IN THE SUPREME COURT OF THE STATE OF NEVADA

MEI-GSR HOLDINGS, LLC, A NEVADA CORPORATION; AM-GSR HOLDINGS, LLC, A NEVADA CORPORATION; AND GAGE VILLAGE COMMERCIAL DEVELOPMENT, LLC, A NEVADA CORPORATION;
Petitioners,
vs.
THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA, IN AND FOR THE COUNTY OF WASHOE; THE HONORABLE ELIZABETH GONZALEZ (RET.), SENIOR JUDGE, DEPARTMENT OJ41; AND RICHARD M. TEICHNER, RECEIVER,
Respondents,
and
ALBERT THOMAS, INDIVIDUALLY; JANE DUNLAP, INDIVIDUALLY; JOHN DUNLAP, INDIVIDUALLY; BARRY HAY, INDIVIDUALLY; MARIE-ANNE ALEXANDER, AS TRUSTEE OF THE MARIE-ANNE 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.

Supreme Court No. 88065
District Court Case No. CV22-02222

HENDERSON, INDIVIDUALLY; LOREN D. PARKER, INDIVIDUALLY; SUZANNE C. PARKER, INDIVIDUALLY; MICHAEL IZADY, INDIVIDUALLY; STEVEN TAKAKI, INDIVIDUALLY, FARAD TORABKHAN, INDIVIDUALLY; SAHAR TAVAKOLI, INDIVIDUALLY; M&Y HOLDINGS, LLC; JL&YL HOLDINGS, LLC; SANDI RAINES, INDIVIDUALLY; R. RAGHURAM, INDIVIDUALLY, USHA RAGHURAM, INDIVIDUALLY, LORI K. TOKUTOMI, INDIVIDUALLY; GARRET TOM, INDIVIDUALLY, ANITA TOM, INDIVIDUALLY, RAMON FADRILAN, INDIVIDUALLY; FAYE FADRILAN, INDIVIDUALLY; PETER K. LEE AND MONICA L. LEE, AS TRUSTEES OF THE LEE FAMILY 2002 REVOCABLE TRUST; DOMINIC YIN, INDIVIDUALLY; ELIAS SHAMIEH, INDIVIDUALLY; JEFFREY QUINN, INDIVIDUALLY; BARBARA ROSE QUINN INDIVIDUALLY; KENNETH RICHE, INDIVIDUALLY; MAXINE RICHE, INDIVIDUALLY; NORMAN CHANDLER, INDIVIDUALLY; BENTON WAN, INDIVIDUALLY; TIMOTHY D. KAPLAN, INDIVIDUALLY; SILKSCAPE INC.; PETER CHENG, INDIVIDUALLY; ELISA CHENG, INDIVIDUALLY; GREG A. CAMERON, INDIVIDUALLY; TMI PROPERTY GROUP, LLC; RICHARD LUTZ, INDIVIDUALLY; SANDRA LUTZ, INDIVIDUALLY; MARY A. KOSSICK, INDIVIDUALLY; MELVIN CHEAH, INDIVIDUALLY; DI SHEN, INDIVIDUALLY; NADINE'S REAL ESTATE INVESTMENTS, LLC; AJIT GUPTA, INDIVIDUALLY; SEEMA GUPTA, INDIVIDUALLY; FREDERICK FISH, INDIVIDUALLY; LISA FISH, INDIVIDUALLY; ROBERT A. WILLIAMS, INDIVIDUALLY; JACQUELIN PHAM, INDIVIDUALLY, MAY ANNE HOM, AS TRUSTEE OF THE MAY ANNE

