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7
8 **IN THE UNITED STATES BANKRUPTCY COURT**
FOR THE DISTRICT OF NEVADA
9

10 In Re JAZI GHOLAMREZA ZANDIAN,
11 Debtor.

Case No. BK-N-16-50644-BTB

Adversary No. 17-05016-BTB

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13 FRED SADRI, AS TRUSTEE FOR THE
STAR LIVING TRUST, DATED APRIL
14 14, 1997; RAY KOROGHLI AND
SATHSOWI T. KOROGHLI, AS
15 MANAGING TRUSTEES FOR
KOROGHLI MANAGEMENT TRUST,

**ANSWER AND AFFIRMATIVE DEFENSES
OF JED MARGOLIN TO THE CROSS
CLAIMS OF PATRICK CANET**

16 Plaintiffs,

17 v.

18 JED MARGOLIN; JAZI GHOLAMREZA
19 ZANDIAN; and all other parties claiming
an interest in real properties described in
20 this action,

Defendants.

21 PATRICK CANET,
22

23 v.

24 FRED SADRI, INDIVIDUALLY AND AS
TRUSTEE FOR THE STAR LIVING
25 TRUST; RAY KOROGHLI,
INDIVIDUALLY; RAY KOROGHLI
26 AND SATHSOWI T. KOROGHLI, AS
MANAGING TRUSTEES FOR
27 KOROGHLI MANAGEMENT TRUST.

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1 PATRICK CANET,

2 v.

3 JED MARGOLIN.
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5
6 Defendant Jed Margolin, by and through his counsel of record, Adam McMillen, hereby
7 responds to the specific numbered paragraphs of Patrick Canet’s Cross Claims against Margolin,
8 as follows:¹

9 **ANSWER**

10 Answering the numbered paragraphs of the Cross Claims, Jed Margolin states as follows:

11 **PARTIES, JURISDICTION AND VENUE**

12 40. Margolin admits that he is a resident of Nevada.

13 41. Margolin admits that jurisdiction is proper and consents to entry of a final order or
14 judgment by the Bankruptcy Court.
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16 **GENERAL ALLEGATIONS**

17 42. Margolin denies that he filed a civil action against Zandian and Optima in the Ninth
18 Judicial District in December 2009. Margolin filed his civil action against Zandian and Optima in
19 the First Judicial District Court of Nevada in December 2009.

20 43. Margolin admits that in March 2011 a default judgment was entered against Zandian
21 and Optima in the First Judicial District Court of Nevada, that the default judgment was set aside,
22 that Margolin filed an amended complaint, and that the District Court allowed service of the
23 summons by publication.
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25 44. Margolin admits the allegations in ¶ 44.
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27 ¹ The other portions of Patrick Canet’s Answer, Counterclaims and Cross Claims are specifically denied as they do
28 not pertain to Margolin or Margolin does not have sufficient information or knowledge in order to admit or deny
those portions, unless otherwise noted herein.

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1 45. Margolin admits the allegations in ¶ 45.

2 46. Margolin admits the allegations in ¶ 46.

3 47. Margolin admits the allegations in ¶ 47.

4 48. Margolin admits the allegations in ¶ 48.

5 49. Margolin admits the allegations in ¶ 49.

6 50. Margolin admits the allegations in ¶ 50.

7 51. Margolin admits the allegations in ¶ 51.

8 52. Margolin admits the allegations in ¶ 52.

9 53. Margolin admits the allegations in ¶ 53.

10 54. Margolin admits the allegations in ¶ 54.

11 55. Margolin admits that on May 19, 2016, Canet filed his Chapter 15 Petition For
12 Recognition of Foreign Proceeding. Canet’s Petition was filed 16 days after Margolin filed his
13 *Motion to Void Deeds, Assign Property, For Writ of Execution and to Convey* in the First Judicial
14 District Court of Nevada on May 3, 2016. *See* Exhibit 1, *Motion to Void Deeds, Assign Property,*
15 *for Writ of Execution and to Convey*, filed 5/3/16 with the First Judicial District Court in Case
16 No. 09OC00579 1B. Margolin also notes that on June 3, 2016, Margolin’s motion was subjected
17 to an automatic stay due to Canet’s Chapter 15 Petition. *See* Exhibit 2, *Notice of Bankruptcy*
18 *Filing and Automatic Stay*, filed 6/3/16 with the First Judicial District Court, in Case No.
19 09OC00579 1B.
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23 56. Margolin admits that this Court granted Canet’s request for recognition of the foreign
24 proceeding in September 2016, but the hearing where Canet’s Chapter 15 Petition was granted
25 was held on September 6, 2016. Margolin notes that it was at the same hearing where Canet
26 promised the Court that if Canet’s Chapter 15 Petition were granted, he would file a Chapter 7
27 bankruptcy for Zandian. This has not been done.
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1 57. Margolin admits the allegations contained in paragraph 57 of the complaint. A true
2 and correct copy of the Sheriff's Certificate of Sale of Property for APN 084-130-07 recorded in
3 the Washoe County Recorder's Office as Book and Instrument Number 4456021 is reproduced in
4 the Sadri/Koroghli Complaint as Exhibit 9 thereto.

