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23 **DISTRICT COURT**  
24 **CLARK COUNTY, NEVADA**

<p>25 ELSINORE, LLC, a Nevada limited liability 26 company; and KECJ, LLC a Nevada limited 27 liability company, 28 29 Plaintiffs, 30 31 v. 32 33 STATE OF NEVADA, ex.rel. THE 34 LEGISLATURE OF THE 68<sup>th</sup> SESSION OF 35 THE STATE OF NEVADA; THE 36 HONORABLE BRIAN SANDOVAL, in his 37 official capacity as Governor of the State of 38 Nevada; REAL ESTATE DIVISION OF THE 39 NEVADA DEPARTMENT OF BUSINESS 40 &amp; INDUSTRY; THE HONORABLE GAIL 41 ANDERSON, in her official capacity as 42 Administrator of the Nevada Real Estate 43 Division, 44 45 Defendants.</p>	<p>Department No: 32 Case No: A-11-644558-C  <b>AMENDED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF</b>  Arbitration Exempt: Declaratory Relief</p>
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46 COMES NOW Plaintiffs, ELSINORE, LLC, a Nevada limited liability company; and KECJ,  
47 LLC a Nevada limited liability company (collectively, "Plaintiffs,") by and through their attorney  
48 of record, James R. Adams, of the Liberty Law Foundation, Ltd., and for their complaint against

1 Defendants STATE OF NEVADA, *ex. rel.* THE LEGISLATURE OF THE 68<sup>th</sup> SESSION OF THE  
2 STATE OF NEVADA; THE HONORABLE BRIAN SANDOVAL, in his official capacity as  
3 Governor of the State of Nevada; REAL ESTATE DIVISION OF THE NEVADA DEPARTMENT  
4 OF BUSINESS & INDUSTRY; THE HONORABLE GAIL ANDERSON, in her official capacity  
5 as Administrator of the Nevada Real Estate Division (collectively, “Defendants,”) assert and allege  
6 as follows:

7 **I.**

8 **NATURE OF ACTION**

9 1. As alleged with greater particularity below, NRS 38.310 violates the separations of powers  
10 clause (Article 3, Section 1) of the Nevada Constitution as the legislative branch of  
11 government, through the passage of NRS 38.310, has impermissibly divested the judiciary  
12 of its fundamental, inherent power to declare the meaning of laws. Therefore, this Court is  
13 requested to declare NRS 38.310 unconstitutional. Further, this Court is requested to declare  
14 the proceedings in Nevada Real Estate Division (“NRED”) Arbitration Number 10-87  
15 (“ADR 10-87”) unconstitutional as the arbitrator has ordered an estimated 4 to 5 year stay  
16 of the non-binding arbitration proceedings prior to NRED issuing a final confirmation  
17 necessary for Plaintiffs to file a District Court action. This effectively deprives the Plaintiffs  
18 of their constitutional right to trial by jury. In addition, the Court is requested to declare that  
19 ADR 10-87 and NRED arbitration number 11-90 (“ADR 11-90”) are procedurally futile  
20 because NRED arbitrators have determined that NRED does not have jurisdiction to hear  
21 class action suits and that NRED is not a proper forum for class action litigations. Thus,  
22 administrative remedies have been exhausted and Plaintiffs may immediately file their  
23 actions in District Court. Alternatively, the Court is requested to order NRED to conclude  
24 ADR 10-87 (which has already been in the NRED program for 1 year and 4 months) within  
25 8 weeks and conclude ADR 11-90 within 12 weeks. Lastly, the Court is requested to declare  
26 any interim award of attorney’s fees and costs in ADR 10-87 unenforceable, as no final award  
27 can be obtained in a non-binding arbitration without first getting the award confirmed by the  
28 District Court.

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**II.**

**THE PARTIES**

2. The above captioned Plaintiffs are Nevada real estate investors who currently have pending before NRED's mandatory arbitration program two proposed class action arbitrations involving numerous collection agencies, homeowners' associations, and hundreds of unlawful homeowners' association liens and demands. Further, Plaintiffs have many additional claims which they have not yet brought to arbitration. Plaintiffs have been forced to arbitrate before an NRED arbitrator due to Nevada Revised Statutes 38.310's mandatory arbitration language. NRS 38.310 states that a court shall dismiss any action involving the interpretation, application or enforcement of any covenants, conditions or restrictions of a homeowners' association. An exception to NRS 38.310 exists for cases involving injunctive relief for irreparable harm. However, no exception exists for declaratory relief claims. This is a fatal constitutional defect in the law.

