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Case No. 91-02140P

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Dept. No. 2

'98 FEB -4 P4:53

ALAN GLOVER
CLERK

BY J. HIGGINS

IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR CARSON CITY

In the Matter of the Estate

of

MAURICE M. WEIKEL, also known
as MAURICE MARCEL WEIKEL,

Deceased.

FINDINGS OF FACT,
CONCLUSIONS OF LAW
AND JUDGMENT

The Petition For Delivery of Assets of the Probate Estate and for an Accounting of the Probate Estate having come on regularly for hearing before the Court sitting without a jury, Petitioner, LORRAINE H. WEIKEL, as Executrix of the Estate of MAURICE M. WEIKEL, also known as MAURICE MARCEL WEIKEL, Deceased, present and appearing by and through her attorney, SCOTT J. HEATON, ESQ., of HEATON & DOESCHER, LTD., and Respondent, PAUL R. DEMPSEY, appearing by and through his attorney, JAMES R. CAVILIA, ESQ. of ALLISON, MACKENZIE, HARTMAN, SOUMBENIOTIS & RUSSELL, LTD., the Court, having heard and considered the witnesses and evidence presented and having considered the pleadings and papers on file and the argument of counsel, now therefore makes its Findings of Fact, Conclusions of Law and Judgment on the issues presented as follows:

LAW OFFICES

HEATON AND DOESCHER, LTD.

P.O. BOX 605

CARSON CITY, NEVADA 89702

LAW OFFICES
HEATON AND DOESCHER, LTD.
P.O. BOX 605
CARSON CITY, NEVADA 89702

FINDINGS OF FACT

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1. On September 5, 1995, Petitioner filed a Petition to Determine Ownership of Assets subject to probate administration (the "Leo's California assets") and to set aside sale of stock.

2. A hearing was held on said Petition before this Court on November 27, 1995, said hearing being attended by Petitioner and PAUL R. DEMPSEY.

3. The Court issued a ruling from the bench on November 27, 1995 and its written Order on December 8, 1995.

4. In its written Order of December 8, 1995, the Court specifically found:

(a) Each and every one of Leo's California assets, subject to community property claims of Mrs. Weikel therein, was the property of Dr. Weikel as an individual at the time of death, is the property of the Estate of Dr. Weikel, and is subject to administration by this Court;

(b) The lease and the option agreement and the rights thereunder, subject to the community property claims of Mrs. Weikel therein, were the property of Dr. Weikel as an individual at the time of his death, are property of the estate of Dr. Weikel and are subject to administration by this Court;

(c) All the beneficial interest in the authorized capital stock in Leo's Nevada, subject to the community property claims of Mrs. Weikel therein, were owned by Dr. Weikel as an individual at the time of death, are

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1 property of the Estate of Dr. Weikel, and are subject to
2 administration by this Court; and

3 (d) Any and all assets of Leo's Nevada,
4 whether owned of record or beneficially by Leo's Nevada,
5 subject to the community property claims of Mrs. Weikel, were
6 the property of Dr. Weikel as an individual at the date of
7 his death, are the property of the estate of Dr. Weikel, and
8 are subject to administration by this Court.

9 5. The December 8, 1995 Order of this Court, as
10 aforesaid, was not vague and is clear as to the ownership of
11 the Leo's California assets and the stock in Leo's Nevada.

12 6. In the instant proceeding, PAUL R. DEMPSEY
13 continued to testify that he had a fifty-one percent (51%)
14 ownership interest in the Leo's Nevada stock despite the
15 specific Court ruling that he had no such ownership interest,
16 said testimony being in absolute opposition to what was very
17 clearly and specifically set forth as an adjudicated fact by
18 this Court on November 27, 1995.

19 7. PAUL R. DEMPSEY created lease documents and
20 promissory note obligations shortly before the present
21 hearing wherein he signed as an officer of Leo's Nevada,
22 again said actions being done despite the Court's clear and
23 specific adjudication that PAUL R. DEMPSEY has no interest in
24 Leo's Nevada.