5
6 58. Margolin admits the allegations contained in paragraph 58 of the complaint. A true
7 and correct copy of the Sheriff's Deed Upon Execution of Real Property for APN 084-130-07
8 recorded in the Washoe County Recorder's Office as Book and Instrument Number 4630134 is
9 attached to Sadri/Koroghli Complaint as Exhibit 10 thereto.

10 59. Margolin admits the allegations contained in paragraph 59 of the complaint. A true
11 and correct copy of the Sheriff's Certificate of Sale of Property for APN 084-130-10 recorded in
12 the Washoe County Recorder's Office as Book and Instrument Number 4456020 is reproduced in
13 Sadri/Koroghli Complaint as Exhibit 13 thereto.

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15 60. Margolin admits the allegations contained in paragraph 60 of the complaint. A true
16 and correct copy of the Sheriff's Deed Upon Execution of Real Property for APN 084-130-10
17 recorded in the Washoe County Recorder's Office as Book and Instrument Number 4630135 is
18 attached to Sadri/Koroghli Complaint as Exhibit 14 thereto.

19 61. Margolin admits the allegations contained in paragraph 61 of the complaint. A true
20 and correct copy of the Sheriff's Certificate of Sale of Property for APN 084-040-02 recorded in
21 the Washoe County Recorder's Office as Book and Instrument Number 4456032 is reproduced in
22 Sadri/Koroghli Complaint as Exhibit 11 thereto.

23
24 62. Margolin admits the allegations contained in paragraph 62 of the complaint. A true
25 and correct copy of the Sheriff's Deed Upon Execution of Real Property for APN 084-040-02
26 recorded in the Washoe County Recorder's Office as Book and Instrument Number 4630133 is
27 attached to Sadri/Koroghli Complaint as Exhibit 12 thereto.
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1 63. Margolin admits the allegations contained in paragraph 63 of the complaint. A true
 2 and correct copy of the Sheriff's Certificate of Sale of Property for APN 079-150-12 recorded in
 3 the Washoe County Recorder's Office as Book and Instrument Number 4456017 is reproduced in
 4 Margolin's Exhibits as Exhibit 3. Margolin notes that this property was not part of the
 5 Sadri/Koroghli Complaint.

6 64. Margolin admits the allegations contained in paragraph 64 of the complaint. A true
 7 and correct copy of the Sheriff's Deed Upon Execution of Real Property for APN 079-150-12
 8 recorded in the Washoe County Recorder's Office as Book and Instrument Number 4630125 is
 9 reproduced in Margolin's Exhibits as Exhibit 4. Margolin notes that this property was not part of
 10 the Sadri/Koroghli Complaint.

11 65. Margolin admits the allegations contained in paragraph 65 of the complaint. A true
 12 and correct copy of the Sheriff's Deed Upon Execution of Real Property for Clark County APN
 13 071-02000-005 recorded in the Clark County Recorder's Office as Book and Instrument Number
 14 2016-1019-0000379 is reproduced in Margolin's Exhibits as Exhibit 5. A true and correct copy
 15 of the Sheriff's Deed Upon Execution of Real Property for Clark County APN 071-02000-013
 16 recorded in the Clark County Recorder's Office as Book and Instrument Number 2016-1019-
 17 0000378 is reproduced in Margolin's Exhibits as Exhibit 6. Margolin notes that these properties
 18 were not part of the Sadri/Koroghli Complaint.
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FIRST CROSS CLAIM

22
 23 **United Nations Commission on International Trade (UNCITRAL), Articles 21, 22 and 23,**
 24 **11 U.S.C. §§ 1520, 1507 and 1521(a), Article L.632-1, French Commercial Code²**

25 66. Paragraph 66 is an incorporation paragraph that is neither admitted nor denied.

26 67. Margolin denies the allegations of paragraph 67 of the Crossclaim.

27
 28 ² Margolin denies the applicability of UNCITRAL and the French Commercial Code. Margolin
 also denies 11 U.S.C. §§ 1520, 1507 and 1521(a) provide the relief Canet is demanding.

1 68. Margolin denies the allegations of paragraph 68 of the Crossclaim.

2 69. Margolin denies the allegations of paragraph 69 of the Crossclaim.

3 **SECOND CROSS CLAIM**

4 **United Nations Commission on International Trade (UNCITRAL), Articles 21, 22 and 23,**
5 **11 U.S.C. §§ 362(a), 1520(a), 1507 and 1521(a), Article L.632-1, French Commercial Code³**

6 70. Paragraph 70 is an incorporation paragraph that is neither admitted nor denied.

