

IN THE SUPREME COURT OF THE STATE OF NEVADA

Supreme Court Case No.

Electronically Filed
Feb 08 2024 09:27 AM
Elizabeth A. Brown
Clerk of Supreme Court

MEI-GSR HOLDINGS, LLC, a Nevada corporation; AM-GSR HOLDINGS, LLC, a Nevada corporation; and GAGE VILLAGE COMMERCIAL DEVELOPMENT, LLC, a Nevada corporation,

Petitioners,

v.

THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA, IN AND FOR THE COUNTY OF WASHOE, AND THE HONORABLE ELIZABETH GONZALEZ (RET.), SENIOR JUDGE, DEPARTMENT OJ41; AND RICHARD M. TEICHNER, RECEIVER,

Respondents,

and

ALBERT THOMAS, ET AL., individuals,

Real Parties in Interest.

**APPENDIX TO PETITION FOR WRIT OF PROHIBITION OR, IN THE
ALTERNATIVE, MANDAMUS
VOLUME 10 OF 12**

Jordan T. Smith, Esq., Bar No. 12097
Brianna Smith, Esq., Bar No. 11795
Daniel R. Brady, Esq., Bar No. 15508
PISANELLI BICE PLLC
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101

Attorneys for Petitioners

CHRONOLOGICAL INDEX		
DOCUMENT	VOLUME	PAGES
Complaint	1	PA0001-0022
Second Amended Complaint	1	PA0023-0048
Answer to Second Amended Complaint and Counterclaim	1	PA0049-0065
Plaintiffs' Motion for Sanctions Under NRCP 37(b) for Failure to Comply with Court Orders	1	PA0066-0100
Order Regarding Original Motion for Case Concluding Sanctions	1	PA0101-0106
Order Granting Plaintiffs' Motion for Case-Terminating Sanctions	1	PA0107-0119
Motion for Appointment of Receiver	1-2	PA0120-0449
Defendants' Opposition to Plaintiffs' Motion for a Receiver	2	PA0450-0456
Reply in Support of Motion for Appointment of Receiver	2-3	PA0457-0501
Default	3	PA0502-0503
Notice of Entry of Order	3	PA0504-0518
Order Appointing Receiver and Directing Defendants' Compliance	3	PA0519-0676
Findings of Fact, Conclusions of Law and Judgment	3	PA0677-0700
Notice of Entry	3-4	PA0701-0728
Stipulation and Order Regarding the Court's Findings of Fact, Conclusions of Law and Judgment	4	PA0729-0730
Motion to Dismiss Pursuant to NRCP 41(e)	4-5	PA0731-0994
Application for Temporary Restraining Order, and Motion for Preliminary Injunction	5	PA0995-1042
Opposition to Motion for Preliminary Injunction	5-7	PA1043-1460
Notice of Entry of December 5, 2022 Order	7	PA1461-1474

CHRONOLOGICAL INDEX		
DOCUMENT	VOLUME	PAGES
Motion for Instructions to Receiver Concerning Termination of the Grand Sierra Resort Unit Owners' Association and Rental of Units Until Time of Sale	7	PA1475-1479
Order	7	PA1480-1484
Final Judgment	7	PA1485-1488
Stipulation	7	PA1489-1505
Opposition to Motion for Instructions to Receiver Concerning Termination of the Grand Sierra Resort Unit Owners' Association and Rental of the Units Until Time of Sale	7-8	PA1506-1659
Defendants' Objection to Receiver's Calculations Contained in Exhibit 1 Attached to Receiver's Omnibus Reply to Parties Oppositions to the Receiver's Motion for Orders & Instructions	8	PA1660-1670
Reply in Support of Motion for Instructions to Receiver Concerning Termination of the Grand Sierra Resort Unit Owners' Association and Rental of the Units Until Time of Sale	8-9	PA1671-1684
Opposition to Motion to Modify and Terminate Receivership and Approve Sale of Condominium Hotel	9	PA1685-1703
Notice of Posting Supersedeas Bond	9	PA1704-1716
Order	9	PA1717-1719
Order	9	PA1720-1722
Opposition to Defendants' Motion for Stay of Order Granting Receiver's Motion for Orders & Instructions Entered January 26, 2023 and the March 27, 2023 Order Overruling Defendants' Objections Related Thereto, Pending Review by the Nevada Supreme Court	9	PA1723-1785

CHRONOLOGICAL INDEX		
DOCUMENT	VOLUME	PAGES
Amended Final Judgment	9	PA1786-1789
Second Amended Final Monetary Judgment	9	PA1790-1794
Corrected Second Amended Final Monetary Judgment	9	PA1795-1799
Notice of Appeal	9-11	PA1800-2010
Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	11	PA2011-2038
Opposition to Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to be Paid to Defendants	11	PA2039-2063
Receiver's Response to Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to be Paid to Defendants	11	PA2064-2068
Reply in Support of Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	11	PA2069-2099
Order	11	PA2100-2102
Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	11	PA2103-2135
Opposition to Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	11-12	PA2136-2163
Defendants' Reply in Support of Their Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	12	PA2164-2171
Order	12	PA2172-2174
Defendants' Objections to Receiver's Spreadsheet Calculation of August 2023 Net Rents to Be Paid to the Parties	12	PA2175-2204
Defendants' Restatement, Preservation and Non-Waiver of Prior Objections to Receiver's Spreadsheet Calculation of	12	PA2205-2209

CHRONOLOGICAL INDEX		
DOCUMENT	VOLUME	PAGES
October 2023 Net Rents to Be Paid to the Parties		
Opposition/Response to Defendants' Restatement, Preservation and Non-Waiver of Prior Objections to Receiver's Spreadsheet Calculation of October 2023 Net Rents to Be Paid to the Parties	12	PA2210-2213
Defendants' Reply in Support of Their Restatement, Preservation and Non-Waiver of Prior Objections to Receiver's Spreadsheet Calculation of October 2023 Net Rents to Be Paid to the Parties	12	PA2214-2217
Order	12	PA2218-2219
Order	12	PA2220-2222

ALPHABETICAL INDEX		
DOCUMENT	VOLUME	PAGES
Amended Final Judgment	9	PA1786-1789
Answer to Second Amended Complaint and Counterclaim	1	PA0049-0065
Application for Temporary Restraining Order, and Motion for Preliminary Injunction	5	PA0995-1042
Complaint	1	PA0001-0022
Corrected Second Amended Final Monetary Judgment	9	PA1795-1799
Default	3	PA0502-0503
Defendants' Objection to Receiver's Calculations Contained in Exhibit 1 Attached to Receiver's Omnibus Reply to Parties Oppositions to the Receiver's Motion for Orders & Instructions	8	PA1660-1670

ALPHABETICAL INDEX		
DOCUMENT	VOLUME	PAGES
Defendants' Objections to Receiver's Spreadsheet Calculation of August 2023 Net Rents to Be Paid to the Parties	12	PA2175-2204
Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	11	PA2011-2038
Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	11	PA2103-2135
Defendants' Opposition to Plaintiffs' Motion for a Receiver	2	PA0450-0456
Defendants' Reply in Support of Their Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	12	PA2164-2171
Defendants' Reply in Support of Their Restatement, Preservation and Non-Waiver of Prior Objections to Receiver's Spreadsheet Calculation of October 2023 Net Rents to Be Paid to the Parties	12	PA2214-2217
Defendants' Restatement, Preservation and Non-Waiver of Prior Objections to Receiver's Spreadsheet Calculation of October 2023 Net Rents to Be Paid to the Parties	12	PA2205-2209
Final Judgment	7	PA1485-1488
Findings of Fact, Conclusions of Law and Judgment	3	PA0677-0700
Motion for Appointment of Receiver	1-2	PA0120-0449
Motion for Instructions to Receiver Concerning Termination of the Grand Sierra Resort Unit Owners' Association and Rental of Units Until Time of Sale	7	PA1475-1479
Motion to Dismiss Pursuant to NRCP 41(e)	4-5	PA0731-0994
Notice of Appeal	9-11	PA1800-2010
Notice of Entry	3-4	PA0701-0728

ALPHABETICAL INDEX		
DOCUMENT	VOLUME	PAGES
Notice of Entry of December 5, 2022 Order	7	PA1461-1474
Notice of Entry of Order	3	PA0504-0518
Notice of Posting Supersedeas Bond	9	PA1704-1716
Opposition to Defendants' Motion for Stay of Order Granting Receiver's Motion for Orders & Instructions Entered January 26, 2023 and the March 27, 2023 Order Overruling Defendants' Objections Related Thereto, Pending Review by the Nevada Supreme Court	9	PA1723-1785
Opposition to Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to be Paid to Defendants	11	PA2039-2063
Opposition to Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	11-12	PA2136-2163
Opposition to Motion for Instructions to Receiver Concerning Termination of the Grand Sierra Resort Unit Owners' Association and Rental of the Units Until Time of Sale	7-8	PA1506-1659
Opposition to Motion for Preliminary Injunction	5-7	PA1043-1460
Opposition to Motion to Modify and Terminate Receivership and Approve Sale of Condominium Hotel	9	PA1685-1703
Opposition/Response to Defendants' Restatement, Preservation and Non-Waiver of Prior Objections to Receiver's Spreadsheet Calculation of October 2023 Net Rents to Be Paid to the Parties	12	PA2210-2213
Order	7	PA1480-1484
Order	9	PA1717-1719
Order	9	PA1720-1722
Order	11	PA2100-2102

ALPHABETICAL INDEX		
DOCUMENT	VOLUME	PAGES
Order	12	PA2172-2174
Order	12	PA2218-2219
Order	12	PA2220-2222
Order Appointing Receiver and Directing Defendants' Compliance	3	PA0519-0676
Order Granting Plaintiffs' Motion for Case-Terminating Sanctions	1	PA0107-0119
Order Regarding Original Motion for Case Concluding Sanctions	1	PA0101-0106
Plaintiffs' Motion for Sanctions Under NRC 37(b) for Failure to Comply with Court Orders	1	PA0066-0100
Receiver's Response to Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to be Paid to Defendants	11	PA2064-2068
Reply in Support of Defendants' Objections to Receiver's Spreadsheet Calculation of Net Rents to Be Paid to Defendants	11	PA2069-2099
Reply in Support of Motion for Appointment of Receiver	2-3	PA0457-0501
Reply in Support of Motion for Instructions to Receiver Concerning Termination of the Grand Sierra Resort Unit Owners' Association and Rental of the Units Until Time of Sale	8-9	PA1671-1684
Second Amended Complaint	1	PA0023-0048
Second Amended Final Monetary Judgment	9	PA1790-1794
Stipulation	7	PA1489-1505
Stipulation and Order Regarding the Court's Findings of Fact, Conclusions of Law and Judgment	4	PA0729-0730

DATED this 7th day of February 2024.

PISANELLI BICE PLLC

By: /s/ Jordan T. Smith
Jordan T. Smith, Esq., #12097
Brianna Smith, Esq., #11795
Daniel R. Brady, Esq., #15508
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101

Attorneys for Petitioners

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC and that, on this 7th day of February 2024, I electronically filed and served a true and correct copy of the above and foregoing **APPENDIX TO PETITION FOR WRIT OF PROHIBITION OR, IN THE ALTERNATIVE, MANDAMUS, VOLUME 10 OF 12**, properly addressed to the following:

G. David Robertson, Esq., SBN 1001
Jarrad C. Miller, Esq., SBN 7093
Briana N. Collings, Esq., SBN 14694
ROBERSTON, JOHNSON, MILLER
& WILLIAMSON
50 West Liberty Street, Suite 600
Reno, Nevada 89501
jarrad@nvlawyers.com
briana@nvlawyers.com

Robert L. Eisenberg, Esq., SBN 0950
LEMONS, GRUNDY & EISENBERG
6005 Plumas Street, Third Floor
Reno, Nevada 89519
rle@lge.net

Attorneys for Real Parties in Interest

F. DeArmond Sharp, Esq., SBN 780
Stefanie T. Sharp, Esq. SBN 8661
ROBISON, SHARP, SULLIVAN &
BRUST
71 Washington Street
Reno, Nevada 89503
dsharp@rssblaw.com
ssharp@rssblaw.com

Attorneys for the Respondent Receiver
Richard M. Teichner

Hon. Elizabeth Gonzalez (Ret.)
Senior Judge, Dept. 10
Second Judicial District Court
75 Court Street,
Reno, NV 89501
srjgonzalez@nvcourts.nv.gov

/s/ Shannon Dinkel
An employee of PISANELLI BICE PLLC

1 FARAD TORABKHAN, individually; SAHAR
2 TAVAKOL, individually; M&Y HOLDINGS,
3 LLC; JL&YL HOLDINGS, LLC; SANDI
4 RAINES, individually; R. RAGHURAM,
5 individually; USHA RAGHURAM,
6 individually; LORI K. TOKUTOMI,
7 individually; GARRET TOM, individually;
8 ANITA TOM, individually; RAMON
9 FADRILAN, individually; FAYE FADRILAN,
10 individually; PETER K. LEE and MONICA L.
11 LEE, as Trustees of the LEE FAMILY 2002
12 REVOCABLE TRUST; DOMINIC YIN,
13 individually; ELIAS SHAMIEH, individually;
14 JEFFREY QUINN individually; BARBARA
15 ROSE QUINN individually; KENNETH
16 RICHE, individually; MAXINE RICHE,
17 individually; NORMAN CHANDLER,
18 individually; BENTON WAN, individually;
19 TIMOTHY D. KAPLAN, individually;
20 SILKSCAPE INC.; PETER CHENG,
21 individually; ELISA CHENG, individually;
22 GREG A. CAMERON, individually; TMI
23 PROPERTY GROUP, LLC; RICHARD LUTZ,
24 individually; SANDRA LUTZ, individually;
25 MARY A. KOSSICK, individually; MELVIN
26 CHEAH, individually; DI SHEN, individually;
27 NADINE'S REAL ESTATE INVESTMENTS,
28 LLC; AJIT GUPTA, individually; SEEMA
GUPTA, individually; FREDRICK FISH,
individually; LISA FISH, individually;
ROBERT A. WILLIAMS, individually;
JACQUELIN PHAM, individually; MAY ANN
HOM, as Trustee of the MAY ANN HOM
TRUST; MICHAEL HURLEY, individually;
DOMINIC YIN, individually; DUANE
WINDHORST, individually; MARILYN
WINDHORST, individually; VINOD BHAN,
individually; ANNE BHAN, individually; GUY
P. BROWNE, individually; GARTH A.
WILLIAMS, individually; PAMELA Y.
ARATANI, individually; DARLENE
LINDGREN, individually; LAVERNE
ROBERTS, individually; DOUG MECHAM,
individually; CHRISINE MECHAM,
individually; KWANGSOO SON, individually;
SOO YEUN MOON, individually; JOHNSON
AKINDODUNSE, individually; IRENE
WEISS, as Trustee of the WEISS FAMILY
TRUST; PRAVESH CHOPRA, individually;
TERRY POPE, individually; NANCY POPE,
individually; JAMES TAYLOR, individually;
RYAN TAYLOR, individually; KI HAM,
individually; YOUNG JA CHOI, individually;
SANG DAE SOHN, individually; KUK
HYUNG (CONNIE), individually; SANG

(MIKE) YOO, individually; BRETT
MENMUIR, as Trustee of the CAYENNE
TRUST; WILLIAM MINER, JR., individually;
CHANH TRUONG, individually; ELIZABETH
ANDERS MECUA, individually; SHEPHERD
MOUNTAIN, LLC; ROBERT BRUNNER,
individually; AMY BRUNNER, individually;
JEFF RIOPELLE, individually; PATRICIA M.
MOLL, individually; DANIEL MOLL,
individually; and DOE PLAINTIFFS 1
THROUGH 10, inclusive ,

Plaintiff(s),

v.

MEI-GSR HOLDINGS, LLC, a Nevada
Limited Liability Company, AM-GSR
HOLDINGS, LLC, a Nevada Limited Liability
Company, GRAND SIERRA RESORT UNIT
OWNERS' ASSOCIATION, a Nevada
Nonprofit Corporation, GAGE VILLAGE
COMMERCIAL DEVELOPMENT, LLC., a
Nevada Limited Liability Company, and DOES
I-X inclusive,

Defendant(s).

Notice is hereby given that Defendants MEI-GSR Holdings, LLC; AM-GSR Holdings, LLC;
and Gage Village Commercial Development, LLC (collectively "Defendants") hereby appeal to the
Supreme Court of Nevada from all judgments, orders, rulings, and decisions in this case including, but
not limited to, the following:

1. The Amended Final Judgment, filed April 10, 2023 (Ex. A);
2. The Order on Plaintiffs' Motion to Alter or Amend Judgment, filed March 27, 2023 (Ex. B);
3. The Order overruling Defendants' Objection to Receiver's Calculations Contained in Exhibit 1 Attached to Receiver's Omnibus Reply to Parties Oppositions to the Receiver's Motion for Order & Instructions, filed March 27, 2023 (Ex. C);
4. The Order on Defendants' Motion to Modify and Terminate Receivership, entered March 27, 2023 (Ex. D);

- 1 5. The Order on Motion for Instructions to Receiver Concerning Termination of the Grand
- 2 Sierra Resort Unit Owners' Association and Rental of Units Until Time of Sale (filed on
- 3 January 26, 2023), filed March 14, 2023 (Ex. E);
- 4 6. The Order on Plaintiffs' Motion for Fees Pursuant to NRCP 37, filed March 14, 2023 (Ex.
- 5 F);
- 6 7. The Final Judgment, filed February 2, 2023 (Ex. G);
- 7 8. The Order on Defendants' Motion for Instructions Re Reimbursement of 2020 Capital
- 8 Expenditures (filed 6/24/21), filed January 26, 2023 (Ex. H);
- 9 9. The Order on Receiver's Motion for Orders & Instructions (filed 12/1/23), filed January
- 10 26, 2023 (Ex. I);
- 11 10. The Order on Defendants' Motion for Instructions to Receiver Re Reimbursement of
- 12 Capital Expenditures (filed 5/21/20), filed January 26, 2023 (Ex. J);
- 13 11. The Order Granting in Part and Denying in Part Plaintiffs' Emergency Motion for
- 14 Instructions to Receiver to Not Execute Documents Terminating the Grand Sierra Result
- 15 Unit Owners' Association without Necessary Revisions to the Subject Documents, filed
- 16 January 26, 2023 (Ex. K);
- 17 12. The Order on Plaintiffs' November 6, 2015 Motion in Support of Punitive Damages Award
- 18 ("Punitive Damages Motion"), filed January 17, 2023 (Ex. L);
- 19 13. The Order on Application for Temporary Restraining Order, and Motion for Preliminary
- 20 Injunction ("the Injunctive Relief Motion"), filed December 5, 2022 (Ex. M);
- 21 14. The Order on Defendants' Motion to Dismiss Pursuant to NRCP 41, filed November 18,
- 22 2022 (Ex. N);
- 23 15. The Order Granting Receiver's Motion for Orders & Instructions, filed on January 4, 2022
- 24 (Ex. O);
- 25 16. The Order Granting Plaintiffs' Motion for Instructions to Receiver, filed on January 4,
- 26 2022 (Ex. P);
- 27 17. The Order Granting Plaintiffs' Motion to Stay Special Assessment, filed on January 4,
- 28 2022 (Ex. Q);

18. The Order Approving Receiver's Request to Approve Updated Fees, filed on January 4, 2022 (Ex. R);
19. The Order Denying Motion to Set Aside or Amend Judgment, filed October 2, 2019 (Ex. S);
20. The Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015 (Ex. T);
21. The Order Appointing Receiver and Directing Defendants' Compliance, filed January 7, 2015 (Ex. U);
22. The Order Granting Plaintiffs' Motion for Case-Terminating Sanctions, filed October 3, 2014 (Ex. V);
23. The Order Regarding Original Motion for Case Concluding Sanctions, filed December 18, 2013 (Ex. W);
24. The Order Granting Plaintiffs' Supplemental Motion for Fees, filed January 4, 2022 (Ex. X);
25. The Order Disqualifying All Judicial Officers of the Second Judicial District Court, filed January 21, 2021 (Ex. Y);
26. The Order on Plaintiffs' Motion for Attorneys' Fees and Plaintiffs' Supplemental Motion for Attorneys' Fees, filed May 11, 2023 (Ex. Z);
27. The Order on Defendants' Motions to Retax, filed May 30, 2023 (Ex. AA);
28. The Second Amended Final Monetary Judgment, filed June, 29, 2023 (Ex. BB);
29. The Corrected Second Amended Final Monetary Judgment, filed July 10, 2023 (Ex. CC).