3. Defendant GAIL ANDERSON is the administrator of the Nevada Real Estate Division.

4. Defendant REAL ESTATE DIVISION is a division of the Nevada Department of Business and Industry charged with administering the mandatory arbitration program as described in NRS 38.300 to NRS 38.360.

5. Defendant, THE LEGISLATURE OF THE 68<sup>th</sup> SESSION OF THE STATE OF NEVADA was the holder of the legislative authority of the State of Nevada and passed NRS 38.310. The 68th Session of the Nevada Legislature began on January 16, 1995, at 12:00 PM and adjourned *sine die* on July 3, 1995, at 1:20 AM.

6. Defendant, THE HONORABLE BRIAN SANDOVAL, is the Governor of the State of Nevada.

7. The true names and capacities, whether individual, corporate, associate or otherwise, or Defendants herein designated as DOES I through X and ROE ENTITIES I through X inclusive, are unknown to the Plaintiffs at this time, who therefore sues said Defendants by such fictitious names. Plaintiffs are informed and believe and thereupon alleges that each of said Defendants are responsible in some manner for the events and happenings and

1 proximately caused the injuries and damages herein alleged. These DOE Defendants may  
2 include, but are not limited to agents, employees, independent contractors, officers, directors,  
3 board of director members, limited liability company members, managers, attorneys, law  
4 firms, shareholders, and trustees. These ROE ENTITIES may include, but are not limited  
5 to, parent companies, subsidiaries, community management companies, series LLCs,  
6 partnerships, joint ventures, and other entities affiliated, involved with, or otherwise owned  
7 or controlled by the named Defendants. Plaintiffs will seek leave to amend this Complaint  
8 to allege their true names and capacities as they are ascertained.

9 **II**

10 **FACTUAL ALLEGATIONS**

11 **A. The Nature of Plaintiffs' Claims**

12 8. The nature of Plaintiffs' claims arose from the following facts. Nevada Revised Statutes  
13 §116.3116 governs liens against properties located within Nevada homeowners' associations  
14 (the "Associations"). NRS 116.3116 generally states as follows:

15 a. Associations have a statutory lien on any unit of real property located with their  
16 associations for any assessment imposed against a unit or fine imposed against the  
17 unit's owner from the time the assessment or fine became due;

18 b. However, Associations' liens are junior to the first security interest of the unit's first  
19 mortgage lender except for a certain, limited and specified portion of the lien as  
20 defined in Nevada Revised Statutes §116.3116 which remains senior to the first  
21 security interest of the unit's first mortgage lender, provided that the Associations had  
22 instituted an "action" to enforce their liens (the "Super Priority Lien Amount").

23 9. The Plaintiffs obtained title to their respective properties through a trustee's sale whereby a  
24 secured first lender foreclosed on the original owners of the properties thereby extinguishing  
25 the Associations' original liens against the properties, but for the Super Priority Lien Amount,  
26 if any.

27 10. On and after October 1, 2009, the statutory formula for calculating the Super Priority Lien  
28 Amount was as follows: the lien is prior to the first security interest on the unit to the extent

1 of any charges incurred by the association on a unit pursuant to NRS 116.310312 and to the  
2 extent of the assessments for common expenses based on the periodic budget adopted by the  
3 association pursuant to NRS 116.3115 which would have become due in the absence of  
4 acceleration during the 9 months immediately preceding institution of an action to enforce  
5 the lien unless federal regulations adopted by the Federal Home Loan Mortgage Corporation  
6 or the Federal National Mortgage Association require a shorter period of priority for the lien.  
7 Before October 1, 2009, the 9 month time frame cited above, was limited to only 6 months.  
8 11. However, in violation of NRS 116.3116, the Associations and collection agencies acting on  
9 their behalf, have been demanding and receiving from Plaintiffs amounts in excess of the  
10 Super Priority Lien (the "Unlawful Demand Amounts").  
11 12. Thus, the Unlawful Demand Amounts are those amounts having been, and being demanded  
12 and collected by the Associations and their collection agencies that, pursuant to NRS  
13 §116.3116, have been legally extinguished as against Plaintiffs and their properties by the  
14 trustee's sale of the first mortgage lender, leaving only the Super Priority Lien Amount, if  
15 any, as the proper amount to be demanded and collected.  
16 13. After the date upon which Plaintiffs become the legal owners of the properties (i.e., the date  
17 of the trustee's sale of first mortgage lender against a subject unit,) on each of thousands of  
18 instances over the last several years, the Associations and their collection agencies have  
19 improperly obtained monies from Plaintiffs and the members of the proposed classes in the  
20 following manner:  
21 a. Homeowners, owning a unit of real property within the Associations, become  
22 delinquent ("Delinquent Homeowners") in the payment of their Association  
23 assessments and other fees and charges ("Homeowners' Past Due Obligations") and  
24 also default on their first mortgages;  
25 b. The Homeowners' Past Due Obligations constitute a statutory lien for the benefit of  
26 the Associations upon the Delinquent Homeowners' unit pursuant to NRS §116.3116;