7 71. Margolin denies the allegations of paragraph 71 of the Crossclaim.

8 **AFFIRMATIVE DEFENSES**

9
10 Margolin asserts the following affirmative defenses, reserving the right to assert additional
11 defenses when and if they become appropriate.

12 **I. Introduction**

13 **A.** Margolin promptly recorded his June 24, 2013 Judgment against Zandian in the
14 various Nevada counties where Zandian was known to own property, including Washoe County
15 and Clark County. *See* Exhibit 8. Of particular relevance here is Washoe County Document
16 4269631 recorded 8/16/2013 and Clark County Document 201308200001370 recorded
17 08/20/2013. *Id.* On the other hand, Canet failed to record his 1998 French Judgment in Nevada.
18 A search of the databases of the relevant County Recorders in Nevada shows nothing recorded by
19 Canet. *See* Exhibit 12. Apparently, Canet did nothing with his foreign judgment for 18 years
20 before attempting to bring it to Nevada. He might have been able to seize Zandian’s Nevada
21 property and assets under NRS 17.700 - 17.790, the RECOGNITION OF FOREIGN-COUNTRY
22 MONEY JUDGMENTS (UNIFORM ACT). However, under NRS 17.800, there is a 15 year
23 Statute of Limitations on such actions and Canet missed it. As a result, the lien created by
24 Margolin’s Judgment should take priority over Canet’s.
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28 ³ Margolin denies the applicability of UNCITRAL and the French Commercial Code. Margolin
also denies 11 U.S.C. §§ 362(a), 1520, 1507 and 1521(a) provide the relief Canet is demanding.

1 B. Canet does not have standing to answer the Sadri/Koroghli Adversary Complaint
2 because he is not named in the Adversary Complaint. Even if Canet did have standing, his
3 *Answer* is untimely.

4 C. The property.

5 1. Margolin obtained his Default Judgment against Zandian on June 24, 2013 in
6 the First Judicial District Court of Nevada after Zandian's first attorney (Mr. John Peter Lee)
7 withdrew from the case. Zandian's second attorney (Mr. Johnathon Fayeghi), moved to have the
8 Judgment set aside. His motion was denied and he withdrew from the case. Zandian's third
9 attorney (Mr. Jason Woodbury of Kaempfer Crowell) filed several appeals with the Nevada
10 Supreme Court, which affirmed the Default Judgment. See Exhibit 18, Nevada Supreme Court
11 Order of Affirmance, Case Nos. 65205 and 65960. Subsequently, Kaempfer Crowell withdrew
12 from the case, saying: "In this case, Defendant has not only substantially failed to fulfill his
13 obligations to Kaempfer Crowell regarding its services, but also insists upon taking action that the
14 lawyer considers to be repugnant or with which the lawyer has a fundamental disagreement." See
15 Exhibit 28, Motion to Withdraw as Counsel filed by Kaempfer Crowell with the First Judicial
16 District Court of Nevada, Case No.090C099679 1B. In addition, Zandian, after refusing to
17 comply with an Order Granting Plaintiff's Motion For Debtor's Examination and to Produce
18 Documents, was ordered to appear at a hearing to Show Cause why he should not be held in
19 Contempt of Court. Zandian failed to appear so the Court issued a warrant for his arrest. See
20 Exhibit 29.

21 2. During his appeals related to the Default Judgment, Zandian recorded
22 fraudulent conveyances of his property in the various Nevada counties where he owned property
23 in violation of NRS 112.180(1)(a). See Exhibit 1 (*Motion to Void Deeds, Assign Property, For*
24 *Writ of Execution and to Convey* ("Motion to Void Deeds")).
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1 3. Because Zandian had refused to post a supersedeas bond for his appeals,
2 Margolin obtained a Writ of Execution. *See* Exhibit 19, Order Re: Writ of Execution issued by
3 the First Judicial District Court of Nevada, filed 8/18/2014. In December 2014, Margolin
4 obtained Writs of Execution against some of Zandian's properties. *See* Exhibit 20, Writ of
5 Execution to the Clark County Sheriff, issued by the First Judicial District Court of Nevada, dated
6 9/5/2014 and Exhibit 21, Writ of Execution to the Washoe County Sheriff, issued by the First
7 Judicial District Court of Nevada, dated 9/10/2014. The Clark County Sheriff auctioned
8 Zandian's property in Clark County on December 9, 2014. The properties were APN 071-02000-
9 005 and APN 071-02000-013. *See* Exhibit 22, Clark County Sheriff's Certificate of Sale of Real
10 Property for APN 071-02000-005, filed 1/8/2015 and Exhibit 23, Clark County Sheriff's
11 Certificate of Sale of Real Property for APN 071-02000-013, filed 1/8/2015. The Washoe
12 County Sheriff auctioned the following Zandian properties on April 3, 2015:

