           Q       Okay. Just going back to -- going back  
10      to what we were talking about, Exhibit 23, when  
11      you -- pardon me, Exhibit 24, which has -- this  
12      has Mr. LeGrand's rewrite of rough draft two;  
13      right?

14          A       Yes.

15          Q       Okay. So when it says -- it says --  
16      does it -- did you and Mr. Golshani have a  
17      discussion as to why the remaining member would  
18      have the right to -- to demand an appraisal?

19          A       We had many discussions, but --

20          Q       Did you have a discussion about why the  
21      remaining member would have the right to demand an  
22      appraisal?

23          A       If the remaining member is not  
24      satisfied, he can always have an appraisal done.

25          Q       Did you and Mr. Golshani have a

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 202

1 discussion as to why the remaining member was  
2 given the right to have an appraisal done?

3 A I don't recall that detail.

4 Q Okay. When you read this draft number  
5 two, you understood that the offering member did  
6 not have any rights to request an appraisal; isn't  
7 that correct? I'm talking about the Exhibit 24.

8 A At this draft, no.

9 Q Okay. And the -- and the -- and in  
10 looking at Exhibit 29, the signed version, let's  
11 take a look at Exhibit 4 -- pardon me, let's look  
12 at Section 4.

13 You read this -- you read this -- did  
14 you read this document before you signed it?

15 A Yes.

16 Q Okay. So you -- in terms of -- in terms  
17 of -- on page 10 of 28, did you -- in this -- it  
18 says -- it says here that -- on page -- looking at  
19 page 11, "If the offer price is not acceptable" --  
20 do you see this first full paragraph?

21 A Right.

22 Q "If the offer price is not acceptable to  
23 the remaining member, within 30 days of receiving  
24 the offer, the remaining member, or any of them,  
25 can request to establish FMB based on the

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 203

1 following procedure," and then gives a procedure  
2 for the appraisal.

3 Do you agree with that?

4 A Yes.

5 Q So did you have a discussion -- in  
6 between receiving Mr. LeGrand's draft of his draft  
7 number two, which is on November 10, and signing  
8 this operating agreement, did you have any  
9 discussions with Mr. Golshani about why the  
10 remaining member is given the right to demand an  
11 appraisal? Yes or no, sir?

12 A We had many discussions.

13 Q In between those two times, from the  
14 time you received the -- the LeGrand redraft of  
15 that section, Exhibit No. 10, and signing this  
16 operating agreement, did you have any discussions  
17 with Mr. Golshani about why the remaining member  
18 had the right to demand an appraisal?

19 A Like I said, we had many different  
20 conversations.

21 THE ARBITRATOR: Excuse me. I have to  
22 stop you, sir, and to remind you of the  
23 conversation we had at the outset of your  
24 testimony. Please answer responsively,  
25 truthfully, narrowly and concisely only the



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 204

1 question that's asked.

2 Between those two dates, did you have  
3 that discussion?

4 THE WITNESS: Yes.

5 BY MR. LEWIN:

6 Q And what -- and wasn't it -- isn't it  
7 true that that was to protect the remaining member  
8 in the event that the remaining member had to  
9 respond to an offer that the remaining member  
10 thought was too low and then so he could demand  
11 a -- an appraisal to set -- to reset the fair  
12 market value price?

13 A If the --

14 Q Yes or no, sir?

15 A Not under your characterization.

16 Q Okay. Tell me -- tell me what was said.

17 A The remaining member had the option to  
18 ask for an appraisal if he chooses.

19 Q Okay. The -- the offering member had no  
20 right to request an appraisal; is that correct?

21 A At the beginning, no, because the  
22 offering member is estimating. He's thinking what  
23 the number he comes up with.

24 Q Well, you had a -- you knew what the --  
25 you had already asked -- analyzed the value of the

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 205

1     **Green -- of the Green Valley property; right?**

2           A     Briefly, yeah.

3           Q     What do you mean briefly? You had  
4     **actually done a study on it; isn't that correct?**

5           A     A study?

6           Q     A study.

7           A     What study?

8           Q     Well, didn't you believe that the Green  
9     **Valley property was worth more than six-and-a-half**  
10    **million, as in a -- in a -- at the time you listed**  
11    **it for sale?**

12          A     We listed it many months before that for  
13    sale. We got no offers. And we reduced it and it  
14    still didn't get any offers. So I --

15          Q     You had -- you had -- you had valued  
16    the -- I'm sorry. Were you finished?

17                   You had valued -- you had done an  
18    **analysis of the valuation of Green Valley Commerce**  
19    **property in March of 2017; is that correct?**

20          A     The brokers who provided BOVs, they did  
21    some studies or some analysis of valuation for  
22    that, and they provided that to me and Ben for --  
23    for the purpose of listing the property.

24          Q     And so at the time -- and what -- and  
25    **what did they value all of the properties valued**

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 206

1 at for Green Valley?

2 A In the 6 million range.

3 Q So more than 6 million?

4 A Something in the neighborhood.

5 Q And you had asked -- and isn't it true  
6 you asked Mr. Golshani in March of 2017 if he was  
7 interested in purchasing other properties; isn't  
8 that correct?

9 A Purchasing other properties with me?

10 Q Yes.

11 A We also talked about buying properties.

12 Q And didn't -- in March of 2017, didn't  
13 Mr. Golshani tell you that he had -- he was tight  
14 with cash and didn't have enough money to invest  
15 in other properties, he wasn't liquid?