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- c. Due to the Delinquent Homeowners' inability to pay their first mortgages, the Delinquent Homeowners' first mortgage lenders foreclose on the Delinquent Homeowners' unit;
- d. At the foreclosure auction, the Delinquent Homeowners' first mortgage lender, or an investor, or other person, takes title to the subject unit via a trustee's sale deed;
- e. At the moment the foreclosure auction concludes on a subject unit, pursuant to NRS §116.3116, the Associations' statutory lien against the unit for the Homeowners' Past Due Obligations becomes extinguished, but for the Super Priority Lien Amount, if any;
- f. Instead of informing Plaintiffs (who are the transferees of the auctioned units) that the Associations' liens against the units have been extinguished do to the foreclosure auction, and that nothing is due by Plaintiffs but for the Super Priority Lien Amount, the Associations and their collection agencies issue demands to Plaintiffs and the proposed class members for hundreds or thousands of dollars in excess of any Super Priority Lien Amount, often including all those amounts owed by the original Delinquent Homeowner (i.e., the Unlawful Demand Amounts);
- g. The Associations and their collection agencies make representations, including but not limited to the issuance of demands to Plaintiffs that they have the right to collect and receive from Plaintiffs the Unlawful Demand Amounts;
- h. Such demands and representations are false because the Plaintiffs do not owe the Unlawful Demand Amounts. This is so because the statutory lien amounts owed by the original Delinquent Homeowners and which comprise the Homeowners Past Due Obligations were extinguished as against Plaintiffs and their units as a matter of law (NRS §116.3116) as a result of the first mortgage lender's foreclosure auction, but for the Super Priority Lien Amount;
- i. The Associations and their collection agencies fail and refuse to correct their inaccurate representations and demands;

- 1           j.       Under unlawful threat of the continuing clouds on Plaintiffs' title and/or issuance of  
2                   inaccurate demands and notices of defaults by the Associations and their collection  
3                   agencies, in order to clear title Plaintiffs are forced to pay the Unlawful Demand  
4                   Amounts to the Associations or their collection agencies.
- 5 14.       By repeatedly employing this very scheme hundreds of times over the last several years,  
6           Plaintiffs and the proposed class members have paid to the Associations and their collection  
7           agencies millions of dollars which Plaintiffs did not owe, and to which the Associations and  
8           their collection agencies had no legal entitlement.
- 9           **B.       Plaintiffs' Civil Actions in District Court**
- 10 15.       To redress their grievances and pursuant to NRS 30.040, Plaintiffs filed two civil actions  
11           with the Eighth Judicial District Court for declaratory relief on the meaning and application  
12           of NRS 116.3116 (among other claims).
- 13 16.       Plaintiffs filed Case No. A-10-608741-C against the Associations and filed Case No.  
14           A-10-609031-C against the collection agencies seeking a judicial declaration that pursuant  
15           to NRS 116.3116, the Super Priority Lien Amount is capped at a figure equaling 9 times an  
16           Association's monthly assessment amount.
- 17 17.       However, these cases were dismissed by the District Court as the Court determined that it  
18           would have to consider matters relating to the application of an Association's conditions,  
19           covenants and restrictions to rule upon the two cases.
- 20 18.       Therefore, pursuant to NRS 38.310, the Court determined that it did not have jurisdiction to  
21           issue a declaratory judgment and dismissed the cases directing the parties to the mandatory  
22           arbitration program before NRED.
- 23 19.       To the extent that NRS 38.310 requires Nevada District Courts to dismiss claims for  
24           declaratory relief, said statute is an abridgement of Article 3, Section 1 of the Nevada  
25           Constitution.
- 26 20.       In passing NRS 38.310, the Nevada legislature has failed to acknowledge over 200 years of  
27           precedent establishing the fundamental constitutional principle that purely judicial functions,  
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such as declaring the meaning of laws, cannot in any manner be divested from the exclusive province of the judiciary.