- 15 • Washoe County APN 079-150-12 - *See* Exhibit 24, Washoe County Sheriff Certificate of
16 Sale for APN 079-150-12, recorded 04/09/2015
- 17 • Washoe County APN 079-150-10 - *See* Exhibit 25, Washoe County Sheriff Certificate of
18 Sale for APN 079-150-10, recorded 04/09/2015
- 19 • Washoe County APN 084-040-02 - *See* Exhibit 26, Washoe County Sheriff Certificate of
20 Sale for APN 084-040-02, recorded 04/09/2015
- 21 • Washoe County APN 084-130-07 - *See* Exhibit 27, Washoe County Sheriff Certificate of
22 Sale for APN 084-130-07, recorded 04/09/2015

24 Margolin was the only bidder and he purchased the properties. Other bidders could have been
25 scared away by Zandian's fraudulent conveyances. The auctions were held more than a year
26 before Canet filed his Chapter 15 Petition. The Clark County and Washoe County Sheriffs'
27 offices both issued Certificates of Sale for the above referenced properties. At that point Zandian
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1 no longer owned the properties. They were subject to Zandian having the right of redemption for
2 one year.

3 4. Three of the properties in Washoe County (APN 079-150-10, APN 084-040-
4 02, and APN 084-130-07) that Margolin bought at public auction were the subject of the
5 *Judgment Confirming Arbitration Award* that was duly recorded in Washoe County. That came
6 as a result of a lawsuit that Zandian brought against his partners Sadri and Koroghli in Clark
7 County. The *Judgment Confirming Arbitration Award* provided, among other things, that
8 Zandian would receive the nine Pahrash properties free and clear and in return Zandian's interest
9 in Wendover Project LLC would be extinguished. Three of the properties that Margolin bought
10 were among the nine Pahrash properties. At some point after the *Judgment Confirming*
11 *Arbitration Award*, Sadri, Koroghli, and Zandian came up with the *Settlement And Mutual*
12 *Release Agreement* ("Settlement Agreement"). The Settlement Agreement was **not** recorded in
13 Washoe County and is therefore void as to Margolin's bona fide purchases for value. *See Nevada*
14 *NRS 111.325.*

15 5. All of the Sheriff sales took place more than a year before Canet's Chapter 15
16 Petition was filed. Zandian's right of redemption expired before Canet's Chapter 15 Petition was
17 filed. The Sheriffs' Deeds were mere formalities and were proper under Nevada law. They are
18 not subject to the 11 U.S.C. § 362 automatic stay.

19 6. To rescind these lawful sales now would be contrary to law and highly
20 prejudicial to Margolin and would go against public policy regarding the recording of the
21 ownership of (and liens on) property. No one would know if the property they had lawfully
22 purchased would be taken away from them years later by a surprise claim such as Canet's.

23 D. Canet's Chapter 15 Petition could be contrary to 31 CFR §560 and Executive Order
24 13599 and possibly a fraud upon the Court.

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1. Although most of the sanctions against Iran were lifted more than a year ago:

a. It is still illegal to send money to the Government of Iran. *See* Exhibit 13 (Paragraph A.3), Frequently Asked Questions Relating to the Lifting of Certain U.S. Sanctions Under the Joint Comprehensive Plan of Action (JCPOA) on Implementation Day, downloaded on or after October 7, 2017 from https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf.

b. Bank Melli of Iran is considered the same as the Government of Iran. *See* 31 CFR §560.304; Executive Order 13599 List (lists Bank Melli as an entity to be considered the same as the Government of Iran); Exhibit 14 (Excerpt from the list referred to in Executive Order 13599 List, which lists Bank Melli as an entity to be considered the same as the Government of Iran); the full list is at www.treasury.gov/resource-center/sanctions/Programs/Pages/13599_list.aspx.

c. The 1998 French Judgment against Zandian was for up to 20M francs. Most of it (19M francs, about 95%) was for the benefit of Bank Melli. *See* Exhibit 16, Document 2002L00750 from the French Court (7/20/2006) p. 6, STATEMENT AND CONDITIONS OF THE APPLICANT TO THE OPPOSITION.

2. At some point the French Court must have restated the 20M franc judgment against Zandian in euros. There is a document in the French Court’s files dated April 3, 2001 that states the total amount of the judgment against Zandian is 3,048,980.34 Euros [3 048 980,34 EUR]. *See* Exhibit 15, Document from the French Court (3/4/2001). Other documents from the French Court show that Canet

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has already collected at least 450,000 euros from Zandian.

a. Canet sold a property belonging to Zandian at 23 Louis Poney Street, in Puteaux, France for 300,000 euros;

b. Zandian also paid Canet 150,000 euros; and

c. The debt to Bank Melli had not been definitely approved as of 2011.

See Exhibit 17, Document 2011L00791 from the French Court

(11/28/2011), STATEMENT AND CONCLUSIONS OF MR. ZANDIAN JAZI.