16 A I don't remember such a -- such a --

17 Q You heard -- you heard him say that?

18 A I heard him -- that, but I don't  
19 remember --

20 Q Do you deny he said it, or just you  
21 don't remember one way or the other?

22 A I don't remember one or the other.

23 Q Okay. Fine. Fair enough.

24 And, by the way, this -- this Green  
25 Valley operating agreement was signed in December

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 207

1 of 2011; is that correct?

2 A Sometime toward end of '11.

3 Q And also the -- also the Country Club  
4 agreement was signed in 2011?

5 A That one, I don't remember.

6 Q But they were both -- but both -- both  
7 agreements were the same except for the name;  
8 right?

9 A I don't remember. I don't have it in  
10 front of me.

11 Q All right. But the terms were both the  
12 same; right?

13 A As I said, I just don't have it in front  
14 of me. I don't remember.

15 Q You were given -- you got a 50-percent  
16 interest in the profits, but only had to put up  
17 30 percent of the money?

18 A On GVC, yes.

19 Q And also Country Club; isn't that  
20 correct?

21 A I don't remember.

22 Q Okay. By the way, did you look at  
23 Exhibit 27? This is an e-mail from December 10,  
24 2011, from Mr. LeGrand to you.

25 Did you receive this e-mail?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 208

1           A     I probably did, yes.

2           Q     Okay. And isn't it true that after  
3     Mr. LeGrand sent you the draft of -- the draft of  
4     the Green Valley operating agreement, you told him  
5     that you needed to make some corrections to it?

6           A     No. I didn't work on the Green Valley  
7     operating agreement.

8           Q     Well, do you know -- did -- do you know  
9     why he's asking -- didn't you -- strike that.

10                  Didn't you -- didn't you tell  
11     Mr. LeGrand that you were -- you had to make some  
12     revisions to the Green Valley operating agreement?

13           A     No.

14           Q     You see it is -- do you know why he's  
15     asking you, "Shawn, did you ever finish the  
16     revisions?"

17           A     No.

18           Q     Did -- did -- did you ever receive a  
19     draft of the Green Valley operating agreement from  
20     Mr. LeGrand where Mr. Golshani's percentage  
21     interest in the LLC was less than 70 percent?

22           A     Unless you can show me an exhibit to  
23     look at it.

24           Q     Do you remember -- do you remember that?

25           A     I don't remember it.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 209

1           Q     But didn't -- if you look at -- if you  
2     look at -- if you recall, if you look at -- did  
3     you -- did you change Exhibit B to this Green  
4     Valley operating agreement to change  
5     Mr. Golshani's percentage interest from 70 percent  
6     to 50 percent?

7           A     No.

8           Q     Did you ever have a discussion with  
9     Mr. Golshani about changing his percentage --  
10    that's his ownership interest in the LLC; right?  
11    You understand the percentage interest in the  
12    ownership interest in the LLC?

13          A     Can you go there?

14          Q     Sure. Let's go to Exhibit 29.

15                 So look at the last page of Exhibit B.  
16    And the last page of Exhibit B, and you see it  
17    says "members' percentage interest."

18                 That means their ownership interest in  
19    the LLC; right?

20          A     Correct.

21          Q     Not the profits. That's the ownership  
22    interest.

23          A     That was the right agreement.

24          Q     Well, take a look at Exhibit 25. Let's  
25    take a look at the last page of Exhibit 25, which

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 210

1 is -- also look at Exhibit B.

2 What is the ownership -- what is the  
3 member -- what is CLA's members' percentage  
4 interest on this exhibit?

5 A That is not -- the percent is 70, but  
6 it's not correct.

7 Q Did you -- did you ever receive a draft  
8 agreement from Mr. LeGrand after November 29,  
9 2011, where -- where that contained a member's --  
10 it changed the member's percentage interest from  
11 CLA from 70 percent to 50 percent?

12 A Not that I remember.

13 Q Okay. And then Mr. LeGrand is -- and  
14 isn't it true after you received this November 29  
15 agreement, you noticed that there were some typos  
16 in it; right? Because you're pretty careful when  
17 you look at agreements; right?

18 A Is that a question?

19 Q Well, actually -- actually, let's take a  
20 look at -- let's take a look at Exhibit No. 26,  
21 because that actually is a later agreement.  
22 That's the one at 5:04 p.m. If you look at  
23 that -- if you'll look at the -- page 10 on that  
24 agreement, you'll see on page 10 it says, in  
25 Section 4, there's a -- there's an internal

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 211

1 section where it says it -- first of all, it says  
2 Section 3 but then it says Section 4.

3 Do you see that?

4 A Right.

5 Q And then it says in Section 4, it refers  
6 to Section 7.1?

7 A (Nodding head.)

8 Q Okay. So isn't it true you told  
9 Mr. LeGrand, after you received this agreement,  
10 that you were going -- you didn't want to pay for  
11 lawyers' fees, so you thought that you -- you  
12 would revise this agreement to correct it?

13 A No.

14 Q All right. And -- and then what -- and  
15 if you look, again, your total -- on November --  
16 December 10, you told -- in the e-mail that  
17 Mr. LeGrand sends to you, he says, "When are you  
18 going to finish the revisions?"

19 What were you revising?

20 A I wasn't working on nothing. I wasn't  
21 revising it.

22 Q Well, if -- you notice the title -- it  
23 says the title to that, that e-mail, says -- it  
24 says -- it says -- the subject matter that's  
25 Exhibit 27 says "GVC" -- that's Green Valley --



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 212

1     that's Green Valley Commerce -- OPAG; right?