In addition to the foregoing, Defendants appeal all orders, judgments, rulings, decisions, and Receiver instructions/orders relating thereto, and any other interlocutory orders, judgments, rulings, decisions, and Receiver instructions/orders made appealable thereby.

...

...

...

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

AFFIRMATION

The undersigned does hereby affirm that this document does not contain the social security number of any person.

DATED this 11th day of July, 2023.

PISANELLI BICE PLLC

By: /s/ Jordan T. Smith
Jordan T. Smith, Esq., Bar No. 12097
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101
Attorneys for Defendants

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC and that on this 11th day of July, 2023, I caused to be served via the Court's e-filing/e-service program true and correct copies of the above and foregoing **NOTICE OF APPEAL** to all registered participants in this matter.

G. David Robertson, Esq., SBN 1001
Jarrad C. Miller, Esq., SBN 7093
Jonathan J. Tew, Esq., SBN 11874
ROBERSTON, JOHNSON, MILLER & WILLIAMSON
50 West Liberty Street, Suite 600
Reno, Nevada 89501
Tel: (775) 329-5600
jon@nvlawyers.com
jarrad@nvlawyers.com

Robert L. Eisenberg, Esq., SBN 0950
LEMONS, GRUNDY & EISENBERG
6005 Plumas Street, Third Floor
Reno, Nevada 89519
Telephone: (775) 786-6868
Facsimile: (775) 786-9716
rle@lge.net

Attorneys for Plaintiffs

F. DeArmond Sharp, Esq., SBN 780
Stefanie T. Sharp, Esq. SBN 8661
ROBISON, SHARP, SULLIVAN & BRUST
71 Washington Street
Reno, Nevada 89503
Tel: (775) 329-3151
Tel: (775) 329-7169
dsharp@rssblaw.com
ssharp@rssblaw.com

Attorneys for the Receiver Richard M. Teichner

/s/ Shannon Dinkel
An employee of PISANELLI BICE PLLC

INDEX OF EXHIBITS

EXHIBIT NO.	DESCRIPTION	LENGTH OF EXHIBIT
A	Amended Final Judgment	5
B	Order	4
C	Order	4
D	Order	4
E	Order	4
F	Order	5
G	Final Judgment	5
H	Order	4
I	Order	6
J	Order	4
K	Order	6
L	Order	7
M	Order	10
N	Order	4
O	Order Granting Receiver's Motion for Orders & Instructions	10
P	Order Granting Plaintiffs' Motion for Instructions to Receiver	7
Q	Order Granting Plaintiffs' Motion to Stay Special Assessment	6
R	Order Approving Receiver's Request to Approve Updated Fees	3
S	Order Denying Motion to Set Aside or Amend Judgment	12
T	Findings of Fact, Conclusions of Law and Judgment	25
U	Order Appointing Receiver and Directing Defendants' Compliance	10
V	Order Granting Plaintiffs' Motion for Case-Terminating Sanctions	14
W	Order Regarding Original Motion for Case Concluding Sanctions	7
X	Order Granting Plaintiffs' Supplemental Motion for Fees Pursuant to the Court's December 24, 2020 Order Granting Motion for Clarification and Sanctioning the Defendants	8

Y	Order Disqualifying all Judicial Officers of the Second Judicial District	4
Z	Order on Plaintiffs' Motion for Attorneys' Fees and Plaintiffs' Supplemental Motion for Attorneys' Fees	7
AA	Order re Defendants' Motions to Retax Costs	5
BB	Second Amended Final Monetary Judgment	6
CC	Corrected Second Amended Final Monetary Judgment	6

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT A

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

) AMENDED FINAL JUDGMENT

This matter having come before the Court for a default prove-up hearing from March 23, 2015 to March 25, 2015, with Findings of Fact and Conclusions of Law and Judgment entered October 9, 2015, and again before the Court on July 8, 2022 and July 18, 2022 on Plaintiffs' November 6, 2015 Motion in Support of Punitive Damages Award, with an Order entered on January 17, 2023,
IT IS HEREBY ORDERED AND ADJUDGED that judgment is entered in favor of Plaintiffs and against Defendants as follows:

1. Against MEI-GSR Holdings, LLC ("MEI-GSR") and AM-GSR Holdings, LLC ("AM-GSR") in the amount of \$442,591.83 for underpaid revenues to Unit owners;
2. Against MEI-GSR, AM-GSR, and Gage Village Development, LLC in the amount of \$4,152,669.13 for the rental of units of owners who had no rental agreement;

1 3. Against MEI-GSR and AM-GSR in the amount of \$1,399,630.44 for discounting owner's rooms
2 without credits;

3 4. Against MEI-GSR and AM-GSR in the amount of \$31,269.44 for discounted rooms with credits;

4 5. Against MEI-GSR and AM-GSR in the amount of \$96,084.96 for "comp'd" or free rooms;

5 6. Against MEI-GSR and AM-GSR in the amount of \$411,833.40 for damages associated with the
6 bad faith "preferential rotation system";

7 7. Against MEI-GSR and AM-GSR in the amount of \$1,706,798.04 for improperly calculated and
8 assessed contracted hotel fees;

9 8. Against MEI-GSR and AM-GSR in the amount of \$77,338.31 for improperly collected
10 assessments;

11 TOTAL COMPENSATORY DAMAGES \$8,318,215.54

12 IT IS FURTHER ORDERED AND ADJUDGED that Defendant AM-GSR Holdings, LLC is
13 jointly and severally liable with MEI-GSR, for these compensatory damages, only.

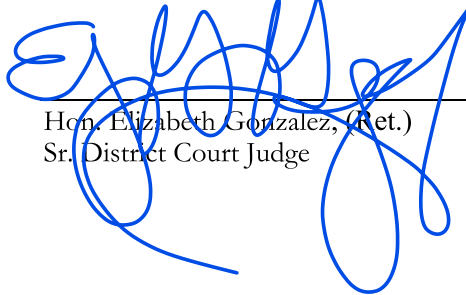
14 IT IS FURTHER ORDERED AND ADJUDGED that Defendant Gage Village Development is
15 jointly and severally liable with MEI-GSR for the sum of \$4,152,669.13 in compensatory damages,
16 only.

17 IT IS FURTHER ORDERED AND ADJUDGED that Plaintiffs be given and granted punitive
18 damages against Defendants MEI-GSR in the total amount of \$9,190,521.92.

19 This Judgment shall accrue pre- and post-judgment interest at the applicable legal rate as provided
20 by Nevada law until fully satisfied. No pre-judgment interest shall accrue on the punitive damages
21 award.

1 IT IS FURTHER ORDERED AND ADJUDGED that Defendants shall take nothing by way of
2 their counterclaims which were previously stricken by the Court.

3 Dated this 10th day April, 2023.

4
5 A handwritten signature in blue ink, appearing to read 'Elizabeth Gonzalez', is written over a horizontal line. The signature is stylized with large loops and flourishes.
6 Hon. Elizabeth Gonzalez, (Ret.)
7 Sr. District Court Judge
8
9

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

DALE KOTCHKA-ALANES
DANIEL POLSENBERG, ESQ.
DAVID MCELHINNEY, ESQ.
BRIANA COLLINGS, ESQ.
ABRAN VIGIL, ESQ.
JONATHAN TEW, ESQ.
JARRAD MILLER, ESQ.
TODD ALEXANDER, ESQ.
F. DEARMOND SHARP, ESQ.
STEPHANIE SHARP, ESQ.
G.DAVID ROBERTSON, ESQ.
ROBERT EISENBERG, ESQ.
JENNIFER HOSTETLER, ESQ.
ANN HALL, ESQ.
JAMES PROCTOR, ESQ.
JORDAN SMITH, ESQ.

Holly W. Krige

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT B

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

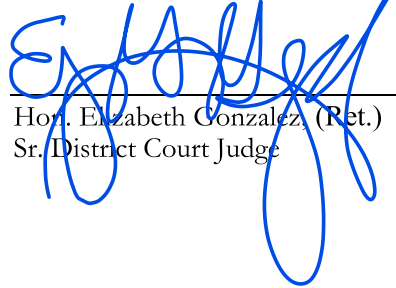
Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on Plaintiffs' Motion to Alter or Amend Judgment ("Motion").¹ After consideration of the briefing, the Court grants the Motion in part.

Consistent with the Order Granting in Part and Denying in Part Plaintiffs' Motion to Alter or Amend Judgment, filed March 7, 2019 the Final Judgment will be amended to recognize the joint liability of Defendants AM-GSR Holdings, LLC and Gage Village Development, LLC for compensatory damages, only.

¹ The court has also reviewed the Opposition filed March 1, 2023 and the Reply filed on March 8, 2023..

1 Plaintiffs' counsel to prepare and submit an amended judgment.

2 Dated this 27th day March, 2023.

3
4 A handwritten signature in blue ink, appearing to read 'Elizabeth Gonzalez', is written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke extending to the right.
5 Hon. Elizabeth Gonzalez (Ret.)
6 Sr. District Court Judge
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT; that on the 27th day of March, 2023, I electronically filed the foregoing with the Clerk of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES
DANIEL POLSENBERG, ESQ.
DAVID MCELHINNEY, ESQ.
BRIANA COLLINGS, ESQ.
ABRAN VIGIL, ESQ.
JONATHAN TEW, ESQ.
JARRAD MILLER, ESQ.
TODD ALEXANDER, ESQ.
F. DEARMOND SHARP, ESQ.
STEPHANIE SHARP, ESQ.
G.DAVID ROBERTSON, ESQ.
ROBERT EISENBERG, ESQ.
JENNIFER HOSTETLER, ESQ.
ANN HALL, ESQ.
JAMES PROCTOR, ESQ.
JORDAN SMITH, ESQ.



FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT C

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

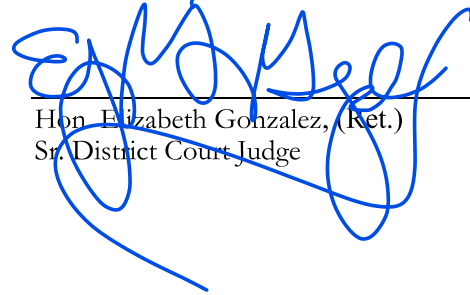
Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on DEFENDANTS' OBJECTION TO RECEIVER'S CALCULATIONS CONTAINED IN EXHIBIT 1 ATTACHED TO RECEIVER'S OMNIBUS REPLY TO PARTIES OPPOSITIONS TO THE RECEIVER'S MOTION FOR ORDERS & INSTRUCTIONS ("Objection").¹ After consideration of the briefing, the Court overrules the objection.

While the Court appreciates the arguments that are made in the Objection, these are the arguments which have been rejected by the Court and in large part will be addressed as part of the contempt hearing beginning on April 3, 2023. Defendant shall comply with the Order entered on January 26,

¹ The court has also reviewed the Receiver's response filed on February 24, 2023.

1 2023, including the deposits as directed in that Order within five (5) judicial days of entry of this
2 Order.

3 Dated this 27th day March, 2023.

4 
5
6 Hon. Elizabeth Gonzalez, (Ret.)
7 Sr. District Court Judge
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 **CERTIFICATE OF SERVICE**

2 I certify that I am an employee of THE SECOND JUDICIAL
3 DISTRICT COURT; that on the 27th day of March, 2023, I electronically filed
4 the foregoing with the Clerk of the Court system which will send a notice of
5 electronic filing to the following:

6 DALE KOTCHKA-ALANES
7 DANIEL POLSENBERG, ESQ.
8 DAVID MCELHINNEY, ESQ.
9 BRIANA COLLINGS, ESQ.
10 ABRAN VIGIL, ESQ.
11 JONATHAN TEW, ESQ.
12 JARRAD MILLER, ESQ.
13 TODD ALEXANDER, ESQ.
14 F. DEARMOND SHARP, ESQ.
15 STEPHANIE SHARP, ESQ.
16 G.DAVID ROBERTSON, ESQ.
17 ROBERT EISENBERG, ESQ.
18 JENNIFER HOSTETLER, ESQ.
19 ANN HALL, ESQ.
20 JAMES PROCTOR, ESQ.
21 JORDAN SMITH, ESQ.

22
23
24
25
26
27
28


FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT D

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on Defendants' Motion to Modify and Terminate Receivership ("Motion").¹

After consideration of the briefing, the Court denies the motion.

The Motion is premature given the status of Defendants compliance with the Court's prior order.

The Court has overruled the Objection by order of this date and Defendants are to deposit funds

consistent with the Order entered on January 26, 2023. Once those funds are deposited, the

Receiver shall file a motion for payment of expenses including his fees and the fees of his attorney;

¹ The court has also reviewed the Opposition filed March 2, 2023, Notice of Errata filed March 3, 2023, and the Reply filed on March 10, 2023..

1 After payment of those funds, the Receiver shall provide accurate rental information² as well as the
2 recalculated fees. Once that information is provided to Plaintiffs' counsel, Plaintiffs' have 30 days to
3 provide their appraisal.
4

5 Defendants may file a subsequent motion once they have complied with the Court's prior orders.

6 Dated this 27th day March, 2023.

7 
8 _____
9 Hon. Elizabeth Gonzalez, (Ret.)
10 Sr. District Court Judge
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

27 _____
28 ² The Court notes that Defendants are in control of this information and there providing of this information to the Receiver may expedite the process. If Defendants do not cooperate with the Receiver in providing this information, the process may take much longer than necessary.

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT; that on the 27th day of March, 2023, I electronically filed the foregoing with the Clerk of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES
DANIEL POLSENBERG, ESQ.
DAVID MCELHINNEY, ESQ.
BRIANA COLLINGS, ESQ.
ABRAN VIGIL, ESQ.
JONATHAN TEW, ESQ.
JARRAD MILLER, ESQ.
TODD ALEXANDER, ESQ.
F. DEARMOND SHARP, ESQ.
STEPHANIE SHARP, ESQ.
G.DAVID ROBERTSON, ESQ.
ROBERT EISENBERG, ESQ.
JENNIFER HOSTETLER, ESQ.
ANN HALL, ESQ.
JAMES PROCTOR, ESQ.
JORDAN SMITH, ESQ.



FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT E

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

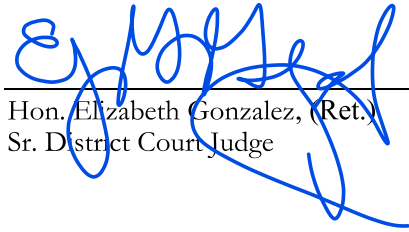
ALBERT THOMAS, et. al.,)	ORDER
)	
Plaintiff,)	Case#: CV12-02222
)	
vs.)	Dept. 10 (Senior Judge)
)	
MEI-GSR HOLDINGS, LLC., a Nevada)	
Limited Liability Company, et al)	
)	
Defendant.)	
)	
)	
)	

Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on MOTION FOR INSTRUCTIONS TO RECEIVER CONCERNING TERMINATION OF THE GRAND SIERRA RESORT UNIT OWNERS' ASSOCIATION AND RENTAL OF UNITS UNTIL TIME OF SALE filed on JANUARY 26, 2023 ("Motion for Instructions").¹ After consideration of the briefing, the Court grants the motion. The limited definition of occupancy is not one the Court is inclined to adopt. Defendant's argument that the 670 former units of the GSRUOA can no longer be rented under the URA but only occupied would promote economic waste. The 670 former units represent about one third of the

¹ The court has also reviewed the, the Defendants' Opposition filed February 14, 2023 and the Reply filed on February, 24, 2023.

1 total units at the GSR and removing all of those units (including Defendant's) from availability for
2 rental is nonsensical. The Receiver is instructed to continue to rent the former units under the
3 URA.
4

5 Dated this 14th day March, 2023.

6 
7 _____
8 Hon. Elizabeth Gonzalez, (Ret.)
9 Sr. District Court Judge
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 **CERTIFICATE OF SERVICE**

2 I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;
3 that on the 14th day of March, 2023, I electronically filed the foregoing with the
4 Clerk of the Court system which will send a notice of electronic filing to the following:
5

6 DALE KOTCHKA-ALANES
7 DANIEL POLSENBERG, ESQ.
8 DAVID MCELHINNEY, ESQ.
9 BRIANA COLLINGS, ESQ.
10 ABRAN VIGIL, ESQ.
11 JONATHAN TEW, ESQ.
12 JARRAD MILLER, ESQ.
13 TODD ALEXANDER, ESQ.
14 F. DEARMOND SHARP, ESQ.
15 STEPHANIE SHARP, ESQ.
16 G.DAVID ROBERTSON, ESQ.
17 ROBERT EISENBERG, ESQ.
18 JENNIFER HOSTETLER, ESQ.
19 ANN HALL, ESQ.
20 JAMES PROCTOR, ESQ.
21 JORDAN SMITH, ESQ.

22
23
24
25
26
27
28


FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT F

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on Plaintiffs' Motion for Fees Pursuant to NRCP 37 filed November 2019 ("Rule 37 Motion for Fees").¹ After consideration of the briefing, the Court grants the motion. NRCP 37 permits the Court to award attorneys fees related to discovery motions. While Defendants argue that the positions taken were taken in good faith, the record related to this dispute does not support that position.

After reviewing the time entries in full, the Court finds the entries are adequate and provide the Court sufficient information to determine that the tasks undertaken by Plaintiffs' counsel were both

¹ The court has also reviewed the, the Defendants' Opposition filed December 5, 2019 and the Reply filed on December 23, 2019.

1 necessary and reasonable. The Court finds the number of hours expended by Plaintiffs' counsel on
2 those tasks for which Plaintiffs seek to recover attorneys' fees were reasonable. Plaintiffs have set
3 forth their counsels' hourly rate. The Court finds the hourly rates reasonable. The Court finds the
4 hours spent by Plaintiffs' counsel and their hourly rates are reasonable.