Canet has not produced any evidence that Bank Melli’s claim was ever approved by the French Court. If the French Court has approved Bank Melli’s claim then Canet could be violating 31 CFR §560 and Executive Order 13599. If the French Court has not approved Bank Melli’s claim, then Canet could be committing fraud upon this Court by attempting to collect a French Judgment that has already been paid.

E. At the September 6, 2016 hearing, Canet promised that if his Chapter 15 Petition was granted, he would file a Chapter 7 bankruptcy for Zandian, either a voluntary Chapter 7 or an involuntary Chapter 7. At that hearing the Court granted Hartman’s Chapter 15 Petition. Canet has not filed Chapter 7 for Zandian.

F. Canet left out a few important events in the case.

1. Margolin filed his Motion to Void Deeds in the First Judicial District Court of Nevada on May 3, 2016. *See* Exhibit 1. The purpose of the Motion to Void Deeds was, in part, to void the fraudulent deeds that Zandian had recorded. Zandian did not oppose the motion.

2. Instead, Canet filed his *Chapter 15 Petition For Recognition of Foreign Proceeding* on May 19, 2016, only 16 days later.

1 3. On June 3, 2016, Margolin’s Motion to Void Deeds was subjected to an
2 automatic stay due to Canet’s Chapter 15 Petition. *See* Exhibit 2, Notice of Bankruptcy Filing
3 and Automatic Stay, filed 6/3/16 with the First Judicial District Court, in Case No. 09OC00579
4 1B.

5 G. Canet has not provided any evidence that Zandian is or was insolvent. However,
6 there is evidence that Zandian might not be insolvent. While the Settlement Agreement does not
7 apply to the Pahrah properties (because it was not recorded in Washoe County), it does apply to
8 the Big Spring Ranch LLC and Wendover Project LLC properties as Sadri/Koroghli say it does.
9 The settlement of the Fronteer Development lawsuit was for \$12M and was recorded in Elko
10 County. *See* Exhibit 30, Grant, Bargain and Sale Deed, recorded on 8/19/2010 with the Elko
11 County Recorder, as Document No. 629773. Zandian would have received a percentage of that
12 because he signed the agreement as “Manager”. *See id.* at p. 2. It should have come to several
13 million dollars. Also, Zandian has withdrawn from several LLCs that own valuable property in
14 Nevada. He presumably received some money or other consideration to cash out of those entities.
15 Zandian did this after Margolin’s Judgment (June 2013), seemingly in order to hide assets in
16 violation of NRS 112.180. In addition, Sparks Village LLC owns Washoe County APN 084-140-
17 11 (219.712 Acres). The Washoe County Assessor shows it as having been purchased in 2005 for
18 \$750,000. *See* Exhibit 31, Real Property Assessment Data for Sparks Village LLC. This is a
19 valuable property because it is next to Interstate 80 just West of Fernley and Wadsworth. The
20 Nevada Secretary of State’s database shows Zandian resigned as a member on 3/27/2015. *See*
21 Exhibit 32, Zandian Certificate of Resignation as Manager of Sparks Village LLC, dated
22 3/27/2015. Therefore, Zandian withdrew after Margolin’s Judgment (June 2013) and presumably
23 received some money or other consideration. The remaining member (and registered agent) of
24 Sparks Village is Sean S. Fayeghi. *See* Exhibit 33, NV SOS Entity Details re Sparks Village,
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1 LLC. In Margolin's case against Zandian in the First Judicial District Court of Nevada, Zandian
2 refused to provide his financial records even though it resulted in a warrant being issued for
3 Zandian's arrest. Canet had the opportunity of going after Zandian's Nevada assets under Nevada
4 NRS 17.700 - 17.790. He also had the opportunity of going after whatever assets Zandian had
5 (and might still have) in California under California Code of Civil Procedure Section 1713-1724.
6 This case does not belong in U.S. Bankruptcy Court if Zandian is not bankrupt.
7

8 **H.** In Canet's FIRST CROSS CLAIM he cites as authorities: United Nations Commission
9 on International Trade (UNCITRAL), Articles 21, 22 and 23, 11 U.S.C. §§ 1520, 1507 and
10 1521(a), Article L.632-1, French Commercial Code.