2           A     Yes.

3           Q     And it says, "Shawn, did you ever finish  
4     the revisions?"

5                     So did you -- and it says, "Ben really  
6     wants to get this finished."

7                     What do you think that he's talking  
8     about here?

9                     MR. SHAPIRO:  Objection.  Calls for  
10    speculation.

11                    THE WITNESS:  I wasn't working on the  
12    operating agreement.

13    BY MR. LEWIN:

14           Q     Well, what did -- what did -- what did  
15    you think when you received this e-mail?  Did you  
16    respond to Mr. LeGrand and say, I don't know what  
17    you're talking about, I'm not doing any revisions?

18           A     Did I respond to Mr. LeGrand?

19           Q     Well, did you or not?

20           A     I don't remember.

21           Q     You have never seen an e-mail where you  
22    replied to this saying, I don't know what you're  
23    talking about, or words to that effect; right?

24           A     I don't remember, no.  I don't have it.

25           Q     Okay.  Where did -- where --

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 213

1 THE ARBITRATOR: Is there -- is there an  
2 e-mail?

3 MR. LEWIN: Not that I've seen.

4 THE ARBITRATOR: All right.

5 BY MR. LEWIN:

6 Q Is there an e-mail where you respond --  
7 is there an e-mail where you respond to  
8 Mr. LeGrand's December 10 e-mail?

9 A I wouldn't know.

10 Q You've searched --

11 A Whatever -- whatever we found, we  
12 produced them.

13 Q But you've searched your e-mails.  
14 You've searched your e-mails to prepare  
15 for this; right?

16 A Yes.

17 Q You haven't found any response to this  
18 December 10 e-mail; right?

19 A No.

20 Q Is that correct?

21 A Correct.

22 Q Now, where did you sign the -- where  
23 did -- where did you sign the Green Valley  
24 operating agreement?

25 A In my office.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 214

1 Q And Mr. Golshani was there for -- was  
2 there?

3 A Yes.

4 Q And didn't you print out the agreement  
5 from your computer at that office?

6 A No.

7 Q Where did you get the agreement to sign?

8 A Mr. Golshani brought it in.

9 Q So Mr. Golshani brought the agreement  
10 in?

11 A Yes.

12 Q Okay. And did you ever talk to  
13 Mr. Golshani about changing the -- changing the  
14 70 percent -- his 70 percent to 50 percent?

15 A That was our agreement.

16 Q Did you ever talk to -- well --

17 A We talked about --

18 Q We've now -- we've now -- we've now seen  
19 as late as November of 29, that there -- that  
20 his percentage interest was -- was 70 percent;  
21 right?

22 A That is a raw e-mail or a draft e-mail  
23 that LeGrand sent --

24 Q I can show you --

25 A -- if that's what you're referring to.

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 215

1           Q     I'm sorry. I can show you all of the  
2     other operating agreements that we have up to  
3     here. They all say 70/30.

4                     You've seen them all; right?

5           A     Right.

6           Q     All the ones that we've marked and gone  
7     through. I mean, I can do it.

8                     But if you take -- they all say 30 --  
9     70 percent -- percentage interest Golshani side,  
10    30 percent your side; right?

11          A     For the capital contribution.

12          Q     No. They all say percentage interest,  
13    70/30.

14          A     Those are not the final one that is  
15    signed.

16          Q     All the e-mails -- all -- strike that.

17                     All of the draft agreements from -- from  
18    the -- for all of the draft agreements that  
19    Mr. LeGrand prepared from the beginning until  
20    November -- and through November 29 had the -- the  
21    members' percentage interest as 30/70; right?

22          A     That --

23          Q     It's yes or no.

24          A     -- operating agreement, yes.

25          Q     Okay. I mean, you can take a look at

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 216

1 exhibit -- for example, take a look at Exhibit 10,  
2 it has it. And that's from June 27. Take a look  
3 at Exhibit 10, the last page.

4 What does it say? For member's  
5 percentage interest for Ben, what does it say?

6 A 30/70.

7 Q 70 percent him?

8 A Right.

9 Q And so did you -- did you have a  
10 discussion with Mr. Golshani where you said, no,  
11 our percentages should be 50 -- our ownership  
12 interest should be 50/50?

13 A From beginning, yes.

14 Q Did you have a discussion about changing  
15 the Exhibit B on the operating agreement?

16 A That's reflected there, yes.

17 Q Well, how did it change? Who changed it  
18 from 70 to -- 70 to 50?

19 A You're referring to the membership --

20 Q The membership percentage interest on  
21 the final draft that was signed, who changed it?

22 A Mr. Golshani.

23 Q Oh, Mr. Golshani changed it?

24 A Yes.

25 Q Okay. And how do you know that?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 217

1           A     Because Mr. Golshani brought it to my  
2     office in a -- several meetings, the actual copy  
3     of the -- the final copy of the operating  
4     agreement to be signed.

5           Q     Now, did he tell you he changed it?

6           A     That was our agreement. So he took  
7     liberty of making changes to the operating  
8     agreement prior to our meetings.

9           Q     I see. Okay.

10                   So your agreement whenever -- when you  
11     first started talking with Mr. Golshani, you said  
12     not only do I get -- you put up 70 percent of the  
13     money, but you're only going to get 50 -- 50  
14     percent ownership interest in the property; is  
15     that right?

16           A     50/50 was our membership interest,  
17     correct.

18           Q     All right. And did you -- when was the  
19     first time that you had a meeting with  
20     Mr. Golshani and Mr. LeGrand?