5
6 The Court must next consider the *Brunzell* factors to determine the appropriateness of the amount
7 requested. To determine whether any adjustments to the amount are necessary, the Court must
8 consider: (1) the qualities of the advocate: his ability, his training, education, experience, professional
9 standing and skill; (2) the character of the work to be done: its difficulty, its intricacy, its importance,
10 time and skill required, the responsibility imposed and the prominence and character of the parties
11 where they affect the importance of the litigation; (3) the work actually performed by the lawyer: the
12 skill, time and attention given to the work; (4) the result: whether the attorney was successful and
13 what benefits were derived. Brunzell v. Golden Gate Nat'l Bank, 85 Nev. 345, 455 P.2d 31, 33
14 (1969). The Court finds all of these factors weigh against any adjustment to the amount and in favor
15 of awarding Plaintiffs the full amount.
16

17
18 First, the Court is aware of the quality of Plaintiffs' counsel, and concludes this factor is in favor of
19 awarding Plaintiffs the entire amount. Second, the Court finds the character of the work to be done
20 to be important given the history of discovery abuse. Third, the work actually performed by
21 Plaintiffs' counsel is evidenced by the billing records submitted with the Motion. Each time entry
22 reflects work which was necessary and that the individual whose time is reflected dedicated ample
23 skill, time, and attention to the task at hand. Brunzell, 85 Nev. at 349, 455 P.2d at 33. This factor
24 thus also weighs in favor of awarding the full amount. Fourth, the Court must consider the result.
25 The Court finds this factor weighs in favor of awarding the entire amount as well. Plaintiffs have
26 obtained a successful result. This factor weighs in favor of granting the full amount to Plaintiffs. The
27
28

1 *Brunzell* factors clearly indicate that the amount is appropriate and requires no adjustments. The
2 Court therefore finds an award of the entire amount requested, \$46571, is proper.

3 IT IS HEREBY ORDERED that Plaintiffs' Motion for Fees Pursuant to NRCP 37 filed
4 November 2019 is granted in full.
5

6 Dated this 14th day March, 2023.

7
8 
9 Hon. Elizabeth Gonzalez, (Ret.)
10 Sr. District Court Judge
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

DALE KOTCHKA-ALANES
DANIEL POLSENBERG, ESQ.
DAVID MCELHINNEY, ESQ.
BRIANA COLLINGS, ESQ.
ABRAN VIGIL, ESQ.
JONATHAN TEW, ESQ.
JARRAD MILLER, ESQ.
TODD ALEXANDER, ESQ.
F. DEARMOND SHARP, ESQ.
STEPHANIE SHARP, ESQ.
G.DAVID ROBERTSON, ESQ.
ROBERT EISENBERG, ESQ.
JENNIFER HOSTETLER, ESQ.
ANN HALL, ESQ.
JAMES PROCTOR, ESQ.
JORDAN SMITH, ESQ.

Holly W. Ruge

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilor

EXHIBIT G

PISANELLI BICE
400 SOUTH 7TH STREET, SUITE 300
LAS VEGAS, NEVADA 89101

Jordan T. Smith, Esq., Bar No. 12097
JTS@pisanellibice.com

PISANELLI BICE PLLC
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101
Telephone: 702.214.2100
Facsimile: 702.214.2101

Abran Vigil, Esq., Bar No. 7548
abran.vigil@meruelogroup.com

Ann Hall, Esq., Bar No. 5447
ann.hall@meruelogroup.com

David C. McElhinney, Esq., Bar No. 0033
david.mcelhinney@meruelogroup.com

MERUELO GROUP, LLC
Legal Services Department
5th Floor Executive Offices
2535 Las Vegas Boulevard South
Las Vegas, NV 89109
Tel: (562) 454-9786

*Attorneys for Defendants
MEI-GSR Holdings, LLC;
Gage Village Commercial Development, LLC;
and AM-GSR Holdings, LLC*

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA

IN AND FOR THE COUNTY OF WASHOE

ALBERT THOMAS, individually; JANE
DUNLAP, individually; JOHN DUNLAP,
individually; BARRY HAY, individually;
MARIE-ANNE ALEXANDER, as Trustee of
the MARIE-ANNIE ALEXANDER LIVING
TRUST; MELISSA VAGUJHELYI and
GEORGE VAGUJHELYI, as Trustees of the
GEORGE VAGUJHELYI AND MELISSA
VAGUJHELYI 2001 FAMILY TRUST
AGREEMENT, U/T/A APRIL 13, 2001; D'
ARCY NUNN, individually; HENRY NUNN,
individually; MADELYN VAN DER BOKKE,
individually; LEE VAN DER BOKKE,
individually; DONALD SCHREIFELS,
individually; ROBERT R. PEDERSON,
individually and as Trustee of the PEDERSON
1990 TRUST; LOU ANN PEDERSON,
individually and as Trustee of the PEDERSON
1990 TRUST; LORI ORDOVER, individually;
WILLIAM A. HENDERSON, individually;
CHRISTINE E. HENDERSON, individually;
LOREN D. PARKER, individually; SUZANNE
C. PARKER, individually; MICHAEL IZADY,
individually; STEVEN TAKAKI, individually;

Case No.: CV12-0222
Dept. No.: 10 (Senior Judge)

FINAL JUDGMENT

1 FARAD TORABKHAN, individually; SAHAR
2 TAVAKOL, individually; M&Y HOLDINGS,
3 LLC; JL&YL HOLDINGS, LLC; SANDI
4 RAINES, individually; R. RAGHURAM,
5 individually; USHA RAGHURAM,
6 individually; LORI K. TOKUTOMI,
7 individually; GARRET TOM, individually;
8 ANITA TOM, individually; RAMON
9 FADRILAN, individually; FAYE FADRILAN,
10 individually; PETER K. LEE and MONICA L.
11 LEE, as Trustees of the LEE FAMILY 2002
12 REVOCABLE TRUST; DOMINIC YIN,
13 individually; ELIAS SHAMIEH, individually;
14 JEFFREY QUINN individually; BARBARA
15 ROSE QUINN individually; KENNETH
16 RICHE, individually; MAXINE RICHE,
17 individually; NORMAN CHANDLER,
18 individually; BENTON WAN, individually;
19 TIMOTHY D. KAPLAN, individually;
20 SILKSCAPE INC.; PETER CHENG,
21 individually; ELISA CHENG, individually;
22 GREG A. CAMERON, individually; TMI
23 PROPERTY GROUP, LLC; RICHARD LUTZ,
24 individually; SANDRA LUTZ, individually;
25 MARY A. KOSSICK, individually; MELVIN
26 CHEAH, individually; DI SHEN, individually;
27 NADINE'S REAL ESTATE INVESTMENTS,
28 LLC; AJIT GUPTA, individually; SEEMA
GUPTA, individually; FREDRICK FISH,
individually; LISA FISH, individually;
ROBERT A. WILLIAMS, individually;
JACQUELIN PHAM, individually; MAY ANN
HOM, as Trustee of the MAY ANN HOM
TRUST; MICHAEL HURLEY, individually;
DOMINIC YIN, individually; DUANE
WINDHORST, individually; MARILYN
WINDHORST, individually; VINOD BHAN,
individually; ANNE BHAN, individually; GUY
P. BROWNE, individually; GARTH A.
WILLIAMS, individually; PAMELA Y.
ARATANI, individually; DARLENE
LINDGREN, individually; LAVERNE
ROBERTS, individually; DOUG MECHAM,
individually; CHRISINE MECHAM,
individually; KWANGSOO SON, individually;
SOO YEUN MOON, individually; JOHNSON
AKINDODUNSE, individually; IRENE
WEISS, as Trustee of the WEISS FAMILY
TRUST; PRAVESH CHOPRA, individually;
TERRY POPE, individually; NANCY POPE,
individually; JAMES TAYLOR, individually;
RYAN TAYLOR, individually; KI HAM,
individually; YOUNG JA CHOI, individually;
SANG DAE SOHN, individually; KUK
HYUNG (CONNIE), individually; SANG

(MIKE) YOO, individually; BRETT
MENMUIR, as Trustee of the CAYENNE
TRUST; WILLIAM MINER, JR., individually;
CHANH TRUONG, individually; ELIZABETH
ANDERS MECUA, individually; SHEPHERD
MOUNTAIN, LLC; ROBERT BRUNNER,
individually; AMY BRUNNER, individually;
JEFF RIOPELLE, individually; PATRICIA M.
MOLL, individually; DANIEL MOLL,
individually; and DOE PLAINTIFFS 1
THROUGH 10, inclusive ,

Plaintiff(s),

v.

MEI-GSR HOLDINGS, LLC, a Nevada
Limited Liability Company, AM-GSR
HOLDINGS, LLC, a Nevada Limited Liability
Company, GRAND SIERRA RESORT UNIT
OWNERS' ASSOCIATION, a Nevada
Nonprofit Corporation, GAGE VILLAGE
COMMERCIAL DEVELOPMENT, LLC., a
Nevada Limited Liability Company, and DOES
I-X inclusive,

Defendant(s).

This matter having come before the Court for a default prove-up hearing from March 23,
2015 to March 25, 2015, with Findings of Fact and Conclusions of Law and Judgment entered
October 9, 2015, and again before the Court on July 8, 2022 and July 18, 2022 on Plaintiffs'
November 6, 2015 Motion in Support of Punitive Damages Award, with an Order entered on
January 17, 2023,

IT IS HEREBY ORDERED AND ADJUDGED that judgment is entered in favor of
Plaintiffs and against Defendants as follows:

1. Against MEI-GSR in the amount of \$442,591.83 for underpaid revenues to Unit owners;
2. Against MEI-GSR in the amount of \$4,152,669.13 for the rental of units of owners who
had no rental agreement;
3. Against MEI-GSR in the amount of \$1,399,630.44 for discounting owner's rooms without
credits;
4. Against MEI-GSR in the amount of \$31,269.44 for discounted rooms with credits;
5. Against MEI-GSR in the amount of \$96,084.96 for "comp'd" or free rooms;

PISANELLI BICE
400 SOUTH 7TH STREET, SUITE 300
LAS VEGAS, NEVADA 89101

1 6. Against MEI-GSR in the amount of \$411,833.40 for damages associated with the bad
2 faith "preferential rotation system";

3 7. Against MEI-GSR in the amount of \$1,706,798.04 for improperly calculated and
4 assessed contracted hotel fees;

5 8. Against MEI-GSR in the amount of \$77,338.31 for improperly collected assessments;

6 **TOTAL COMPENSATORY DAMAGES.....\$8,318,215.54**

7 IT IS FURTHER ORDERED AND ADJUDGED that Plaintiffs be given and granted
8 punitive damages against Defendants in the total amount of **\$9,190,521.92**.

9 This Judgment shall accrue pre- and post-judgment at the applicable legal rate as provided
10 by Nevada law until fully satisfied. No pre-judgment interest shall accrue on the punitive damages
11 award.

12 IT IS FURTHER ORDERED AND ADJUDGED that Defendants shall take nothing by
13 way of their counterclaims which were previously stricken by the Court.

14
15 Dated this 2nd day of February, 2023

16
17 
18 THE HONORABLE ELIZABETH G. GONZALEZ
(RET.)

19 Respectfully submitted by:

20 PISANELLI BICE PLLC

21
22 By: /s/ Jordan T. Smith
23 Jordan T. Smith, Esq., #12097
24 400 South 7th Street, Suite 300
25 Las Vegas, Nevada 89101

26 *Attorneys for Defendants/Appellants*
27 *MEI-GSR Holdings, LLC;*
28 *Gage Village Commercial Development, LLC;*
and AM-GSR Holdings, LLC

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilor

EXHIBIT H

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on the:

Defendants' Motion for Instructions Re Reimbursement of 2020 Capital Expenditures filed 6/24/21.¹ This motion is denied.

As the Court noted in the motion related to the prior request for the reimbursement of capital expenses, no one disputes Defendants have made substantial upgrades and improvements to the GSR property ("Property") over the last five years. The issue at the heart of the motion is again

¹ The Court has also reviewed the Plaintiffs Opposition filed on 10/11/2021, and the Defendants Reply filed 11/10/2021.

1 whether the unit owners of GSRUOA are required by the CC&Rs to bear a portion of these
2 expenses.

3 Section 6.2 of the CC&Rs recognize that the unit owners of GSRUOA must share in certain
4 expenses related to "Common Elements". The Court finds that the requested expenses for 2020 do
5 not fall within the definition of "Common Elements".
6

7 The procedures required under section 6.10(a) were not followed prior to the 2020 expenses being
8 incurred. The Court declines to find the 2020 expenses are "extraordinary expenditures" which
9 would permit reimbursement under Section 6.10(b).
10

11
12 Dated this 26th day January, 2023.

13 
14 _____
15 Hon. Elizabeth Gonzalez, (Ret.)
16 Sr. District Court Judge
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;
that on the 26th day of January, 2023, I electronically filed the foregoing with the Clerk
of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.


F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.



FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT I

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,)	ORDER
)	
Plaintiff,)	Case#: CV12-02222
)	
vs.)	Dept. 10 (Senior Judge)
)	
MEI-GSR HOLDINGS, LLC., a Nevada)	
Limited Liability Company, et al)	
)	
Defendant.)	
)	
)	
)	

Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on the:

RECEIVER'S MOTION FOR ORDERS & INSTRUCTIONS filed 12/1/23.¹ This motion is granted.

The Order Appointing Receiver was entered on January 17, 2015 (the "Appointment Order"). The Appointment Order appointed the Receiver over Grand Sierra Resort Unit Owners Association ("GSRUOA") including units owned by Defendants. The units owned by Defendants are

¹ The Court has also reviewed the Defendants' Opposition filed on 12/14/2022, Plaintiffs' Opposition filed on 12/14/2022, and the Receiver's Omnibus Reply filed 12/19/2022.

1 specifically included in the definition of “the Property” and fall within the scope of the Receiver’s
2 responsibilities. Appointment Order at page 1, line 27 to page 2, line 9.

3 The Appointment Order and its interpretation has been subject to motion practice as part of the
4 tortured history of this matter. Pursuant to a Court order, the Receiver acts in place of the Board.
5 Section 8a of the Appointment Order unambiguously provides the Receiver with the power to “pay
6 and discharge out of the Property’s rents and/or GSRUOA monthly dues collections all the
7 reasonable and necessary expenses of the receivership . . . including all of the Receiver’s and related
8 fees”.

9
10 Central to answering the inquiries posed by the Receiver is the scope of the Receiver’s authority.
11 Despite the arguments made by the Defendants, the Receiver is responsible over the entire
12 GSRUOA. The GSRUOA includes not only units owned by Plaintiffs but also units owned by
13 Defendants (collectively the “Parties”). While the Receiver is not to collect rent from the units of
14 those who are not Parties to this action, the rent from the units owned by the Parties are to be paid
15 to the Receiver and utilized for the purposes identified in the Appointment Order including
16 payment of the Receiver’s expenses. These expenses can only be paid from the rents which are
17 earned by the units owned by the Parties to the action, i.e. the Plaintiffs and the Defendants units.

18 As such the Court responds to the inquiries posed by the Receiver as follows:

19 The Receiver’s calculated Daily Use Fee (DUF), Shared Facilities Unit Expenses (SFUE), and Hotel
20 Expense (HE) fees apply to both the Plaintiffs owned units and Defendants owned units. The rental
21 income to be collected by the Receiver relates to units owned both by the Plaintiffs and Defendants.
22 The Court confirms that, “in accordance with the Governing Documents”, including the “Findings
23 of Fact, Conclusions of Law and Judgment, Filed October 9, 2015” that the Receiver has the
24 authority to direct, audit, oversee, and implement the reserve study for all 670 condominium units.
25
26
27
28

1 Consistent with the Order entered on December 5, 2022 the Defendants are prevented from
2 foreclosing upon any other units owned by Plaintiffs until further order of the Court. Defendants
3 have indicated in their Opposition that they are in compliance with this Order.

4 The Receiver has not been paid. This is a result of the disagreements between the Parties as to the
5 allocation of expenses and the inability, without clarification, for the Receiver to calculate the
6 permissible expenses for Defendants to deduct from the revenue of the Parties units. The Court has
7 recognized this as an issue which must be resolved and has addressed it in the Order entered on
8 December 5, 2022.²

9
10 Attached as Exhibit 1 to the Receiver's Omnibus Reply is a spreadsheet with calculations based
11 upon the various orders of the Court. The Court notes these calculations appear to include only
12 units owned by Plaintiffs. If either Plaintiffs or Defendants object to the calculations contained in
13 Exhibit 1, a written objection shall be filed within 15 judicial days of entry of this Order. If an
14 objection is filed, the Receiver may file a response to the objection within 15 days of the filing of the
15 objection. If no objection is filed, the Defendants shall make the deposits of rent listed in the
16 column on the far right of each page of Exhibit 1 in the total amount of \$1,103,950.99 into the
17 Receiver's bank account within 25 judicial days of entry of this Order. Prior to making any
18 disbursements, the Receiver shall file a motion with the Court outlining the funds received and the
19
20
21
22

23
24

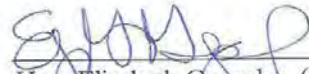
² The language in the Order provides in part:

25 IT IS FURTHER ORDERED that prior to a sale of the Property as a whole, the Court shall enter an Order on motion
26 to terminate and or modify the Receivership that addresses the issues of payment to the Receiver and his counsel, the
27 scope of the wind up process of the GSRUOA to be overseen by the Receiver, as well as the responsibility for any
28 amounts which are awarded as a result of the pending Applications for OSC.

Order dated December 5, 2022, p. 7 at line 13-18.

1 proposed distributions for the Receiver's fees and expenses as well as amounts set aside for reserve
2 and any proposed distributions to the Parties.

3 Dated this 26th day January, 2023.

4
5 

6 Hon. Elizabeth Gonzalez, (Ret.)
7 Sr. District Court Judge
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;
that on the 26th day of January, 2023, I electronically filed the foregoing with the Clerk
of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.

F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.



FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT J

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on the:

Defendants' Motion for Instructions to Receiver Re Reimbursement of Capital

Expenditures filed 5/21/20.¹ This motion is denied.

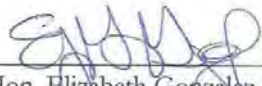
No one disputes Defendants have made substantial upgrades and improvements to the GSR property ("Property") over the last five years. The issue at the heart of the motion is whether the unit owners of GSRUOA are required by the CC&Rs to bear a portion of this remodeling expense.

¹ The Court has also reviewed the Plaintiffs Opposition filed on 6/18/2020, and the Defendants Reply filed 7/10/2020.

1 Section 6.2 of the CC&Rs recognize that the unit owners of GSRUOA must share in certain
2 expenses related to "Common Elements". The Court finds that the requested expenses for the
3 remodeling do not fall within the definition of "Common Elements".

4 The procedures required under section 6.10(a) were not followed prior to the remodeling expenses
5 being incurred. The Court declines to find the remodeling expenses are "extraordinary
6 expenditures" which would permit reimbursement under Section 6.10(b).
7

8 Dated this 26th day January, 2023.

9
10 
11 Hon. Elizabeth Gonzalez, (Ret.)
12 Sr. District Court Judge
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;
that on the 26th day of January, 2023, I electronically filed the foregoing with the Clerk
of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.

F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.



FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT K

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

ORDER GRANTING IN PART AND DENYING IN PART PLAINTIFFS' EMERGENCY
MOTION FOR INSTRUCTIONS TO RECEIVER TO NOT EXECUTE DOCUMENTS
TERMINATING THE GRAND SIERRA RESORT UNIT OWNERS' ASSOCIATION
WITHOUT NECESSARY REVISIONS TO THE SUBJECT DOCUMENTS

Plaintiffs' Ex Parte Motion for Order Shortening Time on Emergency Motion for Instructions to
Receiver to Not Execute Documents Terminating the Grand Sierra Resort Unit Owners'
Association Without Necessary Revisions to Subject Documents filed on January 13, 2023 ("Motion
for OST") was granted by the Court. The Court held oral argument on Plaintiffs' Emergency
Motion for Instructions to Receiver to Not Execute Documents Terminating the Grand Sierra
Resort Unit Owners' Association Without Necessary Revisions to the Subject Documents, filed
January 13, 2023 ("Motion") via videoconference on January 18, 2023.