11 **1.** The United Nations Commission on International Trade (UNCITRAL),
12 Articles 21, 22 and 23 are about arbitration. *See* Exhibit 9, United Nations Commission on
13 International Trade (UNCITRAL), Articles 21, 22 and 23 Downloaded 8/11/2017 from:
14 <https://www.uncitral.org/pdf/english/texts/arbitration/arb-rules/arb-rules.pdf>. There is nothing in
15 this case that mandates arbitration. Canet has not asked for arbitration.
16

17 **2.** Article L.632-1, French Commercial Code appears to apply to debtor
18 companies. *See* Exhibit 10 (English translation), the translation of Article L.632-1 of the French
19 Commercial Code; Exhibit 11 (French), the original French for L632-1. This does not apply to
20 Margolin or Sadri/Koroghli. Indeed, it seems to nullify some of the actions that Zandian has
21 engaged in, including recording fraudulent conveyances in several Nevada counties where he
22 owned property. *See* Exhibit 7, exhibits from Motion to Void Deeds, Assign Property, for Writ of
23 Execution and to Convey.
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25 **3.** 11 U.S.C. §§ 1520, 1507 and 1521(a): The relief that Canet is requesting is at
26 the discretion of the Court and must also protect the interests of the creditors. Margolin is a major
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1 Zandian creditor. The evidence shows Margolin’s interests in Zandian’s assets take priority over
2 Canet’s interest and Canet does not have any legal rights to Zandian’s Nevada assets.

3 **First Affirmative Defense**

4 To the extent applicable, Margolin hereby incorporates by reference all affirmative
5 defenses set forth in Rule 8(c) of the Federal Rules of Civil Procedure, made applicable to this
6 Adversary Proceeding pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure.

7 **Second Affirmative Defense**

8 The Cross Claims fail to state a claim upon which relief can be granted.

9 **Third Affirmative Defense**

10 The Cross Claims and their claims for relief therein, are barred by the doctrine of estoppel.

11 **Fourth Affirmative Defense**

12 Canet, by their own conduct or the conduct of their predecessors in interest, have waived
13 their claims asserted in the Cross Claims.

14 **Fifth Affirmative Defense**

15 The causes of action in the Cross Claims are barred, in whole or in part, because they are
16 not supported by the material facts necessary to establish the claims.

17 **Sixth Affirmative Defense**

18 The causes of action in the Cross Claims are barred, in whole or in part, by the statute of
19 limitations.

20 **Seventh Affirmative Defense**

21 Margolin reserves the right to amend its answer to correct and add defenses as further
22 information regarding the Plaintiffs’ claims becomes available to it through the course of
23 discovery or otherwise.

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REQUEST

Wherefore, Defendant Margolin requests for judgment as follows:

- 1.** That the FIRST CROSS CLAIM against Margolin be denied entirely;
- 2.** That the SECOND CROSS CLAIM against Margolin be denied entirely;
- 3.** That Canet’s Chapter 15 Petition be dismissed with prejudice;
- 4.** That Canet’s Answer, Counterclaims and Cross Claims be stricken in their entirety;
- 5.** That the County Recorders of the Nevada Counties in the following list be ordered to

void Zandian’s fraudulent conveyances in the following list:

Washoe County	Document 4335754 recorded 03/18/2014	APN 079-150-12
Washoe County	Document 4335755 recorded 03/18/2014	APNs 079-150-09, 079-150-10, 079-150-13, 084-040-02, 084-040-04, 084-040-06, 084-040-10, 084-130-07, and 084-140-17
Clark County	Document 20140530-0001037 recorded 05/30/2014	APN 071-02000-005
Clark County	Document 20140530-0001038 recorded 05/30/2014	APN 071-02000-013
Churchill County	Document 439670 recorded 03/18/2014	APN 007-151-12
Churchill County	Document 439671 recorded 03/18/2014	APN 007-151-77
Churchill County	Document 439672 recorded 03/18/2014	APN 009-33-104
Elko County	Document 684351 recorded 03/17/2014	APN 001-660-034
Lyon County	Document 521531 recorded 05/21/2014	APNs 015-311-18/015-311-19
Lyon County	Document 521532 recorded 05/21/2014	APNs 006-052-04, 006-052-05, and 006-052-06
Lyon County	Document 521533 recorded 05/21/2014	APN 015-311-02

6. Declare that the unrecorded Sadri/Koroghli/Zandian Stipulated Settlement shall have no effect on the Washoe County properties listed in the Stipulated Settlement and that the Judgment Confirming Arbitration Award (recorded in Washoe County as Document #3547263) shall be the controlling document over the Washoe County properties as to subsequent bona fide

1 purchasers for value.

2 7. Declare that as the result of auctions lawfully held in Clark County and in Washoe
3 County, Jed Margolin is the lawful owner, having 100% interest free and clear in the following
4 properties:

5 a. Clark County APN 071-02000-005 and APN 071-02000-013;

6 b. Washoe County APN 079-150-12, APN 079-150-10, APN 084-130-07, and
7 APN 084-040-02.
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9 8. For attorney’s fees;

10 9. For costs incurred herein; and

11 10. For any and all further relief deemed appropriate by this Court.

