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6 Foreign Representative

7 **UNITED STATES BANKRUPTCY COURT**
8 **DISTRICT OF NEVADA**

9 IN RE:

10 JAZI GHOLAMREZA ZANDIAN,
11 Debtor in a Foreign Proceeding.

CASE NO. N-16-50644-BTB
CHAPTER 15

12 PATRICK CANET,
13 Foreign Representative.

14 FRED SARI AS TRUSTEE FOR THE STAR
15 LIVING TRUST, RAY KOROGHLI AND
16 SATHSOWI T. KOROGHLI AS MANAGING
17 TRUSTEES FOR KOROGHLI MANAGEMENT
18 TRUST

Adv. No. 17-05016

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

PATRICK CANET'S ANSWER,
COUNTERCLAIMS AND CROSS CLAIMS

23 PATRICK CANET

24 V.

25 FRED SADRI INDIVIDUALLY AND IN HIS
26 CAPACITY AS TRUSTEE OF THE STAR
27 LIVING TRUST AND RAY KOROGHLI
28 INDIVIDUALLY, AND RAY KOROGHLI AND
SATHSOWI T. KOROGHLI AS MANAGING
TRUSTEES OF THE KOROGHLI
MANAGEMENT TRUST

PATRICK CANET

V.

JED MARGOLIN

1 Patrick Canet, foreign representative in this proceeding, hereby answers the
2 Complaint For Quiet Title And Declaratory Relief and files his Counterclaims against
3 Plaintiffs Fred Sadri individually and in his capacity as Trustee of the Star Living Trust and
4 Ray Koroghli individually, and Ray Koroghli and Sathsowi Thay Koroghli as Managing
5 Trustees of the Koroghli Management Trust. As and for his Answer to the Complaint Canet
6 responds as follows:

- 7 1. Canet admits the allegations in ¶¶ 1, 2, 3, 4, 5, 6, 7, 8 and 9 of the Complaint.
- 8 2. Canet admits the allegations in ¶¶ 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 22,
9 23, 24, 25, 26, 27, 28, 29, 30 and 31, in that documents recorded or filed in the public record
10 speak for themselves.
- 11 3. Canet neither admits nor denies the allegations in ¶¶ 32 and 33 as they state legal
12 conclusions.
- 13 4. Canet is without information as to whether Plaintiffs received notices and
14 therefor denies the allegations in ¶¶ 34, 35, 36 and 37.
- 15 5. Canet neither admits nor denies the allegations in ¶¶ 38 and 39 as they state legal
16 conclusions.
- 17 6. Canet denies the allegation in ¶ 40.
- 18 7. Canet admits the allegations in ¶ 41.
- 19 8. Canet is without information as to the allegation in ¶42 and therefor denies the
20 same.
- 21 9. Canet admits the allegations in ¶¶ 43, 44, 45, 46 and 47.
- 22 10. As to the allegations in ¶ 48, Canet repeats and re-alleges his answers in the
23 previous paragraphs as if fully set forth herein.
- 24 11. Canet admits the allegations in ¶¶ 49, 50, 1, 52, 53, 54, 55, 56, 57 and 58.
- 25 12. As to the allegations in ¶ 59, Canet admits that Plaintiffs each own a one-third
26 undivided interest in the Property with Canet. Canet denies any remaining allegation in ¶59.
- 27 13. Canet denies the allegation in ¶60.
- 28 14. Canet admits the allegation in ¶ 61.

1 15. Canet is without information and belief as to the allegation in ¶ 62 and therefore
2 denies the same.

3 16. As to the allegations in ¶ 63, Canet repeats and re-alleges his answers in the
4 previous paragraphs as if fully set forth herein.

5 17. As to the allegations in ¶ 64, Canets that he claims an interest in the Property
6 adverse to Plaintiffs.

7 18. Canet admits the allegations in ¶¶ 65, 66, 67 and 68.

8 19. Canet admits the allegation in ¶ 69 insofar as he may be required to pay a prorata
9 portion of taxes on the Property in question, i.e., parcels 2, 4 and 8 as identified in ¶1 of the
10 Complaint. Canet is informed and believes and thereon alleges that no insurance or
11 homeowner's association dues are accruing.

12 20. Canet is without information and belief as to the allegation in ¶ 70 and therefore
13 denies the same.

14 21. As to the allegations in ¶ 71, Canet repeats and re-alleges his answers in the
15 previous paragraphs as if fully set forth herein.

16 22. Canet admits the allegations in ¶¶ 72 and 73.

17 23. Canet is without information and belief as to the allegation in ¶ 74 and therefore
18 denies the same.