ORDER - 1

1 The Motion requests the Court instruct the Receiver to not execute any documents related to the
2 termination of the Grand Sierra Resort Unit Owners' Association ("GSRUOA") until such
3 documents are revised to comply with applicable law. Namely, Plaintiffs argue that Defendants'
4 proposed Agreement to Terminate Condominium Hotel, Condominium Hotel Association, and
5 Declaration of Covenants, Conditions, Restrictions and Reservation of Easements ("Agreement to
6 Terminate") does not comply with NRS 116.2118(5).

7
8 The Agreement to Terminate states that "[a]t the Meeting, Hotel Unit Owner and 80% Units'
9 Owners authorized the Hotel Unit Owner, on behalf of the Units' Owners, to contract for the sale
10 of real estate owned by the Units' Owners in the Condominium Hotel," NRS 116.2118(5) states that
11 "[t]he association, on behalf of the units' owners, may contract for the sale of the real estate in a
12 common-interest community," (Motion at 2:12-23.) This conflict is the basis of Plaintiffs'
13 Motion.
14

15 The Court agrees with Plaintiffs' concern about this conflict. Pursuant to NRS 116.2118(5), only the
16 "association" – the GSRUOA – may hold title to the condominium units as trustee upon
17 termination and subsequently contract for sale of those condominium units. The Hotel Unit
18 Owner, Defendant MEI-GSR Holdings, LLC, may not do so. The Court-ordered receivership over
19 the GSRUOA will continue after the GSRUOA termination until further order of the Court in
20 accordance with this Courts' orders and NRS 116.2118(5).

21 Under NRS 116.2118(5), because the real estate of the association is to be sold following
22 termination, title to that real estate, upon termination, vests in the association as trustee for the
23 holders of all interests in the units. Thereafter, the association has all powers necessary and
24 appropriate to effect the sale. Until the sale has been concluded and the proceeds thereof
25 distributed, the association continues in existence with all powers it had before termination. As long
26
27
28

1 as the association holds title to the real estate, each unit's owner and his or her successors in interest
2 have an exclusive right to occupancy of the portion of the real estate that formerly constituted the
3 unit. During the period of that occupancy, each unit's owner and his or her successors in interest
4 remain liable for all assessments and other obligations imposed on units' owners by this chapter or
5 the declaration.
6

7 Any sale of the GSRUOA units will be conducted in accordance with the Court's December 5, 2022
8 Order.

9 The Court declines to rule on any other matters because it would be unfair to the Defendants given
10 they had no opportunity to brief the issues.
11

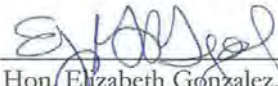
12 IT IS HEREBY ORDERED, that Plaintiffs' Motion is GRANTED in part and DENIED in part.

13 The Court affirms that the GSRUOA, through the Receiver, is to take title to the Plaintiffs' and
14 Defendants' condominium units ("property") as trustee upon termination of the association, and is
15 the only entity with authority to contract for the sale of the property. The GSRUOA shall continue
16 to operate under the receivership and the Receiver shall have the sole authority to act on behalf of
17 the association until the sale is concluded and further order from the Court. Any sale of the property
18 must be conducted in accordance with the Court's December 5, 2023.
19

20 IT IS FURTHER ORDERED, that the Receiver is instructed to not execute any documents relating
21 to the termination of the GSRUOA or subsequent sale of Plaintiffs' and Defendants' condominium
22 units which do not comply with this order. As discussed during the January 18, 2022 hearing, the
23 Defendants may submit to the Receiver an agreement to terminate that replaces the words "Hotel
24 Unit Owner" with "Association."
25
26
27
28

1 IT IS FURTHER ORDERED, that the vote held on January 18, 2023 to terminate the GSRUOA is
2 not invalidated at this time. However, the Court reserves judgement on whether the vote was valid
3 in light of the Agreement to Terminate's deviation from NRS 116.2118.
4

5 Dated this 26th day January, 2023.

6 
7 _____
8 Hon. Elizabeth Gonzalez, (Ret.)
9 Sr. District Court Judge
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;
that on the 26th day of January, 2023, I electronically filed the foregoing with the Clerk
of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.

F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.



FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT L

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)¹

Pursuant to WDCR 12(5) the Court after consideration of the Plaintiffs' November 6, 2015 Motion in Support of Punitive Damages Award ("Punitive Damages Motion"), the Defendants' December 1, 2020 opposition ("Opposition"), Plaintiffs' July 30, 2020 Reply in Support of Award of Punitive Damages ("Punitive Damages Reply"), Plaintiffs' July 6, 2022 Punitive Damages Summary, Defendants' July 6, 2022 Trial Summary, the oral argument and evidence submitted by the parties during the hearing on July 8 and 18, 2022, a review of the briefing, exhibits, testimony of the witness, transcripts of the proceedings as well as the evidence in the record, including but not

¹ On January 21, 2021, Chief District Court Judge Scott Freeman, entered an Order Disqualifying All Judicial Officers of the Second Judicial District Court. On September 19, 2022, the Nevada Supreme Court entered a Memorandum of Temporary Assignment, appointing the undersigned Senior Judge.

ORDER - 1

1 limited to, evidence submitted during the underlying hearing on compensatory damages, and being
2 fully informed rules on the Punitive Damages Motion²:

3 The Court conducted a prove up hearing on March 23-25, 2015³ after striking the Defendants
4 answer for discovery abuses and entering a default. This resulted in an admission as true all
5 allegations contained in the Second Amended Complaint. An order awarding damages and making
6 factual findings was entered on October 9, 2015. The Court at that time requested further briefing
7 on the issue of punitive damages and ordered the parties to contact chambers to schedule a hearing.
8 Defendants have argued the Unit Maintenance Agreement and Unit Rental Agreement prohibit an
9 award of punitive damages and limit an award of compensatory damages. These arguments were
10 already raised and rejected when the Court issued its October 9, 2015 Order.
11
12

13 The economic loss doctrine does not apply to limit Plaintiffs' recovery for intentional torts.⁴
14
15

16 ² Although no written order finding that punitive damages were warranted was entered after the July 8, 2022 hearing and
17 prior to the commencement of the July 18, 2022 hearing, it appears that all involved agreed that the July 18 hearing
18 would not be necessary if Senior Justice Saitta found that punitive damages should not be awarded. The motion was
19 granted orally during the July 18, 2022 hearing. 7/18/2022 Transcript, p. 10, l. 1-2. The findings stated on the record
20 were:

21 There were five tort claims set forth by the plaintiffs in an earlier hearing. Number 1, we have a tortious interference
22 with contract; we have fraud; we have conversion; we have deceptive trade practices -- it appears as if I'm missing one --
23 oh, tortious breach of the covenant of good faith and fair dealing; fraud and intentional misrepresentation -- let me be
24 clear on that one -- violation of the Deceptive Trade Practices Act. And I believe that that contains all the necessary
25 findings that need to be made for us to proceed in our hearing today.

26 7/18/2022 Transcript, p. 10; l. 8-18.

27 ³ Regardless of what an earlier Judge called the proceeding, the March 2015 evidentiary hearing was a bench trial. The
28 Court has determined that this is a bench trial based upon the USJR definitions.

*According to the definitions in the data dictionary, a bench trial is held when a trial begins and evidence is taken or witnesses are
sworn. Accordingly, if you have indicated that the bench trial was held, then a corresponding bench trial disposition should be used
to dispose of the case.*

26 See https://nvcourts.gov/AOC/Programs_and_Services/Research_and_Statistics/FAQs/#civil1. The length of time
27 between the first portion of the trial and the conclusion of the trial is one which is unacceptable in the administration of
28 justice in Nevada.

⁴ *Halcrow, Inc. v. Eighth Jud. Dist. Ct.*, 129 Nev. 394, 402 fn. 2 (2013).

1 The Nevada Legislature has limited the recovery of punitive damages in NRS 42.005.⁵

2 The Court in the October 9, 2015 Order found that the Defendants had made intentional
3 misrepresentations(fraud), breached the covenant of good faith and fair dealing, and converted the
4 property of the Plaintiffs.

5
6 The Court is tasked, in part, with determining which causes of action support the punitive damages
7 claim and warrant the award of punitive damages, if any.

8 While it is unclear whether the breach of the implied covenant finding in the October 9, 2015 Order
9 is sufficient to support a punitive damages award, the conduct related to the conversion and
10 intentional misrepresentation/fraud claims clearly warrant consideration of such damages.

11 Defendants' officers, including Kent Vaughan, Defendants' Senior Vice President of Operations,
12 admitted to the tortious scheme.⁶

13
14
15 ⁵ That statute provides in pertinent part:

16 1. Except as otherwise provided in [NRS 42.007](#), in an action for the breach of an obligation not arising from
17 contract, where it is proven by clear and convincing evidence that the defendant has been guilty of oppression, fraud or
18 malice, express or implied, the plaintiff, in addition to the compensatory damages, may recover damages for the sake of
19 example and by way of punishing the defendant. Except as otherwise provided in this section or by specific statute, an
20 award of exemplary or punitive damages made pursuant to this section may not exceed:

(a) Three times the amount of compensatory damages awarded to the plaintiff if the amount of compensatory
damages is \$100,000 or more; or

21 * * *

22 3. If punitive damages are claimed pursuant to this section, the trier of fact shall make a finding of whether such
23 damages will be assessed. If such damages are to be assessed, a subsequent proceeding must be conducted before the
24 same trier of fact to determine the amount of such damages to be assessed. The trier of fact shall make a finding of the
25 amount to be assessed according to the provisions of this section...

26
27 ⁶ Vaughn testified in deposition on August 26, 2013. Relevant portions of the transcript show the conscious decision by
28 an officer of Defendants.

Q. How did you first come to know in July of 2011 that the Grand Sierra was taking in income for units that
were not in the unit rental program?

A. I authorized the front desk to use non-rental units due to demand, consumer demand.

Q. And when you authorized the front desk in was it July of 2011 –

A. Yes.

Q. -- to use units that were not in the unit rental program, did you or anyone else that you know of who
represents the Grand Sierra, contact the Grand Sierra Resort unit rental owners who were not in the program,
to advise them of this policy?

1 The Court finds the given the prior striking of Defendant's answer, Vaughn's testimony alone is
2 sufficient to meet the burden of proof of clear and convincing evidence to prove malice, oppression
3 or fraud related to the tortious scheme.

4 The damages awarded in the October 9, 2015 Order are based in part on contract claims. Damages
5 for the tort claims were based upon the same calculations and testimony provided by Plaintiffs' sole
6 witness. This crossover does not preclude an award of punitive damages related to the tort damages
7 but limits a double recovery.
8

9 A plaintiff may assert several claims for relief and be awarded damages on different theories.
10 It is not uncommon to see a plaintiff assert a contractual claim and also a cause of action
11 asserting fraud based on the facts surrounding the contract's execution and performance. See
12 Amoroso Constr. v. Lazovich and Lazovich, 107 Nev. 294, 810 P.2d 775 (1991). The
13 measure of damages on claims of fraud and contract are often the same. However, Marsh is
14 not permitted to recover more than her total loss plus any punitive damages assessed. She
15 can execute on the assets of any of the five parties to the extent of the judgments entered
16 against them until she recovers her full damages.

17 Topaz Mutual Co. v. Marsh, 108 Nev. 845, (1992) at pages 851- 852.

18 After review of all of the available evidence the Court concludes that two categories of damages
19 from the October 2015 Order warrant and support an award of punitive damages:

20 Damages awarded for underpaid revenues \$442,591.83 fall within the conversion claim⁷ and
21 intentional misrepresentation/fraud⁸;

22
23 A. No.

24 Q. Why?

25 A. I didn't have authorization to rent them.

26 Q. So it was a conscious decision to rent them without authorization?

27 A. Yes.

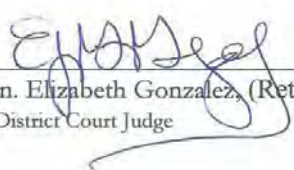
28 Vaughan Transcript, Ex. 1 to Reply, at p. 29 l. 3-21.

⁷ October 9, 2015 Order, Conclusion of Law C, at p. 16 l. 16 to p. 17 l. 4.

⁸ October 9, 2015 Order, Conclusion of Law I, at p. 18 l. 15 to l. 22.

1 Damages awarded for the rental of units of owners who had no rental agreements
2 \$4,152,669.13 falls within the conversion claim⁹ and intentional misrepresentation/fraud¹⁰;
3 The award of punitive damages on these claims would not act as a double recovery for Plaintiffs.
4 The Court finds that the remaining damages awarded in the October 9, 2015 Order are based on
5 contract claims rather than tort claims and not appropriate for consideration of punitive damages.
6 Given Defendants' tortious scheme and the intentional misconduct of Defendants, punitive
7 damages in this case are appropriate to set an example.
8 The amount of these damages serve to punish and will not destroy Defendants.¹¹
9 While the Court recognizes that there is a spectrum of percentages which have been awarded in
10 various Nevada punitive damages cases, given the nature of the conduct and procedural history of
11 this case, the Court concludes the appropriate multiplier in this matter is two (2) times the
12 compensatory award for the conversion claim and intentional misrepresentation/fraud claim.
13 Accordingly based on the compensatory damages for which punitive damages are appropriate
14 totaling \$4,595,260.96 the Court awards punitive damages in the total amount of \$9,190,521.92
15 Plaintiffs counsel is directed to submit a final judgment consistent with the October 9, 2015 Order
16 and this Order.
17
18
19
20
21

22 Dated this 17th day of January 2023.

23 
24 Hon. Elizabeth Gonzalez, (Ret.)
25 Sr. District Court Judge

26 ⁹ October 9, 2015 Order, Conclusion of Law C, at p. 16 l. 16 to p. 17 l. 4.

27 ¹⁰ October 9, 2015 Order, Conclusion of Law I, at p. 18 l. 15 to l. 22.

28 ¹¹ See July 18, 2022 transcript (sealed), p. 100 l. 2 to p. 101 l. 5.

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;
that on the 17th day of January, 2023, I electronically filed the foregoing with the Clerk
of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.


F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.



FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT M

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

ORDER

Case#: CV12-02222

Dept. 10 (Senior Judge)

Pursuant to WDCR 12(5) the Court after a review of the briefing, exhibits, declarations,¹ transcripts and related documents and being fully informed rules on the APPLICATION FOR TEMPORARY RESTRAINING ORDER, AND MOTION FOR PRELIMINARY INJUNCTION ("the Injunctive Relief Motion") related to a meeting noticed by Defendants for March 14, 2022 to hold a vote on whether the Grand Sierra Resort Unit Owners Association ("GSRUOA") should be dissolved.

The Court makes the following factual findings:

¹ The declarations considered include those filed on March 28, 2022 after the March 25, 2022 hearing.

1 The Court notes that at a hearing on March 11, 2022, the Court granted a temporary restraining
2 order on the following:

3 ...The meeting is scheduled for next Monday. I don't know how long it will take for the
4 order to be prepared, reviewed by Mr. McElhinney, sent to you for a signing and everything,
5 but I just want to make sure I understand that *the meeting next Monday is off*.
6 THE COURT: That is correct, by virtue of court order. Yes.

7 Transcript of March 11, 2022, Hearing, page 42 lines 1-7. (Emphasis added.)

8 Although no written order was filed, a bond was posted by Plaintiffs in the amount of \$50,000 on
9 March 11, 2022.

10 At the preliminary injunction hearing on March 25, 2022, the parties stipulated to an extension of
11 the temporary restraining order pending resolution of the Injunctive Relief Motion. Transcript of
12 March 25, 2022, Hearing, page 125.

13 The condominium-hotel arrangement at the Grand Sierra Resort constitutes a common-interest
14 community.

15 The rights and obligations of all unit owners at the Grand Sierra Resort are defined in Nevada
16 Revised Statutes, Chapter 116.

17 Each unit owner's Deed and Title to their Units at the Grand Sierra Resort, is subject to the
18 covenants, conditions, restrictions and reservations included in the Seventh Amendment to
19 Condominium Declaration of Covenants, Conditions, Restrictions and Reservations of Easements,
20 ("7th Amended CC&Rs").

21 These covenants, conditions, restrictions and reservations limit the owner's property interest.

22 Section 9.1, appearing on pages 48 and 49 of the 7th Amended CC&Rs, provides as follows:

23 a. At a meeting duly called for such purpose and open to attendance by all Unit Owners, the
24 Unit Owners by affirmative vote of the Unit Owners who own eighty percent (80%) or
25 more in the aggregate of the entire percentage ownership interest in the Common Elements
26 may elect to sell the Property as a whole. Within ten (10) days after the date of the meeting at
27 which such sale is approved, the Board shall give written notice of such action to each First
28 Mortgagee. Such action shall be binding upon all Unit Owners, and it shall thereupon

1 become the duty of every Unit Owner to execute and deliver such instruments and to
2 perform all acts as in manner and form may be necessary to effect such sale.

3 Section 9.1 of the 7th Amended CC&Rs sets forth both a right and obligation of the unit owners
4 that has been a part of their Deed and Title to their Units since the date they purchased their units.
5 Defendants and its privies are currently the owner of over 80% of the units of GSRUOA.
6

7 The notice of the unit owners meeting at issue in these injunctive relief proceedings is Exhibit 3 to
8 the Injunctive Relief Motion. That notice complies with NRS 116 and Section 9.1 of the 7th
9 Amended CC&Rs.

10 The Court has previously made Findings that Defendants are systematically attempting to increase
11 the various fees in order to devalue the units. October 9, 2015 Order par. 142-143.
12

13 The Court has previously made Findings that Defendants breached the Unit Maintenance
14 Agreement and the Unit Rental Agreement. October 9, 2015 Order par. 146.

15 The findings made in the October 9, 2015 Order do not preclude the Defendants, as owners of
16 more than 80% of the units,² from proceeding under Section 9.1 of the 7th Amended CC&Rs.
17

18 The January 7, 2015 Order Appointing Receiver and Directing Defendants' Compliance provides:

19 Defendants, and their agents, servants and employees, and those acting in concert with
20 them, shall not engage in or perform directly or indirectly, any or all of the following acts: a.
21 Interfering with the Receiver, directly or indirectly, in the management and operation of the
22 Property . . . c. Doing any act which will, or which will tend to, impair, defeat, divert, prevent
or prejudice the preservation of the Property or the interest in the Plaintiffs in the Property

23 January 7, 2015 Order at page 8 lines 2-11. Defendants efforts under Section 9.1 of the 7th
24 Amended CC&Rs do not violate this provision of the January 7, 2015 Order.
25

26
27
28

² See Paragraph 6 of Declaration of David C. McElhinney filed on March 17, 2022 as Exhibit 12 of the Opposition to
the Injunctive Relief Motion.

1 The Receiver's authority is governed by the January 7, 2015 Order which gives certain authority over
2 the management and operation of the GSRUOA but does not extend to oversight over ownership
3 of the units.