12 DATED: August 18, 2017.

BROWNSTEIN HYATT FARBER SCHRECK, LLP

13
14 /s/ Adam P. McMillen
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CERTIFICATE OF SERVICE

Pursuant to Fed. R. Civ. P. 5(b), I certify that I am an employee of BROWNSTEIN HYATT FARBER SCHRECK, LLP, and on this 18th day of August, 2017, I served the document entitled **ANSWER AND AFFIRMATIVE DEFENSES OF JED MARGOLIN TO THE CROSS CLAIMS OF PATRICK CANET** on the parties listed below via the following:

Dana Jonathon Nitz, Esq.
Yanxiong Li, Esq.
7785 W. Sahara Ave., Suite 200
Las Vegas, NV 89117
Attorneys for Plaintiffs
Fred Sadri, as Trustee for The Star Living Trust, dated April 14, 1997; Ray Koroghli and Sathsowi T. Koroghli, as Managing Trustees for Koroghli Management Trust

Jeffrey L. Hartman, Esq.
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Reno, Nevada 89509
Attorney for Patrick Canet

VIA FIRST CLASS U.S. MAIL: by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail at Reno, Nevada for delivery to the foregoing.

/s/ Nancy R. Lindsley
Employee of Brownstein Hyatt
Farber Schreck, LLP

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EXHIBIT LIST

EXHIBIT NO.	DESCRIPTION	PAGE(S)
1	Motion to Void Deeds, Assign Property, for Writ of Execution and to Convey, filed 5/3/16 with the First Judicial District Court in Case No. 09OC00579 1B	303
2	Notice of Bankruptcy Filing and Automatic Stay, filed 6/3/16 with the First Judicial District Court, in Case No. 09OC00579 1B	3
3	Sheriff’s Certificate of Sale, Washoe County APN 079-150-12, as recorded with the Washoe County Recorder’s Office on 4/9/2015 as Document No. 4456017	3
4	Sheriff’s Deed Upon Execution of Real Property for APN 079-150-12 recorded in the Washoe County Recorder’s Office as Book and Instrument Number 4630125, recorded 9/8/2016	4
5	Sheriff’s Deed Upon Execution of Real Property for Clark County APN 071-02000-005 recorded in the Clark County Recorder’s Office as Book and Instrument Number 2016-1019-0000379, recorded 10/19/2016	6
6	Sheriff’s Deed Upon Execution of Real Property for Clark County APN 071-02000-013 recorded in the Clark County Recorder’s Office as Book and Instrument Number 2016-1019-0000378, recorded 10/19/2016	6
7	Zandian’s recorded fraudulent conveyances in several Nevada counties (Exhibits from Motion to Void Deeds, Assign Property, for Writ of Execution and to Convey)	53
8	Default Judgment - Margolin’s Judgment against Zandian as recorded in the following Nevada Counties:	26
	Washoe County Document 4269631 8/16/2013	
	Clark County Document 201308200001370 8/20/2013	
	Lyon County Document 511155 8/16/2013	
	Churchill County Document 436437 8/16/2013	
	Elko County Document 677329 8/19/2013	
9	United Nations Commission on International Trade (UNCITRAL), Articles 21, 22 and 23 Downloaded 8/11/2017 from: https://www.unitral.org/pdf/english/texts/arbitration/art-rules/arb-rules.pdf	27
10	The translation of Article L.632-1 of the French Commercial Code.	6