21           A     Sometime in June, July of 2011 --

22           Q     You saw the July 21st?

23           A     Yes.

24           Q     Does that refresh your recollection?

25           A     An actual physical meeting?

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 218

1 Q Yes.

2 A Yes.

3 Q And isn't it true that before that  
4 meeting, you dealt exclusively with Mr. LeGrand to  
5 have -- and gave him the information of what to  
6 put in the operating agreements?

7 Yes or no?

8 A He was introduced by Mr. Chang, and for  
9 the first few weeks, I dealt with him, yes.

10 Q You told Mr. LeGrand what to put in the  
11 operating agreement?

12 A No.

13 Q Okay. Well, let's take a look at  
14 what -- let's take a look at the first operating  
15 agreement that I know of, which is --

16 THE ARBITRATOR: We have two minutes,  
17 for our court reporter.

18 MR. LEWIN: I'm just going to -- I'm  
19 just going to finish up on Exhibit 5.

20 BY MR. LEWIN:

21 Q Take a look at Exhibit 5.

22 What is the percentage -- Ben's  
23 percentage interest?

24 A 30/70.

25 Q Well, take a look at Exhibit 6, the last

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 219

1 page.

2 What is -- what is Ben's -- what is  
3 the -- Ben's percentage interest?

4 A Same.

5 Q And take a look at Exhibit 10, which  
6 accompanies an e-mail dated June 27, 2011. We  
7 already looked at this.

8 It also says 70/30; right?

9 A I'm sorry. I was looking --

10 Q Exhibit 10 -- Exhibit 10 also says  
11 70/30. It's accompanying an e-mail dated June 27.

12 A Yes.

13 Q You gave that information to  
14 Mr. LeGrand, that the split -- that the percentage  
15 ownership interest was 70/30?

16 A No. We gave Mr. LeGrand our capital  
17 contribution numbers.

18 Q At any time prior -- at any time prior  
19 to December 10, 2011, did you tell Mr. LeGrand  
20 that he had the percentage interest wrong?

21 A I'm sorry. One more time.

22 Q At any -- my last question.

23 At any time before December 10 -- that's  
24 the e-mail where he says, when are you going to be  
25 finishing with your revisions, essentially. At



## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 220

1 any time before that e-mail, did you tell  
2 Mr. LeGrand that he had the percentage -- the  
3 members' percentage interest wrong?

4 A He knew that, yes.

5 Q I didn't ask what he knew.

6 I asked you did you tell him?

7 A Yes.

8 Q When did you tell him?

9 A I don't remember.

10 Q Okay. Do it in writing?

11 A No.

12 Q Okay.

13 THE ARBITRATOR: We will be in recess  
14 until 10:00 -- let's make it 9:00 tomorrow  
15 morning.

16 MR. SHAPIRO: Will you be here tomorrow?

17 THE COURT REPORTER: I will.

18 MR. SHAPIRO: Awesome.

19 THE ARBITRATOR: Okay. Let's go off the  
20 record before we -- we leave.

21 (Whereupon, the proceedings  
22 adjourned at 5:00 p.m.)

23 \* \* \* \* \*

24

25

## TRANSCRIPT OF PROCEEDINGS, VOLUME I - 05/08/2018

Page 221

## 1 CERTIFICATE OF REPORTER

2

3 STATE OF NEVADA )  
4 ) ss  
County of Clark )

5

6 I, Heidi K. Konsten, Certified Court  
7 Reporter, do hereby certify:

8 That I reported in shorthand (Stenotype)  
9 the proceedings had in the above-entitled matter at  
10 the place and date indicated.

11 That I thereafter transcribed my said  
12 shorthand notes into typewriting, and that the  
13 typewritten transcript is a complete, true, and  
14 accurate transcription of my said shorthand notes.

15 IN WITNESS WHEREOF, I have set my hand in  
16 my office in the County of Clark, State of Nevada,  
17 this 25th day of May, 2018.

18

19

20



Heidi K. Konsten, RPR, NV CCR #845

21

22

23

24

25

# **EXHIBIT 263**

In the Matter Of:  
CLA Properties, LLC vs. Bidsal, Shawn

TRANSCRIPT OF PROCEEDINGS, VOLUME II

May 09, 2018

Job Number: 469952

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J A M S

\* \* \* \* \*

CLA PROPERTIES,

Claimant,

Reference No. 1260004569

vs.

SHAWN BIDSAL,

Respondent.

---

TRANSCRIPT OF PROCEEDINGS

Taken Before the Honorable Stephen E. Haberfeld

Volume II

Las Vegas, Nevada

May 9, 2018

9:02 a.m.

Reported by: Heidi K. Konsten, RPR, CCR  
Nevada CCR No. 845 - NCRA RPR No. 816435  
JOB NO. 469952

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 223

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21 11th Floor  
Las Vegas, Nevada 89169  
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23

24 \* \* \* \* \*

25

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

1	WITNESS INDEX	Page 224
2		Page
3	SHAWN BIDSAL (Continued)	
4	Cross-Examination by Mr. Lewin	225
5	* * * * *	
6		
7	DAVID LEGRAND	
8	Direct Examination by Lewin	267
9	Cross-Examination by Mr. Shapiro	302
10	Redirect Examination by Mr. Lewin	325
11	Recross-Examination by Mr. Shapiro	330
12	* * * * *	
13		
14	SHAWN BIDSAL (Continued)	
15	Cross-Examination by Mr. Lewin	331
16	Direct Examination by Mr. Goodkin	346
17	Recross-Examination by Mr. Lewin	394
18	Redirect Examination by Mr. Goodkin	411
19	Recross-Examination by Mr. Lewin	415
20	* * * * *	
21		
22		
23		
24		
25		

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 225

1 LAS VEGAS, NEVADA

2 Wednesday, May 9, 2018

3 9:02 a.m.