21. Any legislative act, the result of which is usurpation of a court's essential functions, is an unconstitutional abridgment of the separations of powers clause of this State's founding document.

22. Therefore, NRS 38.310 is unconstitutional to the extent that the legislative branch of government, through the passage of NRS 38.310, has improperly divested or obstructed the judicial branch of government from exercising its power to declare the meaning of laws.

C. **The NRED Arbitration & Arbitrator Persi Mishel's Unprecedented Multi-Year Stay of Non-Binding Proceedings**

23. Relegated to arbitration before NRED pursuant to NRS 38.310, in May of 2010, the above captioned Plaintiffs filed NRED proposed class action, non-binding alternative dispute resolution No. 10-87 ("ADR 10-87").

24. The Respondents in ADR 10-87 are multiple Nevada collection agencies.

25. More recently, in June of 2011, the Plaintiffs filed NRED proposed class action, non-binding alternative dispute resolution No. 11-90 ("ADR 11-90").

26. The Respondents in ADR 11-90 are hundreds of Nevada homeowners associations.

27. It was necessary for Plaintiffs to file ADR 10-87 and ADR 11-90 as proposed class action arbitrations in order to secure their rights to assert class action status in the subsequent and inevitable District Court *de novo* actions.

28. However, on October 28, 2010, in ADR 10-87, Arbitrator Persi Mishel ruled that NRED arbitration "... is not an appropriate forum for class arbitration...."

29. Thus, Plaintiffs were deprived of their right to assert class action claims.

30. Any attempt to assert such class action claims in arbitration, thus, became futile.

31. On March 21, 2011, Arbitrator Mishel issued a partial award granting Plaintiffs' (Claimants') motion for summary judgment on the issue of declaratory relief on the meaning and interpretation of NRS 116.3116 (the foundational issue in the arbitration proceedings).



- 1 32. Thus, Arbitrator Mishel ruled in Plaintiffs' favor that NRS 116.3116 caps an Association's  
2 Super Priority Lien Amount to a figure equaling 9 times the Association's monthly  
3 assessment.
- 4 33. Further, after making this ruling (and while billing at a rate of \$600.00 per hour,) Arbitrator  
5 Mishel stayed certain key portions of ADR 10-87 for an indeterminate amount of time and  
6 now refuses to set an arbitration date for final resolution of all issues.
- 7 34. He has stayed all portions of this non-binding arbitration dealing with his declaratory ruling,  
8 including any claim for damages dealing with the Super Priority Lien cap (such as the unjust  
9 enrichment claims) until such time as the Nevada Supreme Court rules on his judgment (if  
10 ever).
- 11 35. Curiously, other portions of the arbitration were not stayed, thus enabling Arbitrator Mishel  
12 to continue to bill at his \$600.00 per hour rate.
- 13 36. Arbitration No. 10-87 has already languished in front of Arbitrator Mishel of over 1 year and  
14 will now stall for at least an additional 4 years while the declaratory relief *de novo* actions  
15 filed by the Respondents (Case Nos. A638834, A639761, A639637, A639108, A639724)  
16 make their way through the District Court and, perhaps, someday, to the Nevada Supreme  
17 Court.
- 18 37. Therefore, this NON-BINDING arbitration will remain at the hands of a \$600.00 per hour  
19 NRED arbitrator for at least a total of five years before Plaintiffs have the right to file a jury  
20 trial action in District Court.

21 **FIRST CAUSE OF ACTION**

22 **(Violation of Article 3, Section 1 of the Nevada Constitution)**

- 23 38. Plaintiffs reallege and incorporate by reference all allegations set forth above.
- 24 39. In passing NRS 38.310, the Nevada legislature has compelled the Nevada judiciary to  
25 dismiss all declaratory relief actions which may in anyway be based upon the application of  
26 an Association's covenants, conditions and restrictions, even if the declaratory relief action  
27 is requesting the interpretation of a statute.
- 28

1 40. NRS 38.310 severely restricts the commencement of civil actions in courts of this state.

2 NRS 38.310 states:

3 1. No civil action based upon a claim relating to:

4 (a) The interpretation, application or enforcement of any  
5 covenants, conditions or restrictions applicable to residential property  
6 or any bylaws, rules or regulations adopted by an association; or

7 (b) The procedures used for increasing, decreasing or  
8 imposing additional assessments upon residential property, may be  
9 commenced in any court in this State unless the action has been  
10 submitted to mediation or arbitration pursuant to the provisions of  
11 NRS 38.300 to 38.360, inclusive...