4 The CC&R's constitute deed restrictions that limit and define Plaintiffs' interest in their units.

5 The judgment entered October 9, 2015 does not include the depreciation or diminution in value of
6 the units. As with any type of sale, a unit owner may assign, retain or otherwise reserve such a claim
7 from a transfer. These claims may have been preserved and may be retained by a unit owner, in this
8 matter, at the time of any transfer.³

9 In deciding an injunctive relief motion the court is guided by NRCP 65 and NRS 33.010.

10 Under the statute, an injunction may be granted under the following circumstances:

- 11 1. When it shall appear by the complaint that the plaintiff is entitled to the relief demanded,
12 and such relief or any part thereof consists in restraining the commission or continuance of
13 the act complained of, either for a limited period or perpetually.
- 14 2. When it shall appear by the complaint or affidavit that the commission or continuance of
15 some act, during the litigation, would produce great or irreparable injury to the plaintiff.
- 16 3. When it shall appear, during the litigation, that the defendant is doing or threatens, or is
17 about to do, or is procuring or suffering to be done, some act in violation of the plaintiff's
18 rights respecting the subject of the action and tending to render the judgment ineffectual.

19 Injunctive relief is equitable in nature and allows a Court to fashion a remedy balancing the interests
20 of the parties that protects the right of the movant.

21 NRS 116.2118⁴ governs the termination of a common-interest community.

22
23 ³ To avoid confusion in this matter, a written notice of the intent to retain any of the claims must be made prior to the
24 sale.

25 ⁴ That statute provides:

- 26 1. Except in the case of a taking of all the units by eminent domain, in the case of foreclosure against an entire
27 cooperative of a security interest that has priority over the declaration, or in the circumstances described in NRS
28 116.2124, a common-interest community may be terminated only by agreement of units' owners to whom at least 80
percent of the votes in the association are allocated, or any larger percentage the declaration specifies, and with any other
approvals required by the declaration. The declaration may specify a smaller percentage only if all of the units are
restricted exclusively to nonresidential uses.
2. An agreement to terminate must be evidenced by the execution of an agreement to terminate, or ratifications
thereof, in the same manner as a deed, by the requisite number of units' owners. The agreement must specify a date after

1 NRS 116.2118(1), allows for the termination of a common-interest community by agreement of unit
2 owners to whom at least 80% of the votes in the association are allocated.

3 NRS 116.2118(2), provides that an agreement to terminate the common interest community must be
4 evidenced by the execution of an agreement to terminate, or ratifications thereof, in the same
5 manner as a deed, by the requisite number of unit owners.
6

7 NRS 116.2118 (1), dictates that the respective interests of unit owners are the fair market value of
8 their units.

9 Sale of the Plaintiffs' units will not operate to extinguish a unit owner's claims for damages which
10 exist at the time of the "transfer" and are retained by a unit owner.
11
12

13 which the agreement will be void unless it is recorded before that date. An agreement to terminate and all ratifications
14 thereof must be recorded in every county in which a portion of the common-interest community is situated and is
effective only upon recordation.

15 3. In the case of a condominium or planned community containing only units having horizontal boundaries described
in the declaration, an agreement to terminate may provide that all of the common elements and units of the common-
16 interest community must be sold following termination. If, pursuant to the agreement, any real estate in the common-
interest community is to be sold following termination, the agreement must set forth the minimum terms of the sale.

17 4. In the case of a condominium or planned community containing any units not having horizontal boundaries
described in the declaration, an agreement to terminate may provide for sale of the common elements, but it may not
18 require that the units be sold following termination, unless the declaration as originally recorded provided otherwise or
all the units' owners consent to the sale.

19 5. The association, on behalf of the units' owners, may contract for the sale of real estate in a common-interest
community, but the contract is not binding on the units' owners until approved pursuant to subsections 1 and 2. If any
20 real estate is to be sold following termination, title to that real estate, upon termination, vests in the association as trustee
for the holders of all interests in the units. Thereafter, the association has all powers necessary and appropriate to effect
21 the sale. Until the sale has been concluded and the proceeds thereof distributed, the association continues in existence
with all powers it had before termination. Proceeds of the sale must be distributed to units' owners and lienholders as
22 their interests may appear, in accordance with NRS 116.21183 and 116.21185. Unless otherwise specified in the
agreement to terminate, as long as the association holds title to the real estate, each unit's owner and his or her
23 successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly constituted the
unit. During the period of that occupancy, each unit's owner and his or her successors in interest remain liable for all
24 assessments and other obligations imposed on units' owners by this chapter or the declaration.

25 6. In a condominium or planned community, if the real estate constituting the common-interest community is not to
be sold following termination, title to the common elements and, in a common-interest community containing only units
having horizontal boundaries described in the declaration, title to all the real estate in the common-interest community,
26 vests in the units' owners upon termination as tenants in common in proportion to their respective interests as provided
in NRS 116.21185, and liens on the units shift accordingly. While the tenancy in common exists, each unit's owner and
27 his or her successors in interest have an exclusive right to occupancy of the portion of the real estate that formerly
constituted the unit.

28 7. Following termination of the common-interest community, the proceeds of a sale of real estate, together with the
assets of the association, are held by the association as trustee for units' owners and holders of liens on the units as their
interests may appear.

1 NRS 116.21185 provides for resolution of value of interests following termination.⁵

2 Plaintiffs have alleged that the appraisal done at the request of Defendants was not done by the
3 GSRUOA. The Court agrees. As a result, the Court will permit unit owners to contest the
4 appraisals and present their own appraisals setting forth their claimed fair market value.
5

6 Currently there are a number of Applications for Issuance of Orders to Show Cause related to
7 Defendants conduct with respect to the Receiver.⁶ These Applications for OSC will be decided
8 and, if cause is shown, hearings on these issues will proceed.

9 Currently the Receiver has not been paid as directed by the January 7, 2015 Order. As Defendants
10 are the 80% owners of the units at GSRUOA; are the owners noticing the meeting seeking
11 dissolution of GSRUOA, and sale under NRS 116.2118, Defendants must address this issue prior to
12 sale.
13

14
15
16 ⁵ NRS 116.21185 Respective interests of units' owners following termination. The respective interests of units' owners referred to in subsections 5, 6 and 7 of NRS 116.2118 and in NRS 116.21183 are as follows:

17 1. Except as otherwise provided in subsection 2, the respective interests of units' owners are the fair market values
18 of their units, allocated interests, and any limited common elements immediately before the termination, as determined
19 by one or more independent appraisers selected by the association. The decision of the independent appraisers must be
20 distributed to the units' owners and becomes final unless disapproved within 30 days after distribution by units' owners
21 to whom 25 percent of the votes in the association are allocated. The proportion of interest of any unit's owner to that
22 of all units' owners is determined by dividing the fair market value of that unit and its allocated interests by the total fair
23 market values of all the units and their allocated interests.

24 2. If any unit or any limited common element is destroyed to the extent that an appraisal of the fair market value
25 thereto before destruction cannot be made, the interests of all units' owners are:

- 26 (a) In a condominium, their respective interests in the common elements immediately before the termination;
27 (b) In a cooperative, their respective ownerships immediately before the termination; and
28 (c) In a planned community, their respective liabilities for common expenses immediately before the termination..

⁶ Those include:

29 Plaintiffs' 04/25/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including
30 01/04/22 orders)
31 Plaintiffs' 03/02/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including
32 01/04/22 orders)
33 Plaintiffs' 02/01/22 Motion for Order to Show Cause (Defendants' contempt for violations of Court's orders, including
34 01/04/22 orders)
35 Plaintiffs' 11/19/21 Motion for Order to Show Cause (Defendants' contempt for violating 01/17/15 Order) and,
36 12/23/21 Plaintiffs' 09/27/21 Motion for Order to Show Cause (Defendants' contempt for violating 01/17/15 Order)
37 Plaintiffs' 2/11/21 Motion for Order to Show Cause (Defendants' contempt for violating 12/24/22 order)
38 These are referred to collectively as the Applications for OSC.

1 The Court makes the following legal conclusions:

2 After balancing the interests of the parties and in evaluating the legal issues, the Court concludes
3 that Plaintiffs will suffer irreparable injury if no relief is granted. The Court has fashioned a remedy
4 that balances the rights of both parties in this matter.
5

6 The Court concludes the Plaintiffs will not suffer irreparable harm if the statutory process under
7 NRS 116.2118 et seq. along with Court supervision as outlined herein is followed.

8 The Court concludes Defendants property interest are protected by issuance of this relief.

9 Therefore, the Court issues the following Orders:

10 IT IS THEREFORE ORDERED, that the Grand Sierra unit owners are allowed to proceed with
11 their vote to terminate the GSRUOA and election to sell the Property as a whole.
12

13 IT IS FURTHER ORDERED that prior to a sale of the Property as a whole, the Court shall enter
14 an Order on motion to terminate and or modify the Receivership that addresses the issues of
15 payment to the Receiver and his counsel, the scope of the wind up process of the GSRUOA to be
16 overseen by the Receiver, as well as the responsibility for any amounts which are awarded as a result
17 of the pending Applications for OSC.
18

19 IT IS FURTHER ORDERED that no sale of the units at GSRUOA or the property rights related to
20 the GSRUOA and the units which currently compose GSRUOA shall occur until further order of
21 this Court which includes a process for the resolution of any retained claims by Plaintiffs and
22 procedure for the determination of fair market value of Plaintiffs' units under NRS 116.2118 et seq.
23


24 IT IS FURTHER ORDERED that this Court shall provide supervision of the appraisal process of
25 the units in order to assure that Plaintiffs are provided an opportunity to submit their own appraisal
26 of their respective units for consideration and determination of the fair market value of the units and
27 their allocated interests.
28

1 IT IS FURTHER ORDERED that Defendants and anyone acting on their behalf are restrained
2 from transferring, selling or otherwise alienating, the units at GSRUOA or the property rights
3 related to the GSRUOA and the units which currently compose GSRUOA pending further order of
4 the Court.

5
6 IT IS FURTHER ORDERED that the bond posted by Plaintiffs in the amount of \$50,0000,
7 following the Court's granting a Temporary Restraining Order on March 11, 2022, remain in place
8 as adequate security for this Preliminary Injunction.

9 IT IS FURTHER ORDERED that in all other respects the Injunctive Relief Motion is denied.
10

11
12 Dated this 5th day December, 2022.

13
14 
15 Hon. Elizabeth Gonzalez, (Ret.)
16 Sr. District Court Judge
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I certify that I am an employee of THE SECOND JUDICIAL DISTRICT COURT;
that on the 5th day of December, 2022, I electronically filed the foregoing with the
Clerk of the Court system which will send a notice of electronic filing to the following:

DALE KOTCHKA-ALANES

DANIEL POLSENBERG, ESQ.

DAVID MCELHINNEY, ESQ.

BRIANA COLLINGS, ESQ.

ABRAN VIGIL, ESQ.

JONATHAN TEW, ESQ.

JARRAD MILLER, ESQ.

TODD ALEXANDER, ESQ.

F. SHARP, ESQ.

STEPHANIE SHARP, ESQ.

G. DAVID ROBERTSON, ESQ.

ROBERT EISENBERG, ESQ.

JENNIFER HOSTETLER, ESQ.



FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT N

Hon. Elizabeth Gonzalez (Ret.)
Sr. District Court Judge
PO Box 35054
Las Vegas, NV 89133

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

ALBERT THOMAS, et. al.,

Plaintiff,

vs.

MEI-GSR HOLDINGS, LLC., a Nevada
Limited Liability Company, et al

Defendant.

) ORDER

) Case#: CV12-02222

) Dept. 10 (Senior Judge)

Pursuant to WDCR 12(5) the Court after a review of the briefing and related documents and being fully informed rules on the:

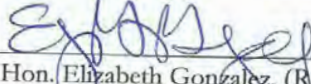
Defendant's Motion for Dismissal of Claims of Deceased Party Plaintiffs Due to Untimely Filing Notice or Suggestion of Death and Motion to Substitute Party filed 11/19/21. This motion is denied. The Motions to Substitute Party were unopposed. Defendants current motion seeks reconsideration of that prior decision. The Court declines to reconsider the ruling on that prior unopposed motion.

Defendant's Motion to Dismiss Pursuant to NRCP 41 filed 2/23/22. This motion is denied.

The Court's three day compensatory damages prove-up hearing (at which a witness testified and was cross-examined) and entry of judgment, are sufficient to conclude that trial in this matter was

1 commenced and, therefore, has already been brought to "trial" as contemplated by Rule 41. The trial
2 has yet to be completed. NRS 42.005 dictates the procedure for determination of punitive
3 damages.¹ It is clear that in cases where punitive damages are sought the trial is to be conducted in
4 parts. The Nevada Supreme Court has recognized that the findings of fact and conclusions of law
5 issued after the prove up is not a final judgment. For this reason, neither of the time limitations in
6 NRCP 41 require dismissal despite the age and tortured history of this matter.
7

8
9
10 Dated this 18th day November, 2022.

11 
12 Hon. Elizabeth Gonzalez, (Ret.)
13 Sr. District Court Judge
14
15
16
17
18
19
20
21
22

23 ¹ That statute provides in part:

24 1. Except as otherwise provided in NRS 42.007, in an action for the breach of an obligation not arising
25 from contract, where it is proven by clear and convincing evidence that the defendant has been guilty of oppression,
26 fraud or malice, express or implied, the plaintiff, in addition to the compensatory damages, may recover damages for the
27 sake of example and by way of punishing the defendant.
28 ***

3. If punitive damages are claimed pursuant to this section, the trier of fact shall make a finding of
whether such damages will be assessed. If such damages are to be assessed, a subsequent proceeding must be conducted
before the same trier of fact to determine the amount of such damages to be assessed. The trier of fact shall make a
finding of the amount to be assessed according to the provisions of this section. The findings required by this section, if
made by a jury, must be made by special verdict along with any other required findings. The jury must not be instructed,
or otherwise advised, of the limitations on the amount of an award of punitive damages prescribed in subsection 1.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

DALE KOTCHKA-ALANES
DANIEL POLSENBERG, ESQ.
DAVID MCELHINNEY, ESQ.
BRIANA COLLINGS, ESQ.
ABRAN VIGIL, ESQ.
JONATHAN TEW, ESQ.
JARRAD MILLER, ESQ.
TODD ALEXANDER, ESQ.
F. SHARP, ESQ.
STEPHANIE SHARP, ESQ.
G. DAVID ROBERTSON, ESQ.
ROBERT EISENBERG, ESQ.
JENNIFER HOSTETLER, ESQ.

Holly W. Lange

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT O

1 CODE: 3060
2
3
4
5
6

7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**
9

10 ALBERT THOMAS, individually; *et al.*,

11 Plaintiffs,

12 vs.

Case No. CV12-02222
Dept. No. OJ37

13 MEI-GSR Holdings, LLC, a Nevada limited
14 liability company, GRAND SIERRA
15 RESORT UNIT OWNERS' ASSOCIATION,
16 a Nevada nonprofit corporation, GAGE
17 VILLAGE COMMERCIAL
18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.
24
25
26
27
28

ORDER GRANTING RECEIVER'S MOTION FOR ORDERS & INSTRUCTIONS

21 Presently before the Court is the Receiver's Motion for Orders & Instructions, filed
22 October 18, 2021 ("Motion"). Plaintiffs filed Plaintiffs' Joinder to Receiver's Motion for Orders
23 & Instructions on October 22, 2021 ("Plaintiff's Joinder"). Defendants filed Defendants'
24 Opposition to Receiver's Motion for Orders & Instructions on October 22, 2021 ("Defendants'
25 Opposition"). The Receiver then filed Receiver's Reply in Support of Motion for Orders &
26 Instructions on October 25, 2021 ("Receiver's Reply"). The Motion was submitted for
27 consideration on October 25, 2021.
28

1 Case-concluding sanctions were entered against the Defendants for abuse of discovery
2 and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
3 Terminating Sanctions, filed October 3, 2014 at 12.) See Young v. Johnny Ribeiro Bldg., Inc.,
4 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
5 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. See
6 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.

7 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
8 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
9 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA"). (See
10 Appointment Order at 1:23-26.) The receivership was implemented "for the purpose of
11 implementing compliance, among all condominium units, including units owned by any
12 Defendant in this action . . . with the Covenants, Codes and Restrictions recorded against the
13 condominium units, the Unit Maintenance Agreements and the original Unit Rental Agreements
14 (the "Governing Documents"). (Appointment Order at 1:27-2:3.) On January 25, 2019, Richard
15 Teichner ("Receiver") was substituted in Mr. Proctor's place in the Order Granting Motion to
16 Substitute Receiver. (Order Granting Motion to Substitute Receiver, filed January 25, 2019.)

17 In 2021, the Defendants undertook to have a reserve study done by a third party, which
18 was then to be utilized by the Receiver to calculate those fees to be charged to Plaintiffs
19 (including the Daily Use Fees ("DUF"), Shared Facility Use Expenses ("SFUE"), and Hotel
20 Expenses ("HE")). The Receiver states that various orders of this Court, including the
21 Appointment Order, provide authority solely to Receiver to order and oversee any reserve studies
22 done. (Reply at 2:27-3:5.) Defendants argue that no such orders nor the Governing Documents
23 provide the Receiver with such authority. (Defendants' Opposition at 3:19-24.) Instead,
24 Defendants argue that any attempt by the Receiver to order or oversee the reserve study would be
25 an "impermissibl[e] expan[sion] of his authority." (Id. at 3:20.)

26 The Court issued its Findings of Fact, Conclusions of Law and Order granting in part
27 Defendants' Motion for Leave to File Motion for Reconsideration of December 24, 2020 Order
28 Granting Motion for Clarification and Request for Hearing, on September 29, 2021. Therein, the

1 Court struck the disgorgement order granted in the December 24, 2020 Order Granting
2 Clarification ("December 24, 2020 Order"). Whereas the Court originally instructed that "[u]ntil
3 the DUF, the [HE], and [SFUE] are recalculated by the Receiver, the fees calculated by the past
4 receiver shall be applied," the revised order struck this reversion to the prior receiver's
5 calculations. Thus, the Receiver states he is now without direction as to which calculations are
6 to be applied until he is able to redo his own calculations. (See December 24, 2020 Order at
7 3:23-4:10 (where the Court informs the Receiver his calculations for 2020 are incorrect and
8 invalid under the Governing Documents and they must be redone).) Defendants argue the
9 Receiver's prior calculations, which were in place until the December 24, 2020 Order was
10 issued, should be utilized. Notably, this directly contradicts the Court's December 24, 2020
11 Order, is inequitable, and thus is denied outright. (*Id.*)

12 The Appointment Order provides the Receiver authority to take control of "all accounts
13 receivable, payments, rents, including all statements and records of deposits, advances, and
14 prepaid contracts or rents" (Appointment Order at 3:15-18.) Defendants are also ordered to
15 cooperate with the Receiver and not "[i]nterfer[e] with the Receiver, directly or indirectly." (*Id.*
16 at 8:2-15.) The Receiver has informed the parties of his intent to open a separate account into
17 which all rents and other proceeds from the units will be deposited, and now requests the Court's
18 permission to open such an account. (Motion at 11:19; Motion to Stay Special Assessment, filed
19 August 20, 2021 at Ex. 2.) Defendants have refused to cooperate with the Receiver's request to
20 turnover various proceeds, in violation of the Appointment Order, and now object to Receiver's
21 authority to open a separate account. (Appointment Order at 8:2-15; Defendant's Opposition at
22 6:14-7:21.)