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; DARLEEN LINDGREN, INDIVIDUALLY; LAVERNE ROBERTS, INDIVIDUALLY; DOUG MECHAM, INDIVIDUALLY; CHRISTINE MECHAM, INDIVIDUALLY; KWANG SOO SON, INDIVIDUALLY; SOO YEUN MOON, INDIVIDUALLY; JOHNSON AKINBODUNSE, 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 NAM CHOI, INDIVIDUALLY; YOUNG JA CHOI, INDIVIDUALLY; SANG DAE SOHN, INDIVIDUALLY; KUK HYUN (CONNIE) YOO, INDIVIDUALLY; SANG (MIKE) YOO, INDIVIDUALLY; BRETT MENMUIR, AS TRUSTEE OF THE CAYENNE TRUST; WILLIAM MINER, JR., INDIVIDUALLY; CHANH TRUONG, INDIVIDUALLY; ELIZABETH ANDRES MECUA, INDIVIDUALLY; SHEPHERD MOUNTAIN, LLC; ROBERT BRUNNER, INDIVIDUALLY; AMY BRUNNER, INDIVIDUALLY; JEFF RIOPELLE, INDIVIDUALLY, PATRICIA M. MOLL, INDIVIDUALLY; DANIEL MOLL, INDIVIDUALLY,

Real Parties in Interest.

REPLY IN SUPPORT OF MOTION FOR PERMISSION TO FILE ANSWER IN EXCESS OF TYPE-VOLUME LIMITATION AND OPPOSITION TO COUNTERMOTION TO STRIKE PORTIONS OF REAL PARTIES' PROPOSED ANSWER

I. INTRODUCTION[1]

There is no argument this case has a complex history in the district court and this court; indeed, it has taken over a decade to reach the current posture. The history of this proceeding, including case-terminating sanctions entered against Petitioners, millions of dollars in punitive and compensatory damages awarded against Petitioners, a failed appeal, sanctions for attempting to manipulate the court-appointed Receiver, and a finding of contempt, is critical to this court's consideration of Petitioners' petition for writ relief. Petitioners argue Real Parties' proposed answer to the petition contains "a histrionic tale spun from irrelevant facts," but fail to recognize the importance of their own malicious acts which pervade the underlying record and have prompted the very rulings about which they now complain. (Opp. at 1.)

Namely, Petitioners argue their petition's "common premise" is that "the district court acted without jurisdiction when it granted extra-statutory relief that the

[1] This document consists of ten pages. Under NRAP 27(d)(2), a response to a motion cannot exceed ten pages, and a reply cannot exceed five pages. Petitioners filed a single document consisting of a response and a countermotion. The present document consists of Real Parties' reply in support of their motion to exceed, and their response to Petitioners' countermotion. Accordingly, this document complies with Rule 27.

operative complaint did not seek in a default action." (Id.) What Petitioners conveniently omit is these two points—the operative complaint and the allegedly extra-judicial relief—bookend a decade of intense litigation. (See 1R.App.41 (where the district court recognized "[t]he record speaks for itself regarding the protracted nature of these proceedings and the systematic attempts at obfuscation and ***intentional deception on the part of the [Petitioners]***") (emphasis added).) All of this interim litigation is critical in explaining *why* the relief granted falls squarely within the operative complaint, and indeed emphasizes that Real Parties have sought this relief all along (and, conversely, that Petitioner's fraudulent scheme that prompted the complaint has not ceased without explicit district court intervention). Accordingly, the motion should be granted to present a complete factual history so this court can consider the issues in the context of the actual record as opposed to Petitioner's "intentional[ly] decepti[ve]" half-truths. (Id.)

Alternatively, Petitioners request this court strike "the burdensome, irrelevant, immaterial, or scandalous allegations" in Real Parties' answer. (Opp. at 1.) This request is also belied by a reading of the petition. Petitioners focus their request on a single footnote in Real Parties' answer which addresses the character of Petitioners' control-person, Alex Meruelo. Again, conveniently omitted from Petitioners' countermotion is that Petitioners put Meruelo's character squarely at issue by proclaiming him to be a "noted philanthropist" in Reno, Nevada. Real

Parties' answer simply rebuts this claim with one of many bad acts in the underlying record that shows Meruelo, through his various entities, almost single-handedly funded a campaign to oust the former sitting judge on this matter after a number of unfavorable rulings. This ouster resulted in a recusal from the succeeding candidate, based on Meruelo's documented funding of her campaign, and thereafter a recusal of all sitting judges in the Second Judicial District.

This court should grant the Real Parties' motion for excess words, to allow a complete presentation of the critical underlying facts this court must be aware of to properly consider Petitioner's request for relief. Moreover, this court should not strike any portion of Real Parties' answer, as it simply sets forth a fact-based rebuttal of Petitioners' unsupported claims about their control-person.