4 TRANSCRIPT OF PROCEEDINGS

5 \* \* \* \* \*

6

7 THE ARBITRATOR: Back on the record.

8 Good morning, everyone.

9 MR. LEWIN: Good morning.

10 THE ARBITRATOR: It's about 9:00, or a  
11 few moments after that, for a resumed evidentiary  
12 session of the merits hearing, the arbitration  
13 hearing in this matter. And we have resumed  
14 cross-examination.

15 MR. LEWIN: Thank you, Your Honor.

16

17 CROSS-EXAMINATION (Cont'd)

18 BY MR. LEWIN:

19 Q Mr. Bidsal, would you -- well, let me  
20 ask you, first of all, if you agree with this --  
21 with this sentence in -- in your -- in your trial  
22 brief. It's on page 10, lines 17 through 18.  
23 It's at -- and it's under the heading "Under  
24 collapse interpretation, no buy/sell would ever  
25 occur."



## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 226

1 And it says, quote, "A party would never  
2 make an initial offer to buy if that offer could  
3 be transformed into an offer to sell," end quote.

4 Do you agree with that?

5 A Yes.

6 Q Okay. Well, take a look at Exhibit 16,  
7 would you, please. I'm sorry. I'm -- I'm sorry.  
8 I made the wrong -- it's 17.

9 Do you see where it says -- it's  
10 addressed to Shawn and Ben, and then it says, "We  
11 discussed that you want to be able to name a price  
12 and either get bought or buy at the offer price,"  
13 end quote.

14 Isn't it true you had that discussion  
15 with -- that you and Mr. Golshani had that  
16 discussion with Mr. LeGrand at the July 21  
17 meeting, about being able to name a price either  
18 you bought or sold -- or either you bought or buy  
19 at that same price?

20 A No, not under that format.

21 Q Well, but you -- you've had mandatory or  
22 forced buy/sell provisions in some of your other  
23 operating agreements, haven't you?

24 A We had buy/sell agreements in other  
25 operating agreements.

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 227

1           Q     Well, but then -- then -- and take a  
2     look at -- then let's take a look --

3                   THE ARBITRATOR: Did you get an answer  
4     to your question?

5     BY MR. LEWIN:

6           Q     Well, what other -- did you get -- I  
7     thought -- I thought -- you're right.

8                   Did you -- did you have a forced  
9     buy/sell agreement in any other LLC in which you  
10    were a member? Yes or no, sir?

11          A     As I said, we had buy/sell provisions in  
12    other LLCs.

13          Q     Okay. I'm was talking about a -- a  
14    buy/sell provision where -- where someone was able  
15    to name a price and you either bought or buy at  
16    that offer price.

17                  Did you have any provisions like that?

18          A     Not under that -- the way you're  
19    describing it under the format. As I said, we had  
20    buy/sell agreements in other operating agreements.

21          Q     The format I'm talking about is where  
22    one member names a price and the other member  
23    either has to sell at that price or buy him out at  
24    that price.

25                  Yes or no, did you have other buy/sell

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 228

1     **agreements at that basis?**

2           A     We had --

3           **Q     Yes or no, sir?**

4           A     It's not a yes or no answer. Every  
5     operating agreement provisions are different, and  
6     they are different language, so I don't think it's  
7     a yes or no answer.

8           **Q     Then I -- take a look at Exhibit 39, the**  
9     **Cheyenne Technology agreement.**

10           MR. SHAPIRO: That's not been  
11     introduced; right?

12           MR. LEWIN: It's been introduced. It  
13     hasn't been admitted.

14           MR. SHAPIRO: Okay.

15           MR. LEWIN: If you look at -- if you  
16     look -- if you look at the buy/sell agreement  
17     on -- okay, on paragraph 3.2.

18           THE ARBITRATOR: Has that been put into  
19     the Arbitrator's notebook?

20           MR. LEWIN: Not yet, because you  
21     didn't -- not yet, Your Honor.

22           THE ARBITRATOR: I need another copy.  
23     It does not seem to be --

24           MR. SHAPIRO: And, Your Honor, I would  
25     object to this. It was previously attempted to be

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 229

1 introduced, and you ruled that it was not going to  
2 be introduced and --

3 THE ARBITRATOR: It's -- it's -- I  
4 didn't say it's not going to be. I just said it  
5 has not been received in evidence. It's been  
6 marked because we were referring to it on a  
7 court-reported record. It's not in evidence.

8 MR. LEWIN: Isn't this -- I -- I'll move  
9 to admit Exhibit 39 for the purpose of showing  
10 that he's entered into other buy/sell agreements.

11 THE ARBITRATOR: Not yet. Denied so  
12 far.

13 BY MR. LEWIN:

14 Q Okay. Well, you signed Exhibit 32 -- I  
15 mean Exhibit 39?

16 A Yes.

17 Q That was the operating agreement you had  
18 with Mr. Tabankia; right?

19 A Yes.

20 Q And you entered into that in 2003;  
21 right?

22 A Sometime in that time frame, yes.

23 Q And in accordance with paragraph 3.2,  
24 one member makes an offer and the other -- and the  
25 other member either buys or sells at that price;

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 230

1 right?

