

1 Case No.: CV-1408108  
2 Dept. No. 2

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6 **IN THE SEVENTH JUDICIAL DISTRICT COURT OF THE STATE OF**  
7 **NEVADA, IN AND FOR THE COUNTY OF WHITE PINE**

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9 \* \* \* \* \*

10 Management Board of the White Pine Historical  
11 Railroad Foundation, Inc., et al.,

12 Plaintiffs,

13 vs.

14 Board of Trustees for the White Pine Historical  
15 Railroad Foundation, Inc., et al.,

16 Defendants.

**STIPULATION AND ORDER  
PRESERVING STATUS QUO  
PENDING HEARING ON  
PRELIMINARY INJUNCTION**

17 The Management Board (the “Management Board”) of the White Pine Historical  
18 Railroad Foundation, Inc. (the “Foundation”); Roger Bowers, in his official capacity as a  
19 member of the Management Board (“Member Bowers”); Randy Larson, in his official capacity  
20 as a member of the Management Board (“Member Larson”); Carl Marsh, in his official capacity  
21 as a member of the Management Board (“Member Marsh”); John C. Gianoli, in his individual  
22 capacity (“Member Gianoli”) and Stephen D. Leith, in his individual capacity (“Member Leith”),  
23 appearing by and through their undersigned counsel, GIANOLI HUSBANDS PLLC – ATTORNEYS  
24 & COUNSELORS AT LAW by Angela M. Gianoli, Esq. and Scott H. Husbands, Esq., and

1 GOICOECHEA, DIGRAZIA, COYLE & STANTON, LTD., by Robert B. Goicoechea, Esq.; and all  
2 named Defendants appearing through their undersigned counsel, THORNDAL ARMSTRONG DELK  
3 BALKENBUSH & EISENGER, by Brent T. Kolvet, Esq., hereby stipulate as follows:  
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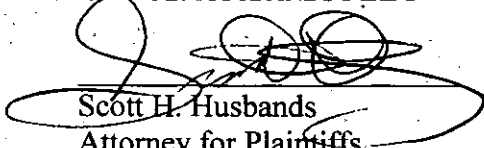
- 5 1. The Board of Trustees August 7, 2014 removal of Members Gianoli and Leith  
6 will be stayed pending a hearing in this matter on the Plaintiffs' application for a  
7 preliminary injunction. As part of this stay, Members Gianoli and Leith are  
8 reinstated to their previous position on the Management Board. Relatedly, the  
9 appointment of Terry Walker and Judy O'Brien will also be stayed pending a  
10 hearing in this matter on the Plaintiffs' application for a preliminary injunction.  
11 These stays are subject to the condition that the Management Board only  
12 entertain matters arising in the ordinary routine course of its business.
- 13 2. The Board of Trustees and all other named Defendants shall take no action on  
14 any subject matter of the lawsuit filed by Plaintiffs pending the hearing  
15 contemplated by this Stipulation and Order. For the sake of clarity, this bar to  
16 action includes taking any action in furtherance of the Defendants' forensic audit  
17 (which Plaintiffs allege was approved in violation of Nevada's Open Meeting  
18 Law), removing Members Bowers, Larson and Marsh, as well as any other  
19 matter referenced in the Plaintiffs' First Amended Verified Complaint. To avoid  
20 the potential for conflict between the parties, all communications regarding any  
21 subject matters must be coordinated through the parties' respective counsel. By  
22 Monday, September 22, 2014, counsel for the parties will work cooperatively to  
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1 establish a mutually acceptable agreement by which certain agreed upon  
2 financial and business records of the Foundation (including those records already  
3 collected by Defendants) will be collected, preserved and deposited with a third  
4 party pending the outcome of any hearing in this matter. To the extent the  
5 parties are unable to reach such an agreement by September 22, 2014, the parties  
6 agree to resolve their differences regarding such agreement with the Court.

- 7
- 8 3. Defendants shall have until September 30, 2014 to answer Plaintiffs' First  
9 Amended Complaint or oppose Plaintiffs' application for a preliminary injunction.  
10
- 11 4. Plaintiffs shall have until October 7, 2014 to file any responsive pleadings to  
12 Defendants' answer, if necessary, and any reply to Defendants' opposition to  
13 Plaintiffs' application for a preliminary injunction.  
14
- 15 5. The parties agree to set the hearing on Plaintiffs' application for a preliminary  
16 injunction at 9:00 a.m. on Tuesday October 14, 2014 with such hearing to be held  
17 at the White Pine County Courthouse, 801 Clark Street, Ely, Nevada 89301. At  
18 this hearing, the parties will be able to rely on affidavits and/or present live  
19 testimony with witnesses and other evidence. The parties anticipate needing one  
20 day for purposes of such a hearing.

21 DATED this 11th day of September, 2014.

22 GIANOLI HUSBANDS PLLC

23   
24 Scott H. Husbands  
25 Attorney for Plaintiffs  
Nevada Bar No. 11398  
1050 Aultman Street

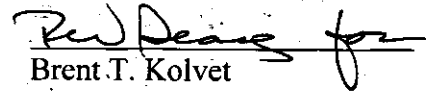
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ORDER

The Court, having considered the above stipulation of the parties, and good cause appearing, hereby orders as follows:

1. The Board of Trustees August 7, 2014 removal of Members Gianoli and Leith will be stayed pending a hearing in this matter on the Plaintiffs' application for a preliminary injunction. As part of this stay, Members Gianoli and Leith are reinstated to their previous position on the Management Board. Relatedly, the appointment of Terry Walker and Judy O'Brien will also be stayed pending a hearing in this matter on the Plaintiffs' application for a preliminary injunction.

These stays are subject to the condition that the Management Board only entertain matters arising in the ordinary routine course of its business.

2. The Board of Trustees and all other named Defendants shall take no action on any subject matter of the lawsuit filed by Plaintiffs pending the hearing contemplated by this Stipulation and Order. For the sake of clarity, this bar to action includes taking any action in furtherance of the Defendants' forensic audit (which Plaintiffs allege was approved in violation of Nevada's Open Meeting Law), removing Members Bowers, Larson and Marsh, as well as any other matter referenced in the Plaintiffs' First Amended Verified Complaint. To avoid the potential for conflict between the parties, all communications regarding any subject matters must be coordinated through the parties' respective counsel. By

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Monday, September 22, 2014, counsel for the parties will work cooperatively to establish a mutually acceptable agreement by which certain agreed upon financial and business records of the Foundation (including those records already collected by Defendants) will be collected, preserved and deposited with a third party pending the outcome of any hearing in this matter. To the extent the parties are unable to reach such an agreement by September 22, 2014, the parties agree to resolve their differences regarding such agreement with the Court.

- 3. Defendants shall have until September 30, 2014 to answer Plaintiffs' First Amended Complaint or oppose Plaintiffs' application for a preliminary injunction.
- 4. Plaintiffs shall have until October 7, 2014 to file any responsive pleadings to Defendants' answer, if necessary, and any reply to Defendants' opposition to Plaintiffs' application for a preliminary injunction.
- 5. The parties agree to set the hearing on Plaintiffs' application for a preliminary injunction at 9.00 a.m. on Tuesday October 14, 2014 with such hearing to be held at the White Pine County Courthouse, 801 Clark Street, Ely, Nevada 89301. At this hearing, the parties will be able to rely on affidavits and/or present live testimony with witnesses and other evidence. The parties anticipate needing one day for purposes of such a hearing.

Dated this 11<sup>th</sup> day of September, 2014.

  
SENIOR JUSTICE ROBERT ROSE