25 8. PAUL R. DEMPSEY mismanaged Leo's Nevada and
26 utilized the assets and revenues generated by Leo's Nevada
27 for his own personal benefit at the expense of the Estate of
28 MAURICE M. WEIKEL and LORRAINE WEIKEL.

1 9. Subsequent to the Court's ruling on November
2 27, 1995 and written Order on December 8, 1995, PAUL R.
3 DEMPSEY did remove certain of the Leo's California assets
4 and utilized said assets for his own personal use and benefit
5 in violation of the Court's November 27, 1995 ruling and
6 December 8, 1995 Order.

7 10. The assets misappropriated by PAUL R. DEMPSEY
8 do not appear to be available to be returned by PAUL R.
9 DEMPSEY to the Estate of MAURICE M. WEIKEL, PAUL R. DEMPSEY
10 having disposed of or dispensed with said assets over the
11 course of the last several years.

12 11. The evidence supports that the assets removed
13 have a value in the total amount of THREE HUNDRED THIRTY SIX
14 THOUSAND NINE HUNDRED FIFTY FOUR DOLLARS (\$336,954.00).

15 CONCLUSIONS OF LAW

16 1. PAUL R. DEMPSEY is in contempt of this Court's
17 November 27, 1995 oral ruling and its December 8, 1995
18 written Order based on his own testimony wherein he states
19 that said Court Order allowed him to keep the Leo's
20 California assets and offset the value of said assets against
21 amounts claimed by him to be owed by Leo's, said testimony
22 not supported by the clear language of the Court's prior
23 ruling.

24 2. The Court has the jurisdiction and power under
25 the provisions of NRS 143.110 to enter a money judgment
26 against PAUL R. DEMPSEY and in favor of the Estate in lieu of
27 the production of assets, the Court concluding that if any of

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1 the assets were now produced, they would be of recent origin
2 and of questionable validity.

3 3. The contempt powers of this Court are limited
4 to twenty-five (25) days in jail and/or a fine of up to FIVE
5 HUNDRED DOLLARS (\$500.00).

6 4. That the money judgment being entered as part
7 of the claim of the Petitioner is minimus under the
8 circumstances, the Court specifically concluding that money
9 and assets improperly taken by PAUL R. DEMPSEY exceed the
10 amount of the money judgment rendered by this Court.

11 5. That Petitioners are entitled to attorney's
12 fees and costs.

13 6. That PAUL R. DEMPSEY'S pleadings and Opposition
14 to Petitioner's Petition For Delivery of Assets have no
15 merit.

16 JUDGMENT

17 NOW, THEREFORE, it is ordered, adjudged and decreed
18 as follows:

19 1. That PAUL R. DEMPSEY is hereby held in contempt
20 of this Court's Order of December 8, 1995.

21 2. That this Court hereby fines PAUL R. DEMPSEY
22 for his contempt of the Court's December 8, 1995 Order and
23 suspends said fine until some future date when the Court is
24 satisfied that PAUL R. DEMPSEY has acted in good faith with
25 respect to any of the proceedings that remain pending before
26 this Court and complies with this Court's Judgment.

27 3. Judgment is entered in favor of the Estate of
28 MAURICE M. WEIKEL and against PAUL R. DEMPSEY in the amount

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P.O. BOX 605
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of THREE HUNDRED THIRTY SIX THOUSAND NINE HUNDRED FIFTY FOUR DOLLARS (\$336,954.00) together with attorney's fees and costs.

4. Petitioner is hereby awarded attorney's fees in the amount of \$ 24,307.50 and costs in the amount of \$ 3,893.76.

DATED this 4th day of February, 1998.

[Signature]
DISTRICT JUDGE

LAW OFFICES
HEATON AND DOESCHER, LTD.
P.O. BOX 605
CARSON CITY, NEVADA 89702

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LINDA SLATER
RECORDER

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CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and of record in my office.

Date: May 24, 2001
ALAN GLOVER, Clerk and Clerk of the First Judicial District Court and the State of Nevada, in and for Carson City

By: *[Signature]* Deputy

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