23 Pursuant to the Governing Documents, Defendants have implemented a room rotation
24 program whereunder bookings for the units owned by Plaintiffs and Defendants should be
25 equally distributed such that Plaintiffs and Defendants, as individual unit owners, are earning
26 roughly equal revenue. The Receiver contends this room rotation program is flawed and has
27 resulted in a greater number of Defendants' units being rented than Plaintiffs' units during
28 various periods through August 2021. (Motion at 14:14-17.)

1 Among the Governing Documents with which the Receiver is ordered to implement
2 compliance is the Seventh Amendment to Condominium Declaration of Covenants, Conditions,
3 Restrictions and Reservations of Easements for Hotel-Condominiums at Grand Sierra Resort,
4 recorded June 27, 2007 ("Seventh Amended CC&Rs"). Defendants, however, after representing
5 to the Court that the Seventh Amended CC&Rs needed to be amended in order to comply with
6 NRS 116B, unilaterally revised and recorded the Ninth Amendment to Condominium
7 Declaration of Covenants, Conditions, and Restrictions and Reservations of Easements for
8 Hotel-Condominiums at Grand Sierra Resort ("Ninth Amended CC&Rs") to overhaul the fee
9 structure and radically expand the fees chargeable to the Plaintiffs. The Ninth Amended
10 CC&Rs, according to Plaintiffs, substantially increase the expenses to be included in fees
11 charged to Plaintiffs – thus making ownership of the units unviable.

12 Finally, Defendants have communicated with Receiver *ex parte* through a variety of
13 individuals. The Receiver now requests that all communications be funneled through a single
14 individual: Reed Brady. (Motion at 17:4-8.)

15 The Motion requests the Court order (1) that the Notice of Special Assessments and the
16 Reserve Studies sent to the unit owners by Defendants on August 24, 2021 be immediately
17 withdrawn; (2) that the Defendants be ordered to send out a notice to all unit owners of said
18 withdrawal; and (3) that this Court confirm the Receiver's authority over the Reserve Studies.
19 (Motion at 3:11-14.) The Motion further requests the Court order that the Receiver is to
20 recalculate the charges for the DUF, SFUE, and HE for 2020 based upon the same methodology
21 as has been used in calculating the fee charges for 2021, once the Court approves that
22 methodology. (*Id.* at 8:10-13.) The Motion further requests the Court approve the opening of an
23 account for the Receivership, with the Receiver having sole signatory authority over the account,
24 and order that all rents received by Defendants currently and in the future, generated from either
25 all 670 condominium units or the Plaintiff-owned units, net of the total charges for the DUF,
26 SFUE, and HE fees and for reserves combined, are to be deposited into the account, that the
27 receiver be authorized to make the necessary disbursements to the relevant unit owners at three
28 (3) month intervals, that any disgorgement amounts owed by Defendants be deposited into the

1 Receivership account to be distributed by the Receiver, and that, if the Court orders the current
2 credit balances in the Plaintiffs' accounts are to be deposited in to the Receiver's bank account
3 then, to the extent that such credit balances are to be disgorged, Defendants will pay such credit
4 balances to the Receiver for deposit, and the Receiver will distribute such funds appropriately.
5 (Id. at 11:21-12:13.) The Motion further requests the Court order Defendants to provide the
6 Receiver with the information and documentation he has requested relating to the room rotation
7 program within ten (10) days of this Order. (Id. at 14:20-24.) The Motion further requests the
8 court expedite the determination of the Plaintiffs' Motion for Instructions, filed October 18, 2021
9 and submitted for consideration on October 25, 2021. (Id. at 17:1-3.) Finally, the Motion
10 requests the Court instruct Defendants to funnel all communications to the Receiver through a
11 single individual: Reed Brady. (Id. at 7:5-8.)

12 As this Court has stated previously, "[a] receiver is appointed to maintain the status quo
13 regarding the property in controversy and to safeguard said property from being dissipated while
14 the plaintiff is pursuing his remedy." (Order Denying Motion to Terminate Rental Agreement,
15 filed October 12, 2020 (citing Milo v. Curtis, 100 Ohio App.3d 1, 9, 651 N.E.2d 1340, 1345
16 (Ohio Ct. App. 1994).) This Court reiterated this premise in another order, stating that "[o]ne of
17 the purposes of the [Appointment] Order was to preserve the status quo of the parties during the
18 pendency of the action. Another purpose was to enforce [the] agreements." (Order, filed
19 November 23, 2015 at 1:22-23.) Nevada law supports this obligation of the Receiver. See
20 Johnson v. Steel, Inc., 100 Nev 181, 183, 678 P.2d 767, 678 (1984) (the appointment of a
21 receiver is a "remedy used to preserve the value of assets pending outcome of the principal case"
22 and is "a means of preserving the status quo"), overruled on other grounds by Shoen v. SAC
23 Holding Corp., 122 Nev. 621, 137 P.3d 1171 (2006); accord Dunphy v. McNamara, 50 Nev. 113,
24 252 P. 943, 944 (1927) (a court of equity has "ample authority" to utilize a receiver to preserve
25 the status quo).

26 Furthermore, upon the appointment of the Receiver, all authority to manage and control
27 the GSRUOA was immediately transferred from the GSRUOA's Board of Directors, managers,
28 officers, the Declarant, and other agents to the Receiver. Francis v. Camel Point Ranch, Inc.,

1 2019 COA 108M, ¶¶ 6-10, 487 P.3d 1089, 1092-93, as modified on denial of reh'g (Colo. Ct.
2 App. Sept. 19, 2019) (noting that “[u]pon the receiver’s appointment, [Defendant’s] corporate
3 officers and directors lost all authority to control the corporation”); First Sav. & Loan Ass’n v.
4 First Fed. Sav. Loan Ass’n, 531 F. Supp. 251, 255 (D. Haw. 1981) (“When a receiver is
5 appointed for a corporation, the corporation’s management loses the power to run its affairs and
6 the receiver obtains all of the corporation’s powers and assets.”). “Simply put, corporate
7 receivership is a court-mandated change in corporate management.” Francis, 487 P.3d 1089 at
8 1092-93.

9 Thus, upon appointment of the Receiver, the GSRUOA’s Board of Directors was
10 divested of the authority it has errantly exercised to issue that Notice of Special Assessment and
11 the Reserve Studies which was sent to all unit owners on August 24, 2021. Accordingly, such
12 Notice of Special Assessment and any actual imposition of special assessment is *void ab initio*
13 and therefore invalid. Only the Receiver can impose special assessments.

14 Next, the Findings of Fact, Conclusions of Law and Judgement issued on October 9,
15 2015 (“FFCLJ”), explicitly ordered the Receiver to calculate “a reasonable amount of FF&E,
16 shared facilities and hotel reserve fees” and other necessary fees to be assessed against Plaintiffs.
17 (FFCLJ at 22:25-27.) Accordingly, the Receiver is to calculate the DUF, SFUE, and HE for
18 2020. Such calculations should be based upon the same methodology as used for the 2021 fees,
19 once the Court has approved of such methodology.

20 The Appointment Order expressly allows for the Receiver to open an account for the
21 Receivership. (Appointment Order at 6:26 (the Receiver is allowed to “open and utilize bank
22 accounts for receivership funds”).) Indeed, the Appointment Order also expressly calls for the
23 Receiver to collect proceeds from the Property (defined as the 670 condominium units),
24 including, but not limited to, rent earned therefrom. (*Id.* at 5:17-19.) It logically follows then
25 that the Receiver may open a separate account for the Receivership in which it may hold all rents
26 from the Property, as defined in the Receivership Order.

27 The Appointment Order also expressly calls for Defendants to cooperate with the
28 Receiver and refrain from taking any actions which will interfere with the Receiver’s ability to

1 perform his duties. (*Id.* at 8:2-15.) Accordingly, Defendants should supply the Receiver with all
2 information, explanation, and documentation the Receiver may request regarding the room
3 rotation program and apparent inadequacy thereof.

4 The Receiver was specifically tasked with implementing compliance with the Governing
5 Documents, including the Seventh Amended CC&Rs. (Appointment Order at 1:27-2:3.)
6 Reading this obligation to implement compliance with the Seventh Amended CC&Rs with the
7 obligation to maintain the status quo, this Court finds that the Seventh Amended CC&Rs cannot
8 be amended, repealed, nor replaced until the Receiver is relieved of his duties by the Court. The
9 continuance of this specific Governing Document will ensure the status quo, as is the purpose of
10 a receivership. *Johnson*, 100 Nev. at 183, 678 P.2d at 678; *Dunphy*, 50 Nev. 113, 252 P. at 944.
11 The automatic and immediate transfer of control over the GSRUOA to the Receiver therefore
12 divested the GSRUOA's Board of Directors from any authority it had to propose, enact, and
13 otherwise make effective the Ninth Amended CC&Rs. The Ninth Amended CC&Rs are thus
14 *void ab initio*, as they were enacted without proper authority. Accordingly, the Ninth Amended
15 CC&Rs are *void ab initio*, and even if they were not, the Ninth Amended CC&Rs would be
16 improper and thus subject to rescission or cancellation.

17 Finally, the Court finds it appropriate for Defendants to funnel all communication with
18 the Receiver through a single individual. For the time being, such individual shall be Reed
19 Brady. Mr. Brady may delegate tasks to others, however, only Mr. Brady should communicate
20 answers, conclusions, or other findings to the Receiver.

21 **IT IS HEREBY ORDERED** that Receiver's Motion is granted **in full**.

22 **IT IS FURTHER ORDERED** (i) that the Notice of Special Assessments and the
23 Reserve Studies sent to the unit owners by the Defendants on August 24, 2021 shall be
24 immediately withdrawn; (ii) that the Defendants shall send out a notice to all unit owners of said
25 withdrawal within ten (10) days of this Order; (iii) that any amounts paid by unit owners
26 pursuant to the Notice of Special Assessment shall be refunded within ten (10) days of this
27 Order; and (iv) that the Receiver has sole authority to order and oversee reserve studies related to
28 Defendants' property and under the Governing Documents.

1 **IT IS FURTHER ORDERED** that the Receiver shall recalculate the DUF, SFUE, and
2 HE based on the same methodology as has been used in calculating the fee charges for 2021,
3 subject to Court approval of such methodology. Those fees in place prior to the Court's
4 September 27, 2021 Order shall remain in place until the fees for 2020 are recalculated and
5 approved by this Court such that only a single account adjustment will be necessary.

6 **IT IS FURTHER ORDERED** that the Receiver shall open a separate account on which
7 Receiver has sole signatory authority, and into which all rents received by Defendants currently
8 for all 670 condominium units, net of total charges for DUF, SFUE, and HE fees and reserves,
9 are to be deposited. The Receiver shall disburse the revenue collected to the parties according to
10 the Governing Documents. In the event the Court requires a disgorgement by Defendants to
11 Plaintiffs, Receiver shall deposit such disgorgements into this separate account and disburse the
12 same to Plaintiffs appropriately.

13 **IT IS FURTHER ORDERED** that Defendants shall provide Receiver with any
14 information, explanation, and documentation he may request regarding the room rotation
15 program and any perceived discrepancies therewith, until Receiver is either satisfied with the
16 adequacy of the program or until Receiver deems it appropriate to seek judicial intervention.

17 **IT IS FURTHER ORDERED** that the Ninth CC&Rs are *void ab initio* and the Seventh
18 CC&Rs are to be resurrected as though they had not been withdrawn or superseded.

19 **IT IS FURTHER ORDERED** that Defendants shall funnel all communication with the
20 Receiver through Reed Brady. Defendants and Receiver may mutually agree to choose an
21 alternative representative through which communication shall be directed. Mr. Brady, and any
22 subsequent representative, may delegate requests, questions, or other tasks necessary to respond
23 to Receiver's communications, but any answers, conclusions, or other results shall be
24 communicated back to Receiver through only Mr. Brady and no other individual.

25 //

26 //

27 //

28 //

DATED 12.21.81

Smaller signature

Jarrad C. Miller, Esq.
Jonathan Joel Tew, Esq.
Attorneys for Plaintiffs

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT P

1 CODE: 3060
2
3
4
5
6

7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**
9

10 ALBERT THOMAS, individually; *et al.*,

11 Plaintiffs,

12 vs.

Case No. CV12-02222
Dept. No. OJ37

13 MEI-GSR Holdings, LLC, a Nevada limited
14 liability company, GRAND SIERRA
15 RESORT UNIT OWNERS' ASSOCIATION,
16 a Nevada nonprofit corporation, GAGE
17 VILLAGE COMMERCIAL
18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.
24
25

26 **ORDER GRANTING PLAINTIFFS' MOTION FOR INSTRUCTIONS TO RECEIVER**

27 Presently before the Court is Plaintiff's Motion for Instructions to Receiver, filed
28 September 28, 2021 ("Motion"). Defendants filed Defendants' Opposition to Plaintiffs' Motion
for Instructions to Receiver on October 12, 2021 ("Opposition"). Plaintiffs filed their Reply in
Support of Motion for Instructions to Receiver on October 25, 2021. The Motion was submitted
for consideration on October 25, 2021.

Case-concluding sanctions were entered against the Defendants for abuse of discovery
and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
Terminating Sanctions, filed October 3, 2014 at 12.) See also Young v. Johnny Ribeiro Bldg.,

1 Inc., 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
2 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. (See
3 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.)

4 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
5 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
6 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA"), the
7 rental and other revenues from the condominiums, as well as other property of the non-
8 GSRUOA Defendants. (See Appointment Order at 1:23-26.) The receivership was implemented
9 "for the purpose of implementing compliance, among all condominium units, including units
10 owned by any Defendant in this action . . . with the Covenants, Codes and Restrictions recorded
11 against the condominium units, the Unit Maintenance Agreements and the original Unit Rental
12 Agreements (the "Governing Documents"). (Appointment Order at 1:27-2:3.) On January 25,
13 2019, Richard Teichner ("Receiver") was substituted in Mr. Proctor's place in the Order
14 Granting Motion to Substitute Receiver. (Order Granting Motion to Substitute Receiver, filed
15 January 25, 2019.)

16 Among the Governing Documents with which the Receiver is ordered to implement
17 compliance is the Seventh Amendment to Condominium Declaration of Covenants, Conditions,
18 Restrictions and Reservations of Easements for Hotel-Condominiums at Grand Sierra Resort,
19 recorded June 27, 2007 ("Seventh Amended CC&Rs"). Defendants, however, after representing
20 to the Court that the Seventh Amended CC&Rs needed to be amended in order to comply with
21 NRS 116B, unilaterally revised and recorded the Ninth Amendment to Condominium
22 Declaration of Covenants, Conditions, and Restrictions and Reservations of Easements for
23 Hotel-Condominiums at Grand Sierra Resort to overhaul the fees chargeable to the unit owners.
24 ("Ninth Amended CC&Rs"). The Ninth Amended CC&Rs, according to Plaintiffs, substantially
25 increase the expenses to be included in fees charged to Plaintiffs – thus making ownership of the
26 units unviable. (Reply at 7:17-21.)

27 Additionally, the Defendants undertook to have a reserve study done by a third party,
28 which was then to be utilized by the Receiver to calculate those fees to be charged to Plaintiffs.

1 Plaintiffs argue this reserve study was not only done without proper authority, but also that it was
2 patently erroneous in that it includes a variety of expenses which are not chargeable to the
3 Plaintiffs under the Seventh Amended CC&Rs. (Motion at 4:3-13.)

4 The Motion requests the Court instruct the Receiver to (1) determine that the amendment
5 process was invalid and void actions improperly taken by the GSRUOA Board of Directors, (2)
6 maintain the status quo by enforcing the Appointment Order and apply the Seventh Amended
7 CC&Rs, and (3) disqualify the 2021 reserve study and prepare a new reserve study completed
8 with the Receiver's direction and input. (Motion at 2:27-3:4, 4:12-13.)

9 As this Court has stated previously, "[a] receiver is appointed to maintain the status quo
10 regarding the property in controversy and to safeguard said property from being dissipated while
11 the plaintiff is pursuing his remedy." (Order Denying Motion to Terminate Rental Agreement,
12 filed October 12, 2020 (citing Milo v. Curtis, 100 Ohio App.3d 1, 9, 651 N.E.2d 1340, 1345
13 (Ohio Ct. App. 1994).) This Court reiterated this premise in a subsequent order, stating that
14 "[o]ne of the purposes of the [Appointment] Order was to preserve the status quo of the parties
15 during the pendency of the action. Another purpose was to enforce [the] agreements." (Order,
16 filed November 23, 2015 at 1:22-23.) Nevada law supports this obligation of the Receiver. See
17 Johnson v. Steel, Inc., 100 Nev 181, 183, 678 P.2d 767, 678 (1984) (the appointment of a
18 receiver is a "remedy used to preserve the value of assets pending outcome of the principal case"
19 and is "a means of preserving the status quo"), overruled on other grounds by Shoen v. SAC
20 Holding Corp., 122 Nev. 621, 137 P.3d 1171 (2006); accord Dunphy v. McNamara, 50 Nev. 113,
21 252 P. 943, 944 (1927) (a court of equity has "ample authority" to utilize a receiver to preserve
22 the status quo).

23 In this case, the Receiver was specifically tasked with implementing compliance with the
24 Governing Documents, including the Seventh Amended CC&Rs. (Appointment Order at 1:27-
25 2:3.) Reading this obligation to implement compliance with the Seventh Amended CC&Rs with
26 the obligation to maintain the status quo, this Court finds that the Seventh Amended CC&Rs
27 cannot be amended, repealed, nor replaced until the Receiver is relieved of his duties by the
28 Court. The continuance of this specific Governing Document will ensure the status quo, as is the

1 purpose of a receivership and the Appointment Order. See Johnson, 100 Nev. at 183, 678 P.2d at
2 678; Dunphy, 50 Nev. 113, 252 P. at 944.

3 Furthermore, upon the appointment of the Receiver, all authority to manage and control
4 the GSRUOA was immediately transferred from the GSRUOA's Board of Directors, managers,
5 officers, the Declarant, and other agents to the Receiver. Francis v. Camel Point Ranch, Inc.,
6 2019 COA 108M, ¶¶ 6-10, 487 P.3d 1089, 1092-93, as modified on denial of reh'g (Colo. Ct.
7 App. Sept. 19, 2019) (noting that "[u]pon the receiver's appointment, [Defendant's] corporate
8 officers and directors lost all authority to control the corporation"); First Sav. & Loan Ass'n v.
9 First Fed. Sav. Loan Ass'n, 531 F. Supp. 251, 255 (D. Haw. 1981) ("When a receiver is
10 appointed for a corporation, the corporation's management loses the power to run its affairs and
11 the receiver obtains all of the corporation's powers and assets."). "Simply put, corporate
12 receivership is a court-mandated change in corporate management." Francis, 487 P.3d 1089 at
13 1092-93.

14 This automatic and immediate transfer of control over the GSRUOA to the Receiver
15 therefore divested the GSRUOA's Board of Directors from any authority it had to propose,
16 enact, and otherwise make effective the Ninth Amended CC&Rs. The Ninth Amended CC&Rs
17 are thus *void ab initio*, as they were enacted without proper authority.