II. ARGUMENT

a. This court should permit Real Parties to file their proposed answer

Petitioners argue their petition raises "discrete" issues arising from a "common premise" and "limited jurisdictional questions." (Opp. at 1.) This suggests the petition sets forth a concise, limited, succinct recitation of the case. Petitioners continue that, in the proposed answer, "Real Parties seek to regale this Court with a histrionic tale spun from irrelevant facts." (Id.) Petitioners also argue "[t]he only facts necessary" are those relating to the operative complaint and "specific actions taken by the district court despite its lack of jurisdiction." (Id. at 2-3.) Petitioners

argue Real Parties are improperly trying to "cram the entirety of the case—including portions wholly irrelevant to this writ—into their Answer." (Id. at 3.)

Petitioners' scheme from the time they purchased the Grand Sierra Resort has been to artificially devalue Real Parties' condominium units so Petitioners could purchase them at "nominal, distressed prices." (1R.App.0013-15 (allegation); 1R.App.0052-53 (district court finding).) After Real Parties filed suit to stop this artificial devaluation, the district court found Petitioners liable for this conduct. (1R.App.0040-63.) Now, almost 10 years later, Petitioners are still pursuing this goal—now by arguing in their petition that the Receiver has no role in the sale of the units. (See generally Pet.) Indeed, Petitioners never abandoned this litigation-prompting scheme, but instead have continued to pursue it throughout the duration of this proceeding. Real Parties must set forth the entire history of this proceeding in order to properly contextualize Petitioners' request for writ relief. Moreover, the proper context underscores the diligence with which the district court contemplated, drafted, and entered the orders currently under review.

Petitioners' arguments are false; the arguments consist of exaggerated hyperbole; and the arguments completely ignore the allegations of the writ petition. The petition provides its own interpretation of facts spanning nearly 19 years, starting in 2005. (Pet. at 5.) The petition recites alleged details of events during the years before and shortly after Petitioners purchased the GSR in 2011. (Id. at 5-7.)

The petition provides its own version of the history of the entire litigation, including events leading to the striking of Petitioners' answer as a sanction; facts regarding Petitioners' prior counsel; additional events in 2011 regarding the units and the litigation; appointment of the receiver; and the prove-up hearing in 2015 leading to the default award of compensatory damages. (Id. at 9-11.) The petition then recites its own delusional version of events from 2019 through 2023. (Id. at 11-16.) These events—according to the petition—occurred during the "several years" following the default judgment. (Id. at 12-13.)

Faced with the petition's one-sided interpretation of facts and events during the last 19 years, Real Parties are absolutely justified in providing this court with a recitation of the actual events during this time frame—especially when Petitioners' presentation is riddled with convenient omissions. These facts are hardly "a histrionic tale spun from irrelevant facts," as Petitioners' response argues.

The petition also makes a passing reference to the fact that Petitioners have "tried to appeal" some of the district court's rulings. (Id. at 4.) But the petition fails to mention Petitioners have actually filed at least 12 direct appeals and two different writ petitions in this case—none of which have been successful. This lengthy and convoluted appellate history, generated by Petitioners' vexatious appellate strategy, is legitimately discussed in the proposed answer, and is certainly relevant for this court's consideration now.

Petitioners finally attack Real Parties' argument that fundamental fairness favors enlarging the word count because NRAP 21(d) allows Petitioners to file a 7,000-word reply in support of the writ petition. Petitioners argue there is no unfairness because other NRAP provisions allow replies in various contexts. (Opp. at 4-5.) These NRAP provisions, however, allow replies that are only half the size of the original filing. See NRAP 27 (motion 10 pages; reply 5 pages); NRAP 32 (opening brief 14,000 words; reply brief 7,000 words). Yet NRAP 21(d) allows a writ petitioner to file a reply that is the same size as the petition itself (7,000 words). Thus, Petitioners are allowed to file a 7,000-word writ petition and a 7,000-word reply, for a total of 14,000 words, but Real Parties are limited to only 7,000 words for the answer. Although this might be fair in some other writ cases that are less complex, the limitation is fundamentally unfair in the present case.

b. There is no reason to strike any portion of Real Parties' answer

The countermotion argues the answer improperly contains arguments which are irrelevant, immaterial, or scandalous. (Opp. at 6.) To the contrary, however, the answer is a fair response to the petition's Rambo-style arguments. And, the answer is a fair response to the petition's multiple far-fetched and unsupported insinuations.