19 24. Canet denies the allegation in ¶ 75.

20 25. As to the allegations in ¶ 76, Canet admits that Plaintiffs will have suffered
21 damages if Margolin is allowed to retain his claimed interest in the Property. Canet denies
22 the allegations as they relate to him.

23 25. Canet denies the allegation in ¶ 77.

24 26. Canet is without information and belief as to the allegation in ¶ 78 and therefore
25 denies the same.

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1 As and for his counterclaim against Fred Sadri, individually and in his capacity as
2 Trustee of the Star Living Trust, and Ray Koroghli, individually, and Ray Koroghli and
3 Sathsowi T. Koroghli as Managing Trustees of the Koroghli Management Trust, Canet
4 alleges as follows.

5
6 **PARTIES, JURISDICTION AND VENUE**

7 27. Canet is informed and believes and thereon alleges that Sadri and Koroghli are
8 residents of Clark County, Nevada.

9 28. The Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C.
10 § 157(b) and 1334(b). This is a core proceeding under 28 U.S.C. § 157(b)(2)(A), (C) and
11 (O). Venue is proper under 28 U.S.C. § 1409.

12
13 **GENERAL ALLEGATIONS**

14 29. On or about June 7, 2008, Zandian, Sadri individually and in his capacity as
15 Trustee of the Star Living Trust, and Ray Koroghli, individually (collectively “the Parties”),
16 entered into a Settlement And Mutual Release Agreement resolving certain disputes between
17 and among them (“Settlement Agreement”). The Parties stipulated that the Settlement
18 Agreement was a final resolution of litigation in case no. A511131 in the Eight Judicial
19 District Court. The Settlement Agreement is appended to Plaintiff’s Complaint as Exhibit 6.

20 30. Separate and apart from the Property interests identified in ¶ 1 of Plaintiffs’
21 Complaint, the Settlement Agreement addressed two additional categories of assets. Section
22 2.2 dealt with the Parties’ ownership interest in an entity referred to as Big Spring Ranch,
23 LLC (“Big Spring”). Section 2.2 of the Settlement Agreement purported to resolve
24 ownership and management issues of Big Spring.

25 31. Section 2.3 of the Settlement Agreement addressed matters related to a 320 acre
26 parcel of real property located in Washoe County, APN 076-100-19, title to which is in the
27 name of Big Spring Ranch, LLC. Section 2.3.1 of the Settlement Agreement provided “ 320
28 acres of the property presently in Big Spring Ranch, LLC, APN 076-100-19 Washoe County

1 shall be transferred to Zandian, Sadri and Koroghli as tenants in common in equal shares
2 Thirty Three and One Third (33.33%) each;”.

3 32. As of the date of this Counterclaim Sadri and Koroghli have failed to execute
4 documents fulfilling their obligations under Section 2.3.1 of the Settlement Agreement.

5 33. Canet is informed and believes and thereon alleges that at the time the
6 Settlement Agreement was entered into, Big Spring owned assets in addition to the 320 acre
7 parcel in Washoe County, Nevada and, since that time, Sadri and Koroghli, individually and
8 together, have transferred one or more other Big Spring assets (“Other Big Spring Assets”),
9 through mesne transfers, to other entities owned and/or controlled by them, e.g., Johnson
10 Spring Water Company, LLC and Wendover Project, LLC, without having provided notice
11 to Zandian and without consideration to Zandian.

12
13 **FIRST COUNTERCLAIM**

14 Quiet Title/Declaratory Relief Pursuant to 28 U.S.C. §2201, NRS 30.010 and NRS 40.010 et
15 seq., vs. Fred Sadri, individually and in his capacity as Trustee of the Star Living Trust, and
Ray Koroghli, individually

16 34. Canet incorporates the allegations in ¶¶ 27 through 33 as though fully set forth
17 herein.

18 35. Pursuant to 28 U.S.C. § 2201, NRS 30.010 et seq., and NRS 40.010 et seq., this
19 Court has the power and authority to declare Canet’s rights and interest in and to APN 076-
20 100-19 and to enforce Section 2.3.1 of the Settlement Agreement, compelling the transfer of
21 title to Zandian as a tenant as to an undivided one third interest in the 320 acre parcel.

22
23 **SECOND COUNTERCLAIM**

24 United Nations Commission on International Trade (UNCITRAL), Articles 21, 22 and 23,
25 11 U.S.C. §§ 1520, 1507 and 1521(a), Article L.632-1, French Commercial Code

26 36. Canet incorporates the allegations in ¶¶ 27 through 33 as though fully set forth
27 herein.