18 Accordingly, the Ninth Amended CC&Rs are *void ab initio*, and even if they were not,
19 the Ninth Amended CC&Rs would be improper and thus subject to rescission or cancellation.¹

20 Next, Plaintiffs have moved the Court to instruct the Receiver to reject the reserve study
21 completed by Defendants without any input from Receiver, and order and oversee a separate
22 reserve study. (Motion at 11:25-14:19.) The Court has explicitly found that the Receiver "will
23 determine a reasonable amount of FF&E, shared facilities and hotel reserve fees." (Findings of
24 Fact, Conclusions of Law and Judgement, Filed October 9, 2015 at 22:25-26.) This implies that

25
26 ¹ Defendants argue any challenge to the Ninth Amended CC&Rs must be brought pursuant to the ADR provision
27 therein. The Court rejects this argument *in toto* considering the Appointment Order, the purpose of the Appointment
28 Order, and binding Nevada law which all dictate the receivership is intended to maintain the status quo – not allow
for a key Governing Document to be unilaterally amended by Defendants. Further, the claim for a Receivership was
brought in the Second Amended Complaint and the Nevada Supreme Court has already found that the District Court
has subject matter jurisdiction over the action.

1 the Receiver will also be tasked with ordering and overseeing the reserve study – as that study
2 will dictate the FF&E, shared facilities, and hotel reserve fees. Thus, the Receiver alone has the
3 authority to direct and audit the reserve study, not the Defendants.

4 Moreover, the Defendants have acknowledged this reality to the Court:

5 Mr. McElhinney: Are you instructing the receiver to use the 2016
6 reserve study in rendering his calculation? The Court: I think he
7 can. Mr. McElhinney: Up to him? The Court: Yeah, it's up to
8 him. If there's some reason that Mr. Teichner believes that the
9 premise or the data that's collected therein is inappropriate, then
10 obviously he can just go back to the 2014 study, but if he wants to
11 use it and he believes that it's statistical or evidentiarily valid, then
12 he can use that in making those determinations.

13 (Motion at Ex. 3 at 141:24-142:11.)

14 Plaintiffs further object to the Defendants' reserve study because it has included expenses
15 which are clearly erroneous. (Motion at 4:6-13 (noting public pool expenses that were included
16 while the Governing Documents and Court orders exclude any revenue-generating expenses).)
17 The reserve study is to be limited as directed in previous Court orders and the Governing
18 Documents. The reserve study provided by Defendants clearly shows at least one basic,
19 elementary example of expenses which are included but should not be. (Id.) Accordingly, the
20 Court finds the Defendants' reserve study to be flawed and untrustworthy, and finds the Receiver
21 has the proper (and sole) authority to order, oversee, and implement a new reserve study.

22 **IT IS HEREBY ORDERED** that Plaintiffs' Motion is granted.

23 **IT IS FURTHER ORDERED** that the Ninth Amended CC&Rs shall be withdrawn and
24 the Seventh Amended CC&Rs shall be reinstated as though never superseded.

25 **IT IS FURTHER ORDERED** that Receiver shall not utilize the Defendants' reserve
26 study in calculating those fees which are to be assessed to Plaintiffs. Instead, the Receiver shall
27 order, oversee, and implement a new reserve study which is in accordance with the Governing
28 Documents.

//

//

//

DATED 12.21.21

Tom Little

/s/ Jarrad C. Miller

PA1897

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT Q

1 CODE: 3060

2
3
4
5
6
7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**
9

10 ALBERT THOMAS, individually; *et al.*,

11 Plaintiffs,

12 vs.

Case No. CV12-02222
Dept. No. OJ37

13 MEI-GSR Holdings, LLC, a Nevada limited
14 liability company, GRAND SIERRA
15 RESORT UNIT OWNERS' ASSOCIATION,
16 a Nevada nonprofit corporation, GAGE
17 VILLAGE COMMERCIAL
18 DEVELOPMENT, LLC, a Nevada limited
19 liability company; AM-GSR HOLDINGS,
20 LLC, a Nevada limited liability company; and
21 DOE DEFENDANTS 1 THROUGH 10,
22 inclusive,

23 Defendants.
24
25

26 **ORDER GRANTING PLAINTIFFS' MOTION TO STAY SPECIAL ASSESSMENT**

27 Presently before the Court is Plaintiffs' Motion to Stay Special Assessment, filed August
28 20, 2021 ("Motion").¹ Defendants filed Defendants' Opposition to Motion to Stay Special
Assessment on September 3, 2021 ("Opposition"). Plaintiffs filed their Reply in Support of

¹ Plaintiffs filed an initial version of this motion on July 30, 2021. (Motion to Stay Special Assessment and Renewed Request to Replace Receiver, filed July 30, 2021.) Plaintiffs withdrew this motion without prejudice on August 17, 2021. (Notice of Withdrawal of Motion to Stay Special Assessment and Renewed Request to Replace Receiver, filed August 17, 2021.)

1 Motion to Stay Special Assessment on September 17, 2021. The Motion was submitted for
2 consideration on September 22, 2021.

3 Case-concluding sanctions were entered against the Defendants for abuse of discovery
4 and disregard for the judicial process. (See Order Granting Plaintiffs' Motion for Case-
5 Terminating Sanctions, filed October 3, 2014 at 12.) See also Young v. Johnny Ribeiro Bldg.,
6 Inc., 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing discovery sanctions). The Court
7 ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in damages. (See
8 Findings of Fact, Conclusions of Law and Judgment, filed October 9, 2015.)

9 On January 7, 2015, the Court entered the Order Appointing Receiver and Directing
10 Defendants' Compliance ("Appointment Order"). The Appointment Order appointed James
11 Proctor as receiver over the Grand Sierra Resort Unit Owners' Association ("GSRUOA"). (See
12 Appointment Order at 1:23-26.) The receivership was implemented "for the purpose of
13 implementing compliance, among all condominium units, including units owned by any
14 Defendant in this action . . . with the Covenants, Codes and Restrictions recorded against the
15 condominium units, the Unit Maintenance Agreements and the original Unit Rental Agreements
16 (the "Governing Documents"). (Appointment Order at 1:27-2:3.) On January 25, 2019, Richard
17 Teichner ("Receiver") was substituted in Mr. Proctor's place in the Order Granting Motion to
18 Substitute Receiver. (Order Granting Motion to Substitute Receiver, filed January 25, 2019.)

19 The Appointment Order provides that the Receiver and his agents are to be "pa[id] and
20 discharge[d] out of the Property's rents and/or GSRUOA monthly dues collections. . . ."
21 (Appointment Order at 6:12-16.) It is thus clear that the Receiver's invoices are to be paid
22 through either (or collectively) the Property's rents collected or the GSRUOA monthly dues and
23 not from any other source of funds without approval of this Court.

24 On June 16, 2021, the Receiver provided notice to the Court that GSRUOA was insolvent
25 and requested a hearing to address this issue. (Motion at 1:2-4.) After the parties discussed
26 potential solutions to this issue, the Defendants, over Plaintiffs' objection, on July 12, 2021 voted
27 to impose a special assessment against all unit owners which would raise about \$100,000 to pay
28 the Receiver's invoices and other expenses ("Special Assessment"). (Opposition at 2:3-11.)

1 The Motion requests that the Court: (1) enforce the Appointment Order; (2) stay the
2 Special Assessment; (3) direct the Receiver to pay the expenses of the receivership through the
3 new receivership account; and (4) order the Defendants to stop interfering with the receivership
4 and the orders governing same. (Motion at 2:6-9.) The Opposition argues the Special
5 Assessment was appropriate under the Seventh Amendment to Condominium Declaration of
6 Covenants, Conditions, Restrictions and Reservations of Easements for hotel Condominiums at
7 Grand Sierra Resort ("CC&Rs") and necessary in order to both fund the Receiver's invoices as
8 well as the GSRUOA's operations through the remainder of 2021. (Opposition at 2:24-3:6.)

9 To begin, the appointment of a receiver terminates the authority of an entity's officers
10 and directors, and places all such authority in the receiver alone. Francis v. Camel Point Ranch,
11 Inc., 2019 COA 108M, ¶¶6-10, 487 P.3d 1089, 1092-9 (Colo. App. Sept. 19, 2019) (noting that
12 "[u]pon the receiver's appointment, [Defendant's] corporate officers and directors lost all
13 authority to control the corporation"); McDougal v. Huntingdon & Broad Top Mountain RR. &
14 Coal Co., 294 Pa. 108, 143 A.574, 577 (1928) (the receiver exercises the functions of the board
15 of directors, managers and officers, takes possession of corporate income, property, and assets,
16 directs not only in its operation, but, while in control, its policies on all lines"); see First Sav &
17 Loan Ass'n v. First Fed. Sav. Loan Ass'n, 531 F. Supp. 251, 255 (D. Haw. 1981) ("When a
18 receiver is appointed for a corporation, the corporation's management loses the power to run its
19 affairs and the receiver obtains all of the corporation's powers and assets"); see also U.S. v.
20 Powell, 95 F.2d 752, 754 (4th Cir. 1938). Thus, when the Appointment Order was issued, all
21 authority vested in GSRUOA's Board of Directors, managers, the Declarant, and other decision
22 makers was transferred to the Receiver and the Board of Directors, managers, the Declarant, and
23 other decision makers were divested of such authority.

24 It follows then that any decision of GSRUOA's Board of Directors since the
25 Appointment Order, including the July 12, 2021 decision to impose the Special Assessment, is
26 void as GSRUOA's Board of Directors had no authority to make such a decision or impose such
27 an assessment. (Id.)

1 Defendants argue that because the Receiver apparently did not object to the GSRUOA's
2 Board of Directors' decision to impose the Special Assessment, the Special Assessment is
3 proper. (Opposition at 4:17-18 ("The Board voted unanimously to approve and implement the
4 Special Assessment and the Receiver agreed with the action.")) This argument falls flat,
5 however, in light of the Receiver's limited authority. Anes v. Crown P'ship, Inc., 113 Nev. 195,
6 201-02, 932 P.2d 1067, 1071 (1997) ("a receiver must not exceed the limits of the authority
7 granted by the court"). The Appointment Order specifically dictates the source of funds to pay
8 the Receiver's invoices: "the Property's rents and/or GSRUOA monthly dues." (Appointment
9 Order at 6:12-16.) The Appointment Order does not provide that the Receiver can be funded
10 from any special assessments imposed upon the unit owners. Accordingly, any such special
11 assessment imposed to fund the Receiver's invoices is improper and exceeds authority vested in
12 the Receiver alone. Anes, 113 Nev. at 201-02, 932 P.2d at 1071; Fullerton v. Second Jud. Dist.
13 Ct. in & for Cty. of Washoe, 111 Nev 391, 400, 892 P.2d 935, 941 (1995) ("a receiver must not
14 exceed the limits of the authority granted"); accord Clay Expl., Inc. v. Santa Rosa Operating,
15 LLC, 442 S.W.3d 795, 800 (Tex. App. 2014) (a receiver only has that authority conferred by the
16 Court's order appointing him); Price v. Howsen, 197 Iowa 324, 197 N.W. 62, 63 (1924) ("It is a
17 familiar rule that 'the extent of a receiver's authority is always to be measured by the order of
18 appointment'"); Citibank, N.A. v. Nyland (CF 8), Ltd., 839 F.2d 93, 98 (2d Cir. 1988)
19 ("[The receiver's] authority is wholly determined by the order of the appointment court"); In re
20 Lamplight Condo. Ass'n, Inc., No. 17-20078 (JJT), 2017 WL 184510, at *2 (Bankr. D. Conn.
21 May 5, 2017) ("The source of the Receiver's authority and the process by which it was bound
22 and governed is the Appointment Order, which, as a stipulation, is [] a . . . limitation of the
23 Receiver's power, authority and process.").

24 Moreover, the Receiver has now indicated that he intends to open a separate account to
25 collect rental revenues from the Property and distribute the same to the appropriate unit owners.
26 (Motion at Ex. 2 (email in which Receiver's counsel states "The Receiver is going to open a
27 separate account for the Receivership as soon as possible. . . . As of September 1st, all of the
28 revenue from the Summit Rooms (the units in the Hotel Condominium) will be deposited into

1 the account.”).) If the Receiver so opens this account to collect rental revenue, the Special
2 Assessment will become unnecessary to pay the Receiver’s invoices as Receiver will have access
3 to all rental revenue from the relevant units with which the Receiver may pay his invoices. The
4 Court finds this action by the Receiver is both necessary and allowed under the Appointment
5 Order. (See Appointment Order at 3:7-10, 3:15-18.)

6 Accordingly, the Court finds the Special Assessment exceeded the authority of the
7 GSRUOA’s Board of Directors as well as the authority of the Receiver. Thus, the Special
8 Assessment shall be rescinded and deemed void.

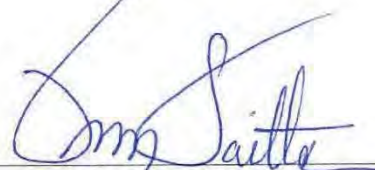
9 **IT IS HEREBY ORDERED** that Plaintiffs’ Motion is granted.

10 **IT IS FURTHER ORDERED** that Defendants shall rescind the Special Assessment and
11 refund any unit owners who have paid the Special Assessment within twenty (20) days of this
12 Order.

13 **IT IS FURTHER ORDERED** that the Receiver shall open a separate account into
14 which all rental revenue from the units in the Hotel Condominium (as defined in the CC&Rs) is
15 deposited and may be utilized to pay the Receiver’s invoices and otherwise operate the
16 GSRUOA. The Defendants are ordered to comply with the Appointment Order’s direction to
17 cooperate with the Receiver to effect the dictates of this order.

18 **IT IS SO ORDERED.**

19 DATED 12-21-21.

20
21 
22 SENIOR JUSTICE
Nancy Saitta

23 Submitted by:

24 ROBERTSON, JOHNSON,
25 MILLER & WILLIAMSON

26 /s/ Jarrad C. Miller
27 Jarrad C. Miller, Esq.
Jonathan Joel Tew, Esq.
28 Attorneys for Plaintiffs

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT R

1 CODE: 2777

2
3
4
5
6
7 **SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
8 **IN AND FOR THE COUNTY OF WASHOE**

9 ALBERT THOMAS, individually; *et al.*,

10 Plaintiffs,

11 vs.

Case No. CV12-02222
Dept. No. OJ37

12 MEI-GSR Holdings, LLC, a Nevada limited
13 liability company, GRAND SIERRA
14 RESORT UNIT OWNERS'
15 ASSOCIATION, a Nevada nonprofit
16 corporation, GAGE VILLAGE
17 COMMERCIAL DEVELOPMENT, LLC, a
18 Nevada limited liability company; AM-GSR
19 HOLDINGS, LLC, a Nevada limited liability
20 company; and DOE DEFENDANTS 1
21 THROUGH 10, inclusive,

22 Defendants.

23 **ORDER APPROVING RECEIVER'S REQUEST TO APPROVE UPDATED FEES**

24 Before the Court is the Receiver's Receiver Analysis and Calculation of Daily Use Fee,
25 Shared Facilities Unit Expense Fee and Hotel Expense Fee with Request to Approve updated
26 Fees and for Court to Set Effective Date for New Fees, filed August 16, 2021 ("Receiver
27 Analysis"). Defendants filed Defendants' Objection to Receiver's Analysis and Calculation of
28 Daily Use Fee, Shared Facilities Unit Expense Fees and for Court to Set Effective Date for New
Fees on September 17, 2021. Plaintiffs filed Plaintiffs' Response to Receiver Analysis and
Calculation of Daily Use Fee, Shared Facilities Unit Expense Fee and Hotel Expense Fee with
Request to Approve Updated Fees and for Court to Set Effective Date for New Fees on

1 September 17, 2021. The Receiver Analysis was submitted for consideration on
2 September 22, 2021.

3 **IT IS HEREBY ORDERED** that (1) The Receiver's new fee calculations as submitted
4 to the Court should immediately be applied retroactive to January 2020 and going forward until a
5 subsequent order from the Court is issued; (2) the amounts owed to Plaintiffs under those fee
6 calculations should be paid to Plaintiffs within thirty (30) days in accordance with the Governing
7 Documents; (3) the Receiver should be permitted to calculate the 2020 fee calculation using the
8 same methodology – and once those calculations are completed, the Receiver can reconcile the
9 unit owner accounts to reflect the difference between the 2020 and 2021 fee calculations; and (4)
10 after Defendants produce to Plaintiffs all actual documents that support the Receiver's 2020 and
11 2021 calculations, and depositions are taken (limited in scope) to verify that the calculations are
12 based on actual expenses as provided for under the Governing Documents, the briefing on the
13 issue of the accuracy of the fees should recommence. Any adjustments to the fees as a result of
14 motion practice by the parties shall be credited or debited accordingly, but in the interim, rental
15 revenue shall be calculated based upon the Receiver's 2021 calculations.

16 **IT IS SO ORDERED.**

17 DATED 12-21-21.

18
19 

20 SENIOR JUSTICE

Nancy Saitta

21 Submitted by:

22 ROBERTSON, JOHNSON,
23 MILLER & WILLIAMSON

24 /s/ Jarrad C. Miller

25 Jarrad C. Miller, Esq.
26 Jonathan Joel Tew, Esq.
27 Attorneys for Plaintiffs
28

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT S

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

ALBERT THOMAS, individually; et al.,

Plaintiffs,

Case No. CV12-02222

Dept. No. 10

vs.

MEI-GSR HOLDINGS, LLC, a Nevada limited
liability company, GRAND SIERRA RESORT
UNIT OWNERS' ASSOCIATION,
a Nevada nonprofit corporation, GAGE
VILLAGE COMMERCIAL DEVELOPMENT, LLC,
a Nevada limited liability company;
AM-GSR HOLDINGS, LLC, a Nevada limited
liability company; and DOES I through X, inclusive,

Defendants.

ORDER DENYING MOTION TO SET ASIDE OR AMEND JUDGMENT

Presently before the Court is DEFENDANTS' MOTION TO SET ASIDE JUDGMENT OR
IN THE ALTERNATIVE TO AMEND JUDGMENT ("the Motion") filed by Defendants MEI-
GSR HOLDINGS, LLC, GRAND SIERRA RESORT UNIT OWNERS' ASSOCIATION, GAGE
VILLAGE COMMERCIAL DEVELOPMENT, LLC and AM-GSR HOLDINGS, LLC
(collectively, "the Defendants") on March 13, 2019. Plaintiffs ALBERT THOMAS et al. ("the
Plaintiffs") filed the OPPOSITION TO DEFENDANTS' MOTION TO SET ASIDE JUDGMENT
OR IN THE ALTERNATIVE TO AMEND JUDGMENT ("the Opposition") on April 10, 2019.

1 The Defendants filed DEFENDANTS' REPLY IN SUPPORT OF MOTION TO SET ASIDE
2 JUDGMENT OR IN THE ALTERNATIVE TO AMEND JUDGMENT ("the Reply") on April 19,
3 2019. The Court held a hearing on July 25, 2019, and took the matter under advisement.

4 Case-concluding sanctions were entered against the Defendants for abuse of discovery and
5 disregard for the judicial process. *See* ORDER GRANTING PLAINTIFFS' MOTION FOR
6 CASE-TERMINATING SANCTIONS, p. 12 (Oct. 3, 2014) ("the October Order"). *See also*
7 *Young v. Johnny Ribeiro Bldg., Inc.*, 106 Nev. 88, 92, 787 P.2d 777, 779-80 (1990) (discussing
8 discovery sanctions). The Court held a three-day prove up hearing at which the Plaintiffs'
9 damages expert, Craig Greene ("Mr. Greene"), was the sole witness. The Court precluded the
10 Defendants from calling their own witnesses during the prove-up hearing, but permitted them to
11 cross-examine Mr. Greene extensively.¹ *See* ORDER 5:3-16 (Feb. 5, 2015) ("the February
12 Order"). The Court ultimately entered a judgment in favor of the Plaintiffs for \$8,318,215.55 in
13 damages. *See* FINDINGS OF FACT, CONCLUSIONS OF LAW AND JUDGMENT (Oct. 9,
14 2015) ("the FFCLJ"). The parties have filed extensive post-judgment motion practice.²

15 //

16 //

17 //

18 //

19 ¹ While the Defendants insist their cross-examination of Mr. Greene was limited, such a contention is belied by the
20 record of the prove-up hearing. The Defendants' cross-examination of Mr. Greene took up the entirety of the second day
21 of the prove-up hearing, in addition to some time on the first day.