Petitioners complain the proposed answer contains derogatory references that are scandalous and unsavory. Nothing in the answer can be accurately characterized as improper. In any event, Petitioners ignore the fact that their own writ petition

insultingly accuses the district court of "running amuck" in its rulings, and "rubberstamping" the receiver's calculations. (Pet. at 4, 16.) The petition scornfully insults the court-appointed receiver, who is an officer of the court, by referring to him as a "zombie-receiver." (Id. at 4.) The petition also insultingly states that Real Parties filed their lawsuit because they "became angry that they were finally being asked to pay their share of costs" (id. at 7); Real Parties filed a document "in a moment of honesty" (id. at 10); and Real Parties want to "bilk the GSR for as long as possible" (id. at 16). Petitioners obviously do not want a level playing field. They want to fill their writ petition with grossly exaggerated and insulting hyperbole, yet they want to bar Real Parties from attacking the writ petition with facts showing that the petition should be denied.

Petitioners want to strike the reference to Meruelo in footnote 3 of the answer. (Opp. at 6.) Petitioners argue the answer's comments about Meruelo are derogatory, irrelevant, and immaterial comments about a "non-party." (Id.) But, the writ petition itself opened the door to the answer's comments about Meruelo. NRS 48.045(1)(a). The petition contains a lengthy footnote specifically discussing "non-party Alex Meruelo." (Pet. at 7, n. 4.) The footnote asserts Meruelo "is a noted philanthropist that has invested hundreds of millions of dollars in Reno, Nevada, including building a privately financed sports and entertainment arena adjacent to GSR that will serve as the home for UNR's basketball team." (Id. (citing internet link for GSR's own

announcement).) It appears, however, Meruelo's primary financial "contribution" to Reno, Nevada is his almost single-handedly funding a judicial campaign to unseat the then-highest-rated judge in Washoe County. (1R.App.0064-147.)

Petitioners obviously believe Meruelo's reputation and character are relevant in this court's consideration of the "limited jurisdictional questions" in the writ petition. Petitioners opened the door to Meruelo's character as a "noted philanthropist," and Petitioners should not now be allowed to prevent Real Parties from responding on this subject. (Id.) Similarly, Petitioners do not like the answer's discussion of Meruelo's involvement in ousting Judge Sattler from the bench. (Opp. at 6.) But Petitioners themselves raised the issue of Meruelo's financial involvement in the Reno community. (Pet. at 7, n. 4.) Petitioners should not be allowed to tout Meruelo's positive financial virtues, but at the same time prevent Real Parties from discussing his personal involvement (which is undisputed in the district court record) in judge-shopping when Judge Sattler was ruling against him. (1R.App.0064-221.)

Finally, to the extent Petitioners argue the district court has "caution[ed] Real Parties' counsel several times for his hyperbolic allegations," the purported exhibit fails to support this allegation. (Opp. at 7.) As an initial matter, the "hyperbolic allegations" involved Petitioners' penchant for making misrepresentations to the district court. (Opp. at Ex. A.) This statement is supported by the underlying record, including Petitioners' statements to the district court regarding their severely lacking

discovery efforts. (1R.App.0031 at 5 ("The Court now has serious doubt that the representations made by the Defendants [that their production of "200-300 emails" equated to "substantial compliance"] . . . were accurate and genuine" after "additional e-mail searches have uncovered ***224,226 e-mails*** not previously disclosed") (emphasis added).) These misstatements ultimately resulted in the case-terminating sanctions being entered against Petitioners. (1R.App.0027-39.)