2 A Again, I'm -- I don't remember all of  
3 the details and I haven't --

4 THE ARBITRATOR: Can you take a look at  
5 it and see what that provision says?

6 THE WITNESS: Okay.

7 THE ARBITRATOR: Would you also please  
8 pay specific attention to the sentence that starts  
9 "And non-offering members shall elect."

10 THE WITNESS: Okay. I read it.

11 BY MR. LEWIN:

12 Q You understand that this -- that under  
13 this provision, an offering member makes -- a  
14 member makes an offer, and the non-offering member  
15 either elects to buy or sell at that same price.

16 Yes or no?

17 A The way I understand this thing is  
18 that -- which was -- I guess it was litigated  
19 before -- is that the -- the entity who makes the  
20 offer also needs to provide the appraisal, so it's  
21 basically -- that was the discussions we had.

22 Q And you made that claim that there  
23 needed to be an appraisal, and you lost on that;  
24 is that correct?

25 MR. SHAPIRO: Objection, Your Honor.

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 231

1 We're now getting into -- I mean, clearly  
2 Section 3.2 is vastly different than Section 4  
3 that's at issue in this case, and we're getting  
4 into the outcome of the prior dispute dealing with  
5 language that's not even similar to what -- the  
6 language we're dealing with.

7 THE ARBITRATOR: Sustained.

8 MR. LEWIN: Well --

9 THE ARBITRATOR: Sustained.

10 MR. LEWIN: Well, okay. Move to admit  
11 Exhibit 39 into evidence, Your Honor. Its only  
12 purpose is to show he said that he would never  
13 enter into a deal where you had a buy/sell  
14 agreement. And this is obviously -- this document  
15 proves to the contrary.

16 MR. SHAPIRO: And I'm going to object.  
17 He didn't say he would never enter into a deal  
18 where he had a buy/sell agreement. He admitted  
19 that he entered into deals with buy/sell  
20 agreements. He said that none of those agreements  
21 were similar to the terms that are at issue in  
22 this case.

23 And I would object to the introduction  
24 of this into evidence, because it just -- it's an  
25 entirely different provision. To the extent that

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 232

1 it's impeached him, he's already made his point,  
2 Your Honor's heard it, you have the evidence in  
3 front of you.

4 THE ARBITRATOR: Sustained. I'm not  
5 going to admit this exhibit; however, for purposes  
6 of impeachment, I think you've made your point and  
7 we don't need to repeat it again.

8 MR. LEWIN: Very well.

9 THE ARBITRATOR: I think you can refer  
10 to the testimony that we've just concluded on this  
11 point and then move on, please.

12 MR. LEWIN: Very well. Thank you.

13 Now, the -- I would like to mark as  
14 Exhibit -- I believe it's 41, an e-mail from  
15 Mr. Bidsal to Mr. LeGrand.

16 MR. SHAPIRO: Has this been produced  
17 previously?

18 MR. LEWIN: I don't believe so. This  
19 has to do with the conversation we had yesterday  
20 about his making provisions.

21 MR. SHAPIRO: Your Honor, again, I'm  
22 objecting to the introduction of documents that  
23 have not been previously produced.

24 THE ARBITRATOR: What's the response to  
25 that?

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 233

1 MR. LEWIN: My response is, yesterday he  
2 claimed he didn't do any -- he didn't do any  
3 revisions on the operating agreement.

4 THE ARBITRATOR: That's the Arbitrator's  
5 recollection.

6 And what does this document show or tend  
7 to show?

8 MR. LEWIN: This shows that he sent a --  
9 on December 12, in response to Mr. LeGrand's  
10 e-mail that we referred to yesterday about did you  
11 finish the revisions. Mr. Bidsal says the  
12 operating agreements are finished and signed.

13 THE ARBITRATOR: Very well.

14 MR. SHAPIRO: And, Your Honor, if I can  
15 respond?

16 THE ARBITRATOR: Of course.

17 MR. SHAPIRO: This is dated  
18 December 12th, 2011, which is smack dab in the  
19 middle of the events at issue in this case. This  
20 is clearly -- would have been something that if  
21 they wanted to use, they should have produced in  
22 advance. They didn't, and it's prejudicial to  
23 allow them to come out of left field and start  
24 producing documents that they had in their  
25 possession prior to arbitration, they should have



## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 234

1 produced but they didn't produce.

2 THE ARBITRATOR: I'm not going to take  
3 argument. I'll just speak with Mr. Shapiro,  
4 unless you want to add on.

5 MR. LEWIN: I'm done.

6 THE ARBITRATOR: It appears to the  
7 Arbitrator that this document should be received  
8 as impeachment. It appears to the Arbitrator that  
9 claimants, in preparing whether to produce  
10 something or not, ran a certain risk if they did  
11 not produce a certain document as part of their  
12 initial prehearing production about exclusion,  
13 that it would not be proper impeachment or  
14 rebuttal.

15 It appears to the Arbitrator that even  
16 though that this document appears not to have been  
17 produced -- and I'm assuming it was not -- that it  
18 may be used because it is the Arbitrator's  
19 recollection that Mr. Bidsal yesterday said that  
20 he didn't do any revisions, and this is for the  
21 purpose of impeaching that testimony and showing  
22 that he did out of his own computer. And so I'm  
23 going to admit it for that reason over your  
24 objection. Received.