12 2. A court shall dismiss any civil action which is commenced in  
13 violation of the provisions of subsection 1.

14 41. Pursuant to NRS 38.320, "Any civil action described in NRS 38.310 must be submitted for  
15 mediation or arbitration by filing a written claim with the [Real Estate] Division."

16 42. NRS 38.300 defines "civil action" to include an action for money damages or equitable relief.  
17 The term does not include an action in equity for injunctive relief in which there is an  
18 immediate threat of irreparable harm, or an action relating to the title to residential property.

19 43. Thus, unlike the District Court's annexed arbitration program for amounts in controversy  
20 under \$50,000.00, NRS 38.310 provides no exception to mandatory arbitration for  
21 declaratory relief claims.

22 44. To the extent NRS 38.310 divests or obstructs Nevada's courts of their declaratory judgment  
23 powers and transfers those powers to the executive branch of government, the statute is  
24 facially invalid and violates Article 3, Section 1 of the Nevada Constitution which states:

25 The powers of the Government of the State of Nevada shall be  
26 divided into three separate departments,-the Legislative,-the  
27 Executive and the Judicial; and no persons charged with the exercise  
28 of powers properly belonging to one of these departments shall  
exercise any functions, appertaining to either of the others, except in  
the cases expressly directed or permitted in this constitution. (NV  
Const., Art. III, §1).

1 **SECOND CAUSE OF ACTION**

2 **(Violation of Article 1, Section 3 of the Nevada Constitution)**

- 3 45. Plaintiffs reallege and incorporate by reference all allegations set forth above.
- 4 46. ADR 10-87, which was filed in May of 2010, is non-binding. It has now been in NRED  
5 arbitration for 1 year and 4 months.
- 6 47. Arbitrator Persi Mishel has stayed essential portions of the arbitration until the Nevada  
7 Supreme Court renders a decision on his declaratory ruling that NRS 116.3116 calls for a cap  
8 on the Super Priority Lien.
- 9 48. Further, any issue relating to the Super Priority Lien cap is also stayed (such as unjust  
10 enrichment and damages).
- 11 49. Five de novo actions based upon Arbitrator Mishel's declaratory ruling have been filed with  
12 the district court.
- 13 50. These *de novo* actions will most likely take at least 2 years to litigate.
- 14 51. If they do get appealed, the Nevada Supreme Court will likely take another 2 years to rule.
- 15 52. Therefore, even before the stay would get lifted by Arbitrator Mishel, over 5 years will have  
16 passed since the filing of ADR 10-87.
- 17 53. This is an unfathomable degradation of Plaintiffs' constitutional right to a jury trial.
- 18 54. Article 1, Section 3 of the Nevada Constitution states in pertinent part: "The right of trial by  
19 jury shall be secured to all and remain inviolate forever...."
- 20 55. A 5 year delay in compulsory arbitration proceedings prior to securing the right to file a  
21 District Court complaint deprives Plaintiffs of their constitutional right to a trial by jury.
- 22 56. Therefore, NRED's actions as above described have violated Plaintiff Article 1, Section 3  
23 rights to trial by jury.

24 **THIRD CAUSE OF ACTION**

25 **(Declaratory Relief)**

- 26 57. Plaintiffs reallege and incorporate by reference all allegations set forth above.
- 27 58. Nevada has adopted the Uniform Declaratory Judgments Act (the "Act").
- 28

1 59. The Act permits persons whose rights, status or other legal relations affected by a statute or  
2 municipal ordinance to have determined by a court of competent jurisdiction any question  
3 of construction or validity arising under the statute or ordinance and obtain a declaration of  
4 rights, status or other legal relations thereunder.

5 60. Therefore, Plaintiffs request the following relief from this Honorable Court:

- 6 a. Declare NRS 38.310 unconstitutional as the legislative branch of government has  
7 impermissibly divested the judiciary of its fundamental, inherent power to declare the  
8 meaning of laws;
- 9 b. Declare the proceedings in ADR 10-87 violates Plaintiffs right to a jury trial as a 4  
10 to 5 year stay of non-binding arbitration proceedings prior to NRED issuing a final  
11 award necessary for Plaintiffs to file a District Court action effectively deprives the  
12 Plaintiffs of their constitutional right to trial by jury;
- 13 c. Declare that NRED arbitrations numbers 10-87 and 11-90 are procedurally futile  
14 because the NRED arbitrator has determined that NRED does not have jurisdiction  
15 to hear class action suits and that NRED is not a proper forum for class action  
16 litigations. Thus, administrative remedies have been exhausted and Plaintiffs may  
17 immediately file their actions in District Court;
- 18 d. As Arbitrator Mishel has awarded modest attorney's fees and costs against Plaintiffs  
19 related to a motion for clarification, declare any interim award of attorney's fees and  
20 costs in arbitration number 10-87 unenforceable, as no final award can be obtained  
21 in a non-binding arbitration without first getting the award confirmed by the District  
22 Court.