Moreover, the transcript purported to support Petitioners' bold claim that Real Parties' counsel has been chastised for alluding to Petitioners' previous misrepresentations does not show as vehement a rebuke as Petitioners suggest. Rather, the transcript shows two instances—during a day-long hearing—where the district court simply stated "careful" when Real Parties' counsel made accurate statements regarding Petitioners' penchant for disrespecting the judiciary. (Opp. at Ex. A.)

It is an absurd notion that while Petitioners are free to include insulting rhetoric in their own filings with this court, Real Parties must be restrained from presenting the fact-based underlying record showing Petitioners' bad acts. This is especially appalling when these bad acts by Petitioners have resulted in case terminating sanctions, sanctions for trying to manipulate the receiver, an award of punitive damages based on blatant fraud and theft, and, most recently, a finding of

contempt of court. Despite their best efforts, Petitioners cannot simply rewrite history to erase their past bad acts which have led the proceeding to this point.

III. CONCLUSION

Petitioners' efforts to constrain Real Parties' answer reeks of "rules for thee, but not for me." Indeed, Petitioners argue that their entitlement to double the number of words, which they have used to tell an omission-riddled tale, should not be taken into account in considering Real Parties' request to exceed the applicable word count by less than 2,700 words. Similarly, Petitioners argue they be allowed to tout Meruelo's allegedly stellar character but Real Parties must be restrained from introducing fact-based portions of the record which squarely belie these grand claims. Petitioners' arguments should fail on both fronts.

Real Parties' motion to exceed should be granted so the court can consider the entire relevant history of this complex and lengthy proceeding, and Real Parties' answer should be considered in full as proposed.

Dated this 19th day of April, 2024.

JARRAD C. MILLER, ESQ. (SBN 7093)
BRIANA N. COLLINGS, ESQ. (SBN 14694)
Robertson, Johnson, Miller & Williamson
50 West Liberty Street, Suite 600
Reno, Nevada 89501
(775) 329-5600
jarrad@nvlawyers.com
briana@nvlawyers.com

ROBERT L. EISENBERG (SBN 950)
Lemons, Grundy & Eisenberg
6005 Plumas Street, Third Floor
Reno, Nevada 89519
775-786-6868
Email: rle@lge.net

By: */s/ Briana N. Collings*
Jarrad C. Miller, Esq.
Briana N. Collings, Esq.
Attorneys for Real Parties in Interest

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of Robertson, Johnson, Miller & Williamson, over the age of eighteen, and not a party to the within action. I further certify that on April 19, 2024, I electronically filed the foregoing **REPLY IN SUPPORT OF MOTION FOR PERMISSION TO FILE ANSWER IN EXCESS OF TYPE-VOLUME LIMITATION AND OPPOSITION TO COUNTERMOTION TO STRIKE PORTIONS OF REAL PARTIES' PROPOSED ANSWER** with the Clerk of the Court by using the ECF system which served the following parties electronically:

Jordan T. Smith, Esq.
Pisanelli Bice PLLC
400 South 7th Street, Suite 300
Las Vegas, NV 89101
Attorneys for Petitioners
MEI-GSR Holdings, LLC;
Gage Village Commercial
Development, LLC; and
AM-GSR Holdings, LLC

F. DeArmond Sharp, Esq.
Stefanie T. Sharp, Esq.
Robison, Sharp Sullivan & Brust
71 Washington Street
Reno, NV 89503
Attorneys for Receiver
Richard M. Teichner

Abran Vigil, Esq.
Meruelo Group, LLC
Legal Services Department
5th Floor Executive Offices
2535 Las Vegas Boulevard South
Las Vegas, NV 89109
Attorneys for Petitioners
MEI-GSR Holdings, LLC;
Gage Village Commercial
Development, LLC; and
AM-GSR Holdings, LLC

Ann O. Hall, Esq.
David C. McElhinney, Esq.
Meruelo Group, LLC
2500 E. 2nd Street
Reno, NV 89595
Attorney for Petitioners
MEI-GSR Holdings, LLC;
Gage Village Commercial
Development, LLC; and
AM-GSR Holdings, LLC

Hon. Elizabeth Gonzalez
Senior Judge, Dept. 10
Second Judicial District Court
75 Court Street
Reno, NV 89501

/s/ Alexandra Fleming
An Employee of Robertson, Johnson, Miller & Williamson