22 ² On May 9, 2016, the Court entered the ORDER GRANTING DEFENDANTS' MOTION TO DISMISS FOR LACK
23 OF SUBJECT MATTER JURISDICTION ("the Dismissal Order"). The Plaintiff appealed the Dismissal Order to the
24 Nevada Supreme Court on May 26, 2016. On February 26, 2018, the Nevada Supreme Court reversed the Dismissal
25 Order and remanded the case to the Court. The Nevada Supreme Court denied rehearing on June 1, 2018, and denied en
26 banc reconsideration on November 27, 2018. The case has been remanded to the Court and assumes the procedural
27 posture immediately preceding entry of the Dismissal Order.
28

1 The Defendants argue the Court should revise or set aside the FFCLJ because they were
2 unfairly precluded from presenting witnesses or evidence in response to Mr. Greene's testimony,
3 which was riddled with fundamental defects.³ The Motion 2:11-23. The Defendants insist the
4 Court has the inherent power to revise the FFCLJ to correct these fundamental defects because
5 there is no final judgment, and a new prove-up hearing is necessary because the Plaintiffs received
6 windfall damages unsupported by substantial evidence. The Motion 4:3-17; 6:1-15; 19:23-28;
7 20:1-2. The Plaintiffs argue the Motion is procedurally defective because it is untimely and is a
8 disguised motion for reconsideration. The Opposition 1:3-17. The Plaintiffs contend the Motion is
9 substantively defective because it makes arguments previously raised and rejected by the Court,
10 and the Defendants failed to make offers of proof regarding the alleged fundamental defects during
11 the prove-up hearing, which would have allowed them to present relevant evidence.⁴ The
12 Opposition 1:7-17, 26-28; 2:1-2-20. The Defendants respond by arguing the Plaintiffs' offer of
13 proof argument is not grounded in any controlling authority, and the declarations submitted with
14
15
16
17
18

19 ³ The Defendants argue Mr. Greene's calculations were flawed in the following manner: 1) Mr. Greene calculated
20 damages for underpaid revenue to unit owners without certain owners' statements and for units which were sold or
21 foreclosed upon; 2) Mr. Greene calculated damages for the rental of units without rental agreements without an
22 understanding of the IHAP rental program; 3) Mr. Greene calculated damages for discounting owners' rooms if a room
23 was rented for less than \$79.00 per night, without considering applicable nuances in the rental program; 4) Mr. Greene
24 inflated the damages for complimentary rooms because he failed to consider the Defendants' right to comp a unit five
25 times a year; 5) Mr. Greene's damage calculations for the preferential rotation system included Plaintiffs to whom the
26 Defendants had no further rental obligations and did not recognize nuances in the rotation system; and 6) Mr. Greene's
27 damage calculations for contracted fees and allocations ignores the Defendants' right to collect such money and
28 penalized them for merely placing the money in the wrong account. The Motion 6:16-23; 7:6-17; 8:1-8, 17-27; 9:3-13;
10:6-25, 11:9-25; 12:7-20. The Defendants also contend the Court erroneously awarded non-monetary relief as a matter
of law, erred in allowing Mr. Greene's testimony, and the FFCLJ does not identify the causes of action supporting the
damages award and the individual damage award for each of the Plaintiffs. The Motion 13:6-10, 26-28; 15:25-26; 16:1-
4, 25-27; 17:1-2.

⁴ The Plaintiffs also insist the declarations of Kent Vaughn and Sean Clarke were improperly provided to the Court. The
Court will not consider these declarations because the Defendants made no offers of proof regarding the necessity of
their testimony during the prove-up hearing.

1 the Motion are intended to be offers of proof.⁵ The Reply 5:24-28; 6:11-18. The Defendants also
2 contend the damages calculated by Mr. Greene were neither fair nor reasonable because of the
3 multitude of fundamental defects. The Reply 9:2-28; 10:1-15.

4
5 NRCP 55(b)(2) permits a district court to hold a prove-up hearing to establish damages
6 where a default judgment has been entered. Where default judgment has been entered as a
7 discovery sanction, “the nonoffending party retains the burden of presenting sufficient evidence to
8 establish a prima facie case for each cause of action as well as demonstrating by substantial
9 evidence that damages are attributable to each claim.” *Foster v. Dingwall*, 126 Nev. 56, 60, 227
10 P.3d 1042, 1045 (2010). *See also Horgan v. Felton*, 123 Nev. 577, 581, 170 P.2d 982, 985 (2007)
11 (internal quotation marks omitted) (“Substantial evidence is evidence that a reasonable mind might
12 accept as adequate to support a conclusion.”). A district court may limit a defaulting party’s
13 presentation of evidence during a prove-up hearing; however, it is an abuse of discretion to
14 preclude a defaulting party from presenting evidence if the defaulting party has identified a
15 “fundamental defect in the nonoffending party’s case.” *Foster*, 126 Nev. at 68, 227 P.3d at 1050
16
17 (explaining nonoffending party is not entitled to “unlimited or unjustifiable damages”).
18

19 NRCP 54(b) provides:

20
21 **Judgment on Multiple Claims or Involving Multiple Parties.** When an action
22 presents more than one claim for relief--whether as a claim, counterclaim,
23 crossclaim, or third-party claim--or when multiple parties are involved, the court may
24 direct entry of a final judgment as to one or more, but fewer than all, claims or parties
25 only if the court expressly determines that there is no just reason for delay.
26 Otherwise, any order or other decision, however designated, that adjudicates fewer
27 than all the claims or the rights and liabilities of fewer than all the parties does not
28 end the action as to any of the claims or parties and may be revised at any time before
the entry of a judgment adjudicating all the claims and all the parties' rights and
liabilities.

28 ⁵ The Reply is more than double the length permitted by the PRETRIAL ORDER, p. 8:10-18 (May 13, 2019). The Defendants are counseled to avoid exceeding the allotted page limits without permission from the Court.

1 WDCR 12(8) provides:

2 The rehearing of motions *must* be done in conformity with DCR 13, Section 7. A party
3 seeking reconsideration of a ruling of the court, other than an order which may be addressed
4 by motion pursuant to NRCP 50(b), 52(b), 59 or 60, must file a motion for such relief
within 10 days after service of written notice of entry of the order or judgment

5 Emphasis added.

6 The Court will not revise the FFCLJ because it is not an interlocutory order subject to
7 revision. The FFCLJ adjudicated all of the Plaintiffs' claims and definitely held the Defendants
8 liable for \$8,318,215.55 in damages. *Contra Bower's v. Harrah's Laughlin, Inc.*, 125 Nev. 470,
9 479, 215 P.3d 709, 716 (2009) (holding district judge was permitted to reconsider summary
10 judgment motion regarding one plaintiff before final judgment regarding all parties was entered).
11 Simply because the FFCLJ did not address punitive damages does not render it interlocutory and
12 capable of revision. The Defendants cite no case law in support of the proposition that the lack of a
13 punitive damage award makes the FFCLJ an interlocutory order which can be amended more than
14 four years after its entry.
15

16 Even if the FFCLJ could be amended pursuant to NRCP 54(b), the Motion falls within the
17 confines of WDCR 12(8) and D.C.R. 13(7) and is thus untimely. As the language of WDCR 12(8)
18 demonstrates, all requests for reconsideration, except a motion pursuant to NRCP 50(b), 52(b), 59
19 or 60, are encompassed by WDCR 12(8). The Motion is subject to these local rules because it seeks
20 reconsideration of the Court's damages award in the FFCLJ. WDCR 12(8) requires such a motion
21 to be filed within ten days of service of the written notice of entry of the order or judgment. While
22 the Defendants insist the Motion does not seek reconsideration, the label assigned to a pleading does
23 not control. *Cf. Pangallo v. State*, 112 Nev. 1533, 1535-36, 930 P.2d 100, 102 (1996) *overruled on*
24 *other grounds by Griffin v. State*, 122 Nev. 737, 137 P.3d 1165 (2006) (holding improper labelling
25 does not preclude court from considering arguments made therein). Furthermore, the Defendants
26
27
28

1 cannot and do not argue the Motion was filed within ten days of the notice of entry of the FFCLJ.
2 The Defendants chose to pursue relief other than reconsideration by filing DEFENDANTS'
3 MOTION TO DISMISS FOR LACK OF SUBJECT MATTER JURISDICTION on December 1,
4 2015. Additionally, the fact the Defendants now have new representation does not excuse errors of
5 previous counsel.⁶ For all of these reasons, the FFCLJ is not an interlocutory order subject to
6 revision under NRCP 54(b).
7

8 NRCP 59 governs motions to alter or amend a judgment. NRCP 59(e) provides:

9 **Motion to Alter or Amend a Judgment.** A motion to alter or amend a judgment
10 *must* be filed no later than 28 days after service of written notice of entry of
11 judgment.

12 Emphasis added. NRS 0.025(1)(c) provides:

13 “Must” expresses a requirement when:

14 (1) The subject is a thing, whether the verb is active or passive.

15 (2) The subject is a natural person and:

16 (I) The verb is in the passive voice; or

17 (II) Only a condition precedent and not a duty is imposed.
18

19 NRCP 59(f) explicitly states, “[t]he 28-day time periods specified in this rule cannot be extended
20 under Rule 6(b).” A motion to alter or amend must be in writing and state the grounds for relief
21 with particularity and identify the relief sought. *United Pac. Ins. Co. v. St. Denis*, 81 Nev. 103,
22 106, 399 P.2d 135, 137 (1956). *See also* NRCP 7(b). One ground for relief under a motion to
23 amend or alter the judgment is the correction of “manifest errors of law or fact.” *AA Primo*
24 *Builders, LLC v. Washington*, 126 Nev. 578, 582, 245 P.3d 1190, 1193 (2010) (explaining motions
25
26

27 ⁶ Five attorneys have represented the Defendants before the Court. The Defendants were originally represented by Sean
28 Brohawn and subsequently by H. Stan Johnson, concurrently with Gayle Kern and Mark Wray. The Defendants are
currently represented by David McElhinney. On appeal, the Defendants were represented by Daniel Polsenberg, Joel
Henriod and Dale Kotchka-Alanes.

1 to alter or amend are not permitted to correct clerical errors). A district court has considerable
2 discretion in determining whether a motion to amend or alter should be granted. *Stevo Design, Inc.*
3 *v. SBR Mktg. Ltd.*, 919 F. Supp. 2d 1112, 1117 (D. Nev. 2013). *See also AA Primo*, 126 Nev. at
4 582, 245 P.3d at 1193 (explaining FRCP 59 may be consulted in interpreting NRCP 59).
5

6 The Court will not alter or amend the FFCLJ because the Motion is procedurally defective
7 and substantively without merit. First, the Motion is procedurally defective because it was
8 untimely. The Motion was not filed until March 13, 2019, almost four years after the entry of the
9 FFCLJ. Had the Defendants wished to request reconsideration of the FFCLJ, they certainly could
10 have done so within the requisite twenty-eight day period. In fact, such a motion was filed by the
11 Plaintiffs within the requisite time period and was adjudicated by the Court following the remand of
12 this matter. *See ORDER GRANTING IN PART AND DENYING IN PART MOTION TO*
13 *ALTER OR AMEND JUDGMENT* (Mar. 7, 2019).
14

15 Even though the Court could refuse to alter or amend the FFCLJ on procedural grounds
16 alone, the Motion is also substantively without merit.⁷ First, the Defendants contend they were
17 unfairly precluded from calling their own witnesses and presenting evidence during the prove-up
18 hearing. However, it is well-established that a district court may limit a defaulting party's
19 participation in a prove-up hearing. *See Hamlett v. Reynolds*, 114 Nev. 863, 866-67, 963 P.2d 457,
20 459 (1998) (explaining party participation in prove-up hearing is decision reserved for district
21 court). The Nevada Supreme Court has explicitly affirmed limiting a defaulting party's
22 participation to cross-examination where default has been entered as a discovery sanction. *See id.*
23 at 867, 963 P.2d at 459 ("Allowing Hamlett [defaulted party] to introduce evidence, which he
24
25
26

27
28 ⁷ The Court will not consider the remaining arguments as the two arguments selected are dispositive of the Motion. *See generally Chaffee v. Smith*, 98 Nev. 222, 224, 645 P.2d 966, 967 (1982)

1 consistently refused to produce during discovery, would have been inequitable.”). The Defendants’
2 discovery violations were extensive: failure to respond to the first request for production of
3 documents, despite various extensions; failure to respond to the second request for production of
4 documents and interrogatories, despite various extensions; failure to make timely pretrial
5 disclosures; failure to obey rulings of the Discovery Commissioner and the Court’s corresponding
6 confirming orders; and a general tendency to turn over incomplete information in a belated fashion
7 with no legitimate explanation for the delay. *See* ORDER, p. 4-6 (Oct. 17, 2013) (striking
8 Defendants’ counterclaims). *See also* the October Order, p. 4-5 (striking Defendants’ Answer and
9 explaining Defendants’ conduct has “severely prejudiced” Plaintiffs’ case).

12 The Defendants’ repeated discovery violations demonstrate the extreme inequity of
13 allowing the Defendants to call their own witnesses during the prove-up hearing. *Cf. Foster*, 126
14 Nev. at 66, 227 P.3d at 1049 (“In light of appellants’ repeated and continued abuses, the policy of
15 adjudicating cases on the merits would not have been furthered in this case, and the ultimate
16 sanctions were necessary to demonstrate to future litigants that they are not free to act with
17 wayward disregard of a court’s orders.”). The Court would also note the Plaintiffs requested the
18 Defendants be almost entirely precluded from participating in the prove-up hearing, and the request
19 was denied by the Court. *See* PLAINTIFFS’ BRIEF PROPOSING PROCEDURES FOR
20 DAMAGES PROVE-UP HEARING 1:11-24; 3:11-16, 25-28; 4:1-2 (Dec. 15, 2014). *See also* the
21 February Order 5:3-8, 15-16. For these reasons, the Defendants were not unfairly precluded from
22 calling their own witnesses and presenting evidence during the prove-up hearing.

25 The Defendants also contend Mr. Greene incorrectly calculated damages for units without
26 rental agreements without an adequate understanding of the IHAP program. Mr. Greene generally
27 testified that the Defendants used units in the IHAP program without compensating the owners and
28

1 attempted to drive IHAP out of business. Contrary to the Defendants' argument, Mr. Greene's
2 direct and cross examination testimony demonstrates that he had a thorough understanding of the
3 IHAP program.⁸ While the Defendants cross-examined Mr. Greene on this point, at no point did
4 they make an offer of proof regarding a fundamental defect in his calculation. *See* Tr. of Prove-Up
5 Hr'g Day 2, p. 324-347. Additionally, the Defendants never requested the opportunity to call a
6 witness to testify about the IHAP program. *Id.* Furthermore, the Defendants attempted to convince
7 the Court of these fundamental defects during closing argument. *See* Tr. of Prove-Up Hr'g Day 3,
8 p. 541-546. The unpersuasive nature of the argument does not create a fundamental defect where
9 none existed. For these reasons, the Court will not alter or amend the FFCLJ.

12 The Court would conclude by noting the Plaintiffs did not receive "windfall damages"
13 unsupported by substantial evidence. This argument is premised on a misunderstanding of the
14 standard of the substantial evidence standard in the case of default. *See generally Foster*, 126 Nev.
15 at 60, 227 P.3d at 1045. Contrary to the Defendants' assertions, the Plaintiffs were not required to
16 prove their damages with mathematical certainty. Expecting mathematical certainty for damages in
17 the millions and where evidence was routinely withheld by the Defendants is highly impractical
18 and contradicts prevailing case law. *See generally Clark Cty. Sch. Dist. v. Richardson Const., Inc.*,
19 123 Nev. 382, 397, 168 P.3d 87, 97 (2007) ("[D]amages need not be proven with mathematical
20 certainty."). Rather, the Plaintiffs were required to and did in fact provide adequate evidence of the
21 nature and the extent of their damages. The level of particularity provided by Mr. Greene
22 reasonably supported the amount of damages awarded to the Plaintiffs.

28 ⁸ Mr. Greene's direct examination regarding IHAP can be found at pages 136-166 of the transcript for the first day of the
prove-up hearing.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

IT IS ORDERED DEFENDANTS' MOTION TO SET ASIDE JUDGMENT OR IN THE
ALTERNATIVE TO AMEND JUDGMENT is hereby **DENIED**.

DATED this 2 day of October, 2019.


ELLIOTT A. SATTLER
District Judge

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF MAILING

Pursuant to NRCP 5(b), I certify that I am an employee of the Second Judicial District Court of the State of Nevada, County of Washoe; that on this ____ day of October, 2019, I deposited in the County mailing system for postage and mailing with the United States Postal Service in Reno, Nevada, a true copy of the attached document addressed to:

CERTIFICATE OF ELECTRONIC SERVICE

I hereby certify that I am an employee of the Second Judicial District Court of the State of Nevada, in and for the County of Washoe; that on the 2nd day of October, 2019, I electronically filed the foregoing with the Clerk of the Court by using the ECF system which will send a notice of electronic filing to the following:

- JARRAD C. MILLER, ESQ.
- JONATHAN JOEL TEW, ESQ.
- DAVID C. MCELHINNEY, ESQ.


Sheila Mansfield
Judicial Assistant

FILED
Electronically
CV12-02222
2023-07-11 05:13:37 PM
Alicia L. Lerud
Clerk of the Court
Transaction # 9768115 : yvilorla

EXHIBIT T

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

ALBERT THOMAS, individually, et al,

Plaintiffs,

Case No: CV12-02222

vs.

Dept. No: 10

MEI-GSR Holdings, LLC, a Nevada Limited
Liability Company, et al,

Defendants.

FINDINGS OF FACT, CONCLUSIONS OF LAW AND JUDGMENT

This action was commenced on August 27, 2012, with the filing of a COMPLAINT ("the Complaint"). The Complaint alleged twelve causes of action: 1) Petition for Appointment of a Receiver as to Defendant Grand Sierra Resort Unit-Owners' Association; 2) Intentional and/or Negligent Misrepresentation as to Defendant MEI-GSR; 3) Breach of Contract as to Defendant MEI-GSR; 4) Quasi-Contract/Equitable Contract/Detrimental Reliance as to Defendant MEI-GSR; 5) Breach of the Implied Covenant of Good Faith and Fair Dealing as to Defendant MEI-GSR; 6) Consumer Fraud/Nevada Deceptive Trade Practices Act Violations as to Defendant MEI-GSR; 7) Declaratory Relief as to Defendant MEI-GSR; 8) Conversion as to Defendant MEI-GSR; 9) Demand for an Accounting as to Defendant MEI-GSR and Defendant Grand Sierra Unit Owners Association; 10) Specific Performance Pursuant to NRS 116.122, Unconscionable Agreement; 11) Unjust Enrichment/Quantum Meruit against Defendant Gage Village Development; 12) Tortious Interference with Contract and/or Prospective Business Advantage against Defendants MEI-GSR