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- 1 Downloaded 8/11/2017 as part of a much larger document (772
- 2 pages) containing all of the French Commercial Codes from:
- 3 [https://www.legifrance.gouv.fr/Media/Traductions/English-](https://www.legifrance.gouv.fr/Media/Traductions/English-en/code_commerce_part_L_EN_20130701)
- 4 [en/code_commerce_part_L_EN_20130701](https://www.legifrance.gouv.fr/Media/Traductions/English-en/code_commerce_part_L_EN_20130701)
- 5 Legifrance is the French government entity responsible for
- 6 publishing legal texts
- 7 online. <https://www.legifrance.gouv.fr/Traductions/en-English>
- 8
- 9
- 10
- 11 11 The original French for L632-1 Downloaded 8/11/2017 from: 3
- 12 [https://www.legifrance.gouv.fr/affichCode.do;jsessionid=CC4339D2](https://www.legifrance.gouv.fr/affichCode.do;jsessionid=CC4339D25DFA59D54DB206BE5A5EAA7C.tpdila18v_3?idSectionTA=LEGI)
- 13 [5DFA59D54DB206BE5A5EAA7C.tpdila18v_3?idSectionTA=LEGI](https://www.legifrance.gouv.fr/affichCode.do;jsessionid=CC4339D25DFA59D54DB206BE5A5EAA7C.tpdila18v_3?idSectionTA=LEGI)
- 14 [SCTA000006146112&cidTexte=LEGITEXT000005634379&dateTe](https://www.legifrance.gouv.fr/affichCode.do;jsessionid=CC4339D25DFA59D54DB206BE5A5EAA7C.tpdila18v_3?idSectionTA=LEGI)
- 15 [xte=20130701](https://www.legifrance.gouv.fr/affichCode.do;jsessionid=CC4339D25DFA59D54DB206BE5A5EAA7C.tpdila18v_3?idSectionTA=LEGI)
- 16 Legifrance is the French government entity responsible for
- 17 publishing legal texts online.
- 18 <https://www.legifrance.gouv.fr/Traductions/en-English>
- 19
- 20
- 21
- 22
- 23 12 A search of the databases of the relevant County Recorders in June 8
- 24 16, 2016 shows nothing recorded by Canet
- 25
- 26
- 27
- 28 13 **Frequently Asked Questions Relating to the Lifting of Certain 46**
- U.S. Sanctions Under the Joint Comprehensive Plan of Action**
- (JCPOA) on Implementation Day** downloaded on or after October
- 7, 2017 from [https://www.treasury.gov/resource-](https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf)
- [center/sanctions/Programs/Documents/jcpoa_faqs.pdf](https://www.treasury.gov/resource-center/sanctions/Programs/Documents/jcpoa_faqs.pdf)
- 14 Excerpt from the list referred to in Executive Order 13599 List which 3
- lists Bank Melli as an entity to be considered the same as the
- Government of Iran. From OFAC’s Web site; The full list is at
- [www.treasury.gov/resource-](http://www.treasury.gov/resource-center/sanctions/Programs/Pages/13599_list.aspx)
- [center/sanctions/Programs/Pages/13599_list.aspx](http://www.treasury.gov/resource-center/sanctions/Programs/Pages/13599_list.aspx)
- 15 Document from the French Court (3/4/2001) at: 2
- <https://www.infogreffe.com>
- Date: Purchased and downloaded 8/7/2016
- 16 Document 2002L00750 from the French Court (7/20/2006) 8
- Purchased and downloaded from: <https://www.infogreffe.com>
- (Infogreffe.fr is “les greffes des tribunaux de commerce” which is
- “The Registrars of Commercial Courts.”)
- Date: Purchased and downloaded 8/7/2016
- Followed by English translation purchased from Vanan Online
- Services (www.vananservices.com)
- Translation performed 8/30/2016

1	17	Document 2002L00791 from the French Court (11/28/2011)	13
2		Purchased and downloaded from: https://www.infogreffe.com	
3		(Infogreffe.fr is “les greffes des tribunaux de commerce” which is	
4		“The Registrars of Commercial Courts.”)	
5		Date: Purchased and downloaded 8/7/2016	
6		Followed by English translation purchased from Vanan Online	
7		Services (www.vananservices.com)	
8		Translation performed 9/19/2016	
9	18	Order of Affirmance, Nevada Supreme Court Document 15-31719	4
10		affirms First Judicial District Court of Nevada in Case Nos. 65205	
11		and 65960, filed 10/19/2015	
12	19	Order Re: Writ of Execution issued by the First Judicial District	4
13		Court of Nevada, filed 08/18/2014	
14	20	Writ of Execution to the Clark County Sheriff, issued by the First	6
15		Judicial District Court of Nevada dated 09/5/2014	
16	21	Writ of Execution to the Washoe County Sheriff, issued by the First	7
17		Judicial District Court of Nevada dated 09/10/2014	
18	22	Clark County Sheriff’s Certificate of Sale of Real Property for APN	3
19		071-02000-005 filed 01/8/2015	
20	23	Clark County Sheriff’s Certificate of Sale of Real Property for APN	3
21		071-02000-013 filed 01/8/2015	
22	24	Washoe County Sheriff Certificate of Sale for APN 079-150-12,	3
23		recorded 04/09/2015	
24	25	Washoe County Sheriff Certificate of Sale for APN 079-150-10,	3
25		recorded 04/09/2015	
26	26	Washoe County Sheriff Certificate of Sale for APN 084-040-02,	3
27		recorded 04/09/2015	
28	27	Washoe County Sheriff Certificate of Sale for APN 084-130-07,	3
		recorded 04/09/2015	
29	28	Motion to Withdraw as Counsel filed by Kaempfer Crowell with the	11
		First Judicial District Court of Nevada, Case No.090C099679 1B	
30	29	Warrant of Arrest issued for Zandian by First Judicial District Court	3
		of Nevada of Court, filed 2/3/2016	
	30	Grant, Bargain and Sale Deed, recorded on 8/19/2010 with the Elko	21
		County Recorder, as Document No. 629773 (The settlement of the	

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Fronteer Development lawsuit was recorded in Elko County. From Elko County Recorder Web site)

31 Real Property Assessment Data for Sparks Village LLC - owns Washoe County APN 084-140-11 (219.712 Acres). Was bought in 2005 for **\$750,000**. From Washoe County Assessor Web site. 2

32 Zandian Certificate of Resignation as Manager of Sparks Village LLC on 03/27/2015 2

33 NV SOS Entity Details re Sparks Village, LLC (The remaining member and registered agent of Sparks Village LLC is Sean S. Fayeghi - Downloaded from Nevada Secretary of State's database 10/07/2016) 4