25 MR. LEWIN: Thank you, Your Honor.

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 235

1 BY MR. LEWIN:

2 Q You sent this e-mail?

3 A Again, I -- I'm looking at it. It might  
4 have been sent, yes.

5 Q All right. You don't have any reason to  
6 believe it wasn't sent; is that true?

7 A No.

8 Q Okay. Now, you listed the property for  
9 sale -- the Green Valley Commerce property for  
10 sale in March of 2017?

11 A Sometime in early 2017.

12 Q And the listing price was what?

13 A Around 6 million and change.

14 Q Was that for all -- that was for all of  
15 the properties; right?

16 A Right.

17 Q And did you -- and did you believe that  
18 was the fair market value of the property?

19 A That was the broker's value that Cushman  
20 & Wakefield produced.

21 Q Did you -- did you do your own analysis?

22 A No.

23 Q And then in -- at some time in -- about  
24 the same time, you were informed that Mr. Golshani  
25 had a heart condition?

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 236

1           A     He told me about his heart condition  
2     when I met him in the coffee shop, yes.

3           Q     And did he -- did he tell you -- did he  
4     tell you that -- did you know about the heart  
5     condition before July 7, 2017?

6           A     I don't remember.

7           Q     Isn't it true that in June, Mr. Golshani  
8     told you he was going to have a heart operation,  
9     June 2017?

10          A     I don't recall.

11          Q     Do you know --

12                THE ARBITRATOR:  You don't recall --

13                THE WITNESS:  I don't recall --

14                THE ARBITRATOR:  -- either the date or  
15     that he told you that --

16                THE WITNESS:  -- that conversation --

17                THE ARBITRATOR:  -- he was going to have  
18     a heart --

19                THE WITNESS:  Yeah, I don't recall  
20     having heard that -- or having that conversation  
21     or heard that from him.

22     BY MR. LEWIN:

23          Q     But at the time you made your offer of  
24     July 7, you were aware that he was -- that he was  
25     having heart problems?

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 237

1           A     He told me he had heart problems when I  
2 met him in a coffee shop. That -- that was after  
3 the offer was made, and I think he also responded.  
4 So this was even after that he responded.

5           Q     So -- okay. So -- so your testimony is  
6 that before July 7, you did not know that he was  
7 scheduled to have a heart surgery --

8           A     I don't remember, no.

9           Q     -- is that correct?  
10                   When you say you don't remember, you  
11 don't remember whether you were told that or that  
12 you didn't know?

13          A     I don't remember such a conversation.

14          Q     I see. Okay.

15                   And you don't -- and you don't recall  
16 that he told you that when you asked him about  
17 investing in other properties that he was tight --  
18 tight on cash or words to that effect?

19          A     I think I answered that yesterday.  
20 There was no issue of money between us in terms of  
21 having the funds to buy or sell.

22          Q     I didn't ask you about whether there was  
23 an issue of money.

24                   Did you recall him telling you before  
25 July 7 in 2017 that he was tight on cash or short

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 238

1 on cash?

2 A No, no.

3 Q No. Okay.

4 Now, when you made a -- when you made  
5 the July 7 offer, you said that --

6 A Can -- can I answer? I mean, can I  
7 elaborate on what I just said?

8 Q What?

9 A About the -- the issue about not  
10 having -- the issue about the money, because --

11 Q Either you remember the conversation or  
12 you don't remember --

13 A Yeah. Then -- then also produced the  
14 bank statements a couple of months later, 2-, 3-,  
15 \$4 million, having the funds to buy the property,  
16 so I don't know --

17 Q Have you ever --

18 A -- if he had the money or not, but he  
19 produced a few million dollar bank statements that  
20 he does have the money.

21 Q Yes, that's true.

22 Did you ever produce bank statements  
23 showing you had the money to buy?

24 A We didn't get that far into the deal,  
25 but yes, we do have bank statements, but we didn't

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 239

1 produce them.

2 Q Did you ever offer to -- to do -- strike  
3 that. I'm going to go back.

4 So when you -- when you made your offer  
5 to buy on July 7, you -- you knew that the -- you  
6 knew that the brokers had valued the property at  
7 over \$6 million; right?

8 A Initially, yes.

9 Q Over 6 million before that; right?

10 A Right.

11 Q And after you made the offer, isn't it  
12 true that Mr. Golshani asked you, if -- if he  
13 accepted the offer, how much money that you -- or  
14 he bought you out, how much money each of you  
15 would get?

16 A If he bought me out?

17 Q Didn't Mr. Golshani ask you to -- to --  
18 to set forth what you thought each person would  
19 net if you bought him out or he bought you out?

20 A We discussed that, yes, sir.

21 Q And you never provided him with that  
22 information, did you?

23 A Yes, I did.

24 Q Did you do it in writing?

25 A Yes, I sent it by e-mail; and also he

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 240

1 came to my office and he was questioning how the  
2 calculations are, and we went through that  
3 together.

4 Q And he told you that he was going to  
5 have an appraisal, right, performed?

6 A I don't recall when he said that, but  
7 when I was in the coffee shop after he got the  
8 appraisal, I asked him to provide it, and he never  
9 provided it.