28 37. Canet is informed and believes and thereon alleges that after June 7, 2008, Other

1 Big Spring Assets were transferred by Sadri individually and in his capacity as Trustee of the
2 Star Living Trust, and Ray Koroghli, through mesne transfers, the most recent of which was
3 on January 27, 2016, by Water Rights Quitclaim Deed recorded in Elko County, Nevada as
4 document 707826, to entities owned and/or controlled by them without notice to Zandian
5 and without consideration to Zandian, and for less than a reasonably equivalent value in
6 exchange.

7 38. The transfer or transfers alleged in ¶ 37 were made in violation of Section 2.2.2
8 of the Settlement Agreement.

9 39. The transfer or transfers alleged in ¶ 37 were made at a time when Zandian was
10 insolvent.

11 As to his First Counterclaim, Canet prays for Judgment compelling the transfer of
12 title to Zandian as a tenant as to an undivided one third interest in the 320 acre parcel.

13 As to his Second Counterclaim, Canet prays for Judgment avoiding any transfers of
14 assets from Big Spring Ranch, LLC after June 7, 2008, as to immediate and all subsequent
15 transferees.

16 **CROSS CLAIMS**

17 As and for his Cross Claims against Jed Margolin (“Margolin”), Canet alleges as
18 follows:

19 **PARTIES, JURISDICTION AND VENUE**

20 40. Canet is informed and believes and thereon alleges that Margolin is a resident of
21 the State of Nevada.

22 41. The Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C.
23 § 157(b) and 1334(b). This is a core proceeding under 28 U.S.C. § 157(b)(2)(A), (C) and
24 (O). Venue is proper under 28 U.S.C. § 1409. In accordance with LR 7008, Canet consents
25 to entry of a final order or judgment entered by this Court.

26
27 **GENERAL ALLEGATIONS**

28 42. In December 2009, Margolin filed a civil action in the Ninth Judicial District

1 (“Carson City Action”), against Zandian, Optima Technology Corporation, a California
2 corporation and Optima Technology Corporation, a Nevada corporation (collectively
3 “Optima”).

4 43. In March 2011, a default judgment was entered against Zandian and Optima in
5 the Carson City Action. In August 2001, the default judgment was set aside and Margolin
6 filed an amended complaint. The court in the Carson City Action allowed service of the
7 summons by publication.

8 44. Although Zandian filed a general denial to the amended complaint, in March
9 2012, that general denial was stricken by the court and a sanctions motion was granted
10 against Zandian.

11 45. On March 9, 2012, Margolin filed a Notice of Intent To Take Default.

12 46. On April 26, 2012, John Peter Lee, Zandian and Optimas’ counsel was granted
13 permission to withdraw.

14 47. On September 24, 2012, the court entered a default against the Optima
15 corporations. On October 31, 2012, the court entered default judgment against the Optima
16 corporations and awarded damages of \$1.4 million.

17 48. In December 2012, Margolin filed a Motion For Sanctions against Zandian and
18 in January 2013, the court granted sanctions in the form of striking Zandian’s general denial
19 and awarding fees and costs.

20 49. On June 24, 2013 default judgment was entered against Zandian in the³ amount
21 of \$1.5 million.

22 50. In December 2013, Zandian moved to set aside the default judgment entered in
23 June 2013. That motion was denied in February 2014.

24 51. On March 12, 2014, Zandian filed a Notice of Appeal to the Nevada Supreme
25 Court.

26 52. On August 18, 2014, the court issued its Order regarding a writ of execution.

27 53. On October 19, 2015, the Nevada Supreme Court dismissed Zandian’s appeals
28 numbered 65205 and 65960.

1 54. On January 1, 2016, the court entered an Order To Show Cause why Zandian
2 should not be held in contempt. On March 3, 2016, the court entered its Order holding
3 Zandian in contempt. In February 2016, the court issued a warrant for Zandian's arrest.

4 55. On May 19, 2016, Canet filed his chapter 15 Petition For Recognition of Foreign
5 Proceeding.

6 56. On September 9, 2016 this Court granted the request for recognition of the
7 foreign proceeding.

8 57. Upon information and belief, pursuant to a Sheriff's Certificate of Sale of
9 Property, Margolin caused APN 084-130-07 in Washoe County ("Parcel APN 084-130-07")
10 to be sold on April 3, 2015 by Sheriff's Sale for \$3,000 to himself.

11 58. Upon information and belief, on September 8, 2016 a Sheriff's Deed Upon
12 Execution Of Real Property was recorded in Washoe County in favor of Margolin with
13 respect to Parcel APN 084-130-07 .