23 **FOURTH CAUSE OF ACTION**

24 **(Injunctive Relief; Petition for Writ of Mandamus)**

25 61. Plaintiffs reallege and incorporate by reference all allegations set forth above.

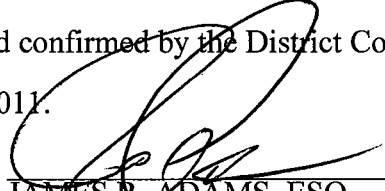
26 62. A Writ of Mandamus may be issued by the District Court "to compel the performance of an  
27 act" of an inferior state tribunal, corporation, board or person. NRS 34.160.  
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- 1 63. Injunctive relief is normally available upon a showing that the party seeking it enjoys a  
2 reasonable probability of success on the merits and that defendants' conduct will result in  
3 irreparable harm.
- 4 64. NRS 38.360 states that NRED shall administer the provisions of NRS 38.300 to 38.360,  
5 inclusive.
- 6 65. Therefore, NRED must manage and conduct the NRED mandatory alternative dispute  
7 resolution program.
- 8 66. Among its duties under NRS 38, NRED establishes and maintains a list of mediators and  
9 arbitrators who are available for mediation and arbitration of claims under NRS 38.
- 10 67. NRED has the power to make additions of arbitrators to the list, thereby allowing certain  
11 persons to arbitrate claims under NRS 38.
- 12 68. NRED has the power to terminate arbitrators from the list, thereby restricting certain persons  
13 from arbitrating claims under NRS 38.
- 14 69. Further, pursuant to NRS 38.330, NRED, in administering the alternative dispute resolution  
15 program, has the power to ensure that the arbitration of claims be conducted in accordance  
16 with the provisions of NRS 38.231, 38.232, 38.233, 38.236 to 38.239, inclusive, 38.242 and  
17 38.243.
- 18 70. Pursuant to NRS 38.231(5), if an arbitrator ceases to act during an arbitral proceeding, a  
19 replacement arbitrator must be appointed in accordance with NRS 38.226 to continue the  
20 proceeding and to resolve the controversy.
- 21 71. Arbitrator Persi Mishel, in staying the non-binding Arbitration No. 10-87 for an estimated  
22 4 to 5 years, has ceased to act during an arbitral proceeding.
- 23 72. Pursuant to NRS 38.226, if an arbitrator appointed fails or is unable to act and a successor  
24 has not been appointed, the court, on motion of a party to the arbitral proceeding, shall  
25 appoint the arbitrator.
- 26 73. Plaintiffs seek an order or writ from this Court:
- 27 a. Compelling NRED to terminate Persi Mishel as he has ceased to act and has refused  
28 to conclude ADR 10-87;



1 5. Lastly, declare any interim award of attorney's fees and costs in arbitration number  
2 10-87 unenforceable, as no final award can be obtained in a non-binding arbitration  
3 without first getting the award confirmed by the District Court.

4 Dated this 14 day of September, 2011.

5   
6 JAMES R. ADAMS, ESQ.  
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**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am an employee of Adams Law Group, Ltd. and that I served the forgoing **AMENDED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF** on all parties to this action by:

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REAL ESTATE DIVISION OF  
THE NEVADA DEPARTMENT  
OF BUSINESS AND INDUSTRY  
GAIL ANDERSON  
c/o Catherine Cortez Masto,  
State of Nevada Attorney General  
901 S. STEWART STREET SUITE 1003  
CARSON CITY, NV 89701-5491

STATE OF NEVADA ex.rel.  
THE LEGISLATURE OF THE 68th  
SESSION OF THE STATE OF NEVADA  
c/o Catherine Cortez Masto  
Office of the Nevada Attorney General  
555 E Washington Avenue Suite 3900  
Las Vegas, NV 89101

REAL ESTATE DIVISION OF  
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ADMINISTRATOR GAIL ANDERSON  
in her capacity as Administrator for the  
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Dated this 14<sup>th</sup> day of September, 2011.

  
An Employee of Adams Law Group, Ltd