10 Q He told you before he got an appraisal  
11 that he was going to have one performed; right?

12 A As I said, I don't remember whether he  
13 said inspection or -- or appraisal, but he might  
14 have, yes.

15 Q Well, let me see.

16 MR. LEWIN: Let me mark this Exhibit 42.

17 MR. SHAPIRO: Has this been produced  
18 previously?

19 MR. LEWIN: No, it has not.

20 MR. SHAPIRO: Your Honor, same  
21 objection.

22 BY MR. LEWIN:

23 Q This is an e-mail dated July 21, 2017.

24 A Yes, this is mine. Yes.

25 Q You received this; right?

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 241

1           A     Yes.

2           Q     Okay.

3                   THE ARBITRATOR:  There's an objection  
4     that hasn't been produced before.  What's the  
5     response?

6                   MR. LEWIN:  There was no need to produce  
7     it if he admitted that he -- that he was told that  
8     there was going to be an appraisal.  He was  
9     wishy-washy, so I produced it now.

10                  MR. SHAPIRO:  Your Honor, it's trial by  
11     ambush.  It's inappropriate.

12                  MR. LEWIN:  It's only -- I'm only  
13     obligated to produce documents that I think I'm  
14     going to use in my -- in my main case.  If he  
15     doesn't -- if he doesn't tell the truth or he is  
16     evasive, then I have to use documents that I  
17     haven't produced.  I expect him to tell the truth.

18                  MR. SHAPIRO:  Well, that's not true.  
19     You're supposed to produce all documents.

20                  MR. LEWIN:  No, I don't think so.

21                  MR. SHAPIRO:  I understand that the  
22     rules are relaxed, but this constant barrage of  
23     documents that have never been produced is getting  
24     tiresome, and it's inappropriate.

25                  MR. LEWIN:  These are documents that



## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 242

1 your client has. This is not like a document from  
2 a third party. Your client -- these are documents  
3 that come --

4 MR. SHAPIRO: So produce them.

5 MR. LEWIN: Okay. I've already --

6 THE ARBITRATOR: Well, here's -- here's  
7 the tentative ruling of the Arbitrator, and then  
8 we'll try to bring this to ground for a final  
9 ruling.

10 I'm inclined not to admit this as  
11 affirmative evidence, because it should have been  
12 produced as affirmative evidence. And it has not  
13 been premarked and -- and exchanged prior to  
14 hearing, and that is admitted.

15 Accordingly, it is not automatically  
16 under my prior rulings admitted. Therefore,  
17 taking it as a matter of how it's coming up now,  
18 this does not appear to be impeachment material,  
19 but only something that you might put in front of  
20 the witness to refresh his recollection. But that  
21 does not mean that it's in evidence and it is not  
22 received in evidence.

23 MR. LEWIN: Very well. I accept that.

24 THE ARBITRATOR: Objection's sustained  
25 subject to my explanation.

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 243

1 BY MR. LEWIN:

2 Q Does this refresh your recollection that  
3 Mr. Golshani told you in advance he was going to  
4 get an appraisal?

5 A Yes.

6 Q And then -- and then you had a meeting  
7 with him and you asked him for -- what the  
8 appraisal was and he told you the number; right?

9 A He told me a range and I asked him to  
10 produce the appraisal, to give me the appraisal.  
11 He never did.

12 Q Did you offer to pay for it? Yes or no?

13 A It wasn't -- it wasn't discussed about  
14 payment.

15 Q Did you say, look, let me have the  
16 appraisal -- well, I'll withdraw --

17 A If the appraisal is --

18 Q I withdraw the question. I withdraw the  
19 question.

20 You had all the time in the world to do  
21 your own appraisal before you made the July 7  
22 offer; right?

23 A I never did an appraisal.

24 Q You had all of the time in the world to  
25 do an appraisal before you made your July 7 offer;

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 244

1 right?

2 A I had time before, but I never did that.

3 Q And you had -- according -- you had  
4 plenty of money to pay for an appraisal; right?

5 A He had the money to pay the appraisal.

6 Q You had the money yourself to pay for  
7 your own appraisal; right?

8 A Yes.

9 Q And you were in contact with the brokers  
10 who told you how much the property was worth;  
11 right?

12 A I had the broker's opinion, which I  
13 shared with Ben, and it turned out that that level  
14 of the broker's opinion was not correct because  
15 the property did not trade, did not sell. Not  
16 only didn't sell, it didn't produce any offers.

17 Q Okay. And that was at -- that was  
18 the -- at what price?

19 A That's the one with Cushman & Wakefield,  
20 around the 6 million range.

21 Q Okay. So the appraisal -- and the -- so  
22 the appraisal then -- you've seen the appraisal  
23 now; right?

24 A Now I've seen it, yes.

25 Q And it's more than 6 million; right?

## TRANSCRIPT OF PROCEEDINGS, VOLUME II - 05/09/2018

Page 245

1 A No. It's around 4 million 7.

2 Q That's only for -- that's only for a  
3 portion of the properties; right?

4 A Right, for the Vegas properties.

5 Q And when you add in the other property,  
6 it's the -- when you add in the other property,  
7 the total value, which -- worth a million-five;  
8 right?

9 A That does not have an appraisal on it.

10 Q Well, you had an offer for a  
11 million-five?

12 A A million -- in the million-six, I  
13 think, and change.

14 Q Okay. So that would bring -- that would  
15 bring the value to more than 6.3 million; right?

16 A Correct.

17 Q Okay. So -- but when Mr. Golshani asked  
18 you if there was any deferred maintenance on the  
19 property, when he was considering how to respond  
20 to your offer, what did you tell him?

21 A He asked whatever document we have to be  
22 e-mailed to him, which I e-mailed to him.

23 Q Did Mr. Golshani ask you if there was  
24 any deferred maintenance on the properties when he  
25 was considering whether or not to --