14 59. Upon information and belief, pursuant to a Sheriff's Certificate of Sale of
15 Property, Margolin caused APN 079-150-10 in Washoe County ("Parcel APN 079-150-10")
16 to be sold on April 3, 2015 by Sheriff's Sale for \$5,000 to himself.

17 60. Upon information and belief, on September 8, 2016 a Sheriff's Deed Upon
18 Execution Of Real Property was recorded in Washoe County in favor of Margolin with
19 respect to Parcel APN 079-150-10 .

20 61. Upon information and belief, pursuant to a Sheriff's Certificate of Sale of
21 Property, Margolin caused in APN 084-040-02 in Washoe County, ("Parcel APN 084-040-
22 02") to be sold on April 3, 2015 by Sheriff's Sale for \$5,000 to himself.

23 62. Upon information and belief, on September 8, 2016 a Sheriff's Deed Upon
24 Execution Of Real Property was recorded in Washoe County in favor of Margolin with
25 respect to Parcel APN 084-040-02 .

26 63. Upon information and belief, pursuant to a Sheriff's Certificate of Sale of
27 Property, Margolin caused APN 079-150-12 in Washoe County ("Parcel APN 079-150-12")
28 to be sold on April 3, 2015 by Sheriff's Sale for \$15,000 to himself.

1 64. Upon information and belief, on September 8, 2016 a Sheriff’s Deed Upon
2 Execution Of Real Property was recorded in Washoe County in favor of Margolin with
3 respect to Parcel APN 079-150-12.

4 65. Upon information and belief, on October 19, 2016, two Sheriff’s Deeds Upon
5 Execution were recorded in Clark County in favor of Margolin with respect to APN 071-02-
6 000-005 and APN 071-02-000-005 (“Clark County Parcels”).

7
8 **FIRST CROSS CLAIM**

9 United Nations Commission on International Trade (UNCITRAL), Articles 21, 22 and 23,
10 11 U.S.C. §§ 1520, 1507 and 1521(a), Article L.632-1, French Commercial Code

11 66. Canet incorporates the allegations in paragraphs 42 through 65 as though fully
12 set forth herein.

13 67. The recording of deeds on September 8, 2016 , as identified in ¶¶ 58, 60, 62 and
14 64, were transfers (“Transfers”), of property in which Zandian held an interest.

15 68. The recording of deeds on September 8, 2016, as identified in ¶¶ 58, 60, 62 and
16 64 were Transfers to the detriment of creditors in the Zandian main proceeding pending in
17 Paris, France .

18 69. The recording of deeds on September 8, 2016, as identified in ¶¶ 58,60, 62 and
19 64 were Transfers which should be avoided by this Court

20
21 **SECOND CROSS CLAIM**

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

24 70. Canet incorporates the allegations in paragraphs 42 through 65 as though fully
25 set forth herein.

26 71. The recording of the deed on October 9, 2016, as identified in ¶ 65 was a
27 Transfer of property in which Zandian held an interest in violation of the automatic stay of
28 § 362(a).

1 As to his First Cross Claim, Canet prays for Judgment avoiding the Transfers in ¶¶
2 58, 60, 62 and 64 and expunging the Sheriff's Deeds as to APN 084-130-07, APN 079-150-
3 10, APN 084-040-02 and APN 079-150-12.

4 As to his Second Cross Claim, Canet prays for Judgment determining the Transfer in
5 ¶ 65 to be void as in violation of the automatic stay and expunging the Sheriff's Deeds as to
6 APN 071-02-000-005 and APN 071-02-000-005 in Clark County, Nevada.

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DATED: July 28, 2017.

HARTMAN & HARTMAN

/S/ Jeffrey L. Hartman
Jeffrey L. Hartman, Esq.
Attorney for Patrick Canet,
Foreign Representative

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CERTIFICATE OF SERVICE

I certify that I am an employee of Hartman & Hartman, and that on July 28, 2017, I caused to be served the foregoing document by the following means to the persons as listed below:

- ✓ a. Electronically, via the Court’s ECF System, to
FIX
- ✓ b. U. S. Mail, postage prepaid, to

STEVE E. ABELMAN
on behalf of Creditor JED MARGOLIN
BROWNSTEIN HYATT FARBER SCHRECK
410 17th STREET, STE 2200
DENVER, CO 80241

I declare under penalty of perjury that the foregoing is true and correct.

Dated: July 28, 2017.

/S/ Stephanie Ittner
Stephanie Ittner