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DISTRICT COURT

CLARK COUNTY, NEVADA

Shaun Passley, Plaintiff, vs. Ameritek Ventures, Defendant.	Case No.: A-20-822695-B Dept. No. IX

Findings of Fact, Conclusions of Law, and Order

This matter arises from a NRS 78.347 custodianship. Pursuant to NRS 78.347(1) any stockholder of a corporation may apply to the district court to appoint one or more persons—including himself—to be a corporate custodian when the corporation has abandoned its business and has filed within a reasonable time to take steps to dissolve, liquidate, or distribute assets in accordance with this chapter.

NRS 78.347 custodianships can be ripe for misuse and abuse; they cry for legislative reform. The petitioning party often has himself appointed custodian, after which he issues himself a large amount of stock for disproportionate consideration to gain total control. There are no checks and balances against his actions because he does not appoint directors, other than himself. He does not appoint officers, other than himself. He effects decisions that are in his best interest, as opposed to that of the stockholders. Perhaps worst of all, he fails to provide the stockholders and the court with the transparency demanded of a court-appointed neutral and fiduciary. In short, he makes the custodianship a one-man show.[1]

That is what happened here, the consequences of which will be borne by Ameritek's stockholders who purchased stock in reliance on the custodianship established through Shaun

[1] At time there are variations on this story, for instance where the custodian issues controlling stock to a "friendly" party who pays what appears to be fair consideration that the custodian pockets.

Passley. To those stockholders, this court apologizes for its own role in failing to oversee Mr. Passley, while at the same time noting that the court's lack of oversight is no excuse for Mr. Passley's actions. Mr. Passley's efforts to now divorce his actions as custodian from his actions as self-appointed director and officer to avoid adverse rulings are a run-around reality: Mr. Passley acted as custodian while concurrently serving as an officer and director; there is no distinction. He is removed as custodian, officer, and director, and has no judicial immunity from personal liability, as he did not faithfully serve his purpose.

The court addresses each of the parties' claims below.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Procedural History.

1. Ameritek Ventures, Inc. formerly known as ATVROCKN, is a Nevada corporation incorporated in 2010.

2. Meridian Pacific Holdings LLC is a Wyoming limited liability company.

3. Ari Zieger serves as the President of Meridian Pacific Holdings.

4. Clinton Stokes served as Ameritek's President and Director from June 19, 2017 until his resignation on March 24, 2020.

5. Kenneth Mayeaux served as Secretary, Treasurer, and Director from July 10, 2017 until March 5, 2020.

6. Prior to 2020, Shaun Passley held no office, no directorship, and no role or position of any kind at Ameritek. He had purchased approximately $5,000.00 of common shares on the open market after seeing a press release about Ameritek's fiber optic assets because he wanted the technology. When he learned of the resignation of Ameritek's directors, he pursued the custodianship as a vehicle to obtain the fiber optic technology.

7. On October 8, 2020, Passley petitioned this Court under NRS 78.347 for appointment as Ameritek's custodian. The court granted his petition and entered the Order Appointing Custodian on November 9, 2020. Pursuant to NRS 78.347, the court ordered Passley to:

a. Comply with the provisions of NRS 78.180 or 80.170, as applicable, and to submit evidence of compliance with this order to the district court.

b. Provide reasonable notice to all shareholders of record of a shareholder meeting to be held within a reasonable time after the application for custodianship was granted and to submit evidence of compliance with this order to the district court.

c. Provide the district court with a report of the actions taken at the shareholder meeting noticed by the custodian.

d. Provide the district court with reports of the activities of the custodian and the board of directors and the progress of the corporation every three months.

8. In addition to the statutorily authorized duties of a custodian, the court ordered broad powers, including:

a. The power to appoint officers and directors to serve during the custodianship.

b. Authority to negotiate and compromise debt, execute contracts and other agreements, change the corporation's name, issue both common and preferred shares, authorize additional common and preferred shares, designate additional classes of preferred shares, convert preferred shares to common shares, eliminate classes of preferred shares, amend the preferences of any preferred shares, initiate litigation on behalf of Ameritek. Each of these actions was only authorized when deemed reasonable and prudent action on behalf of Ameritek.

c. The order provided that the shareholders who attend the reasonably noticed shareholder meeting set those in attendance as the quorum despite being contrary to the existing bylaws.

9. In early 2021, Passley invoked the statutory claims process. Stokes and Meridian submitted creditor claims on February 24, 2021 and February 26, 2021, respectively. On March 31, 2021, Passley informed the court of his rejection of both claims and sought confirmation of his denial and disallowance of each.

10. On April 19, 2021, Ameritek sued Stokes in this court seeking cancellation of his shares (Case No. A-21-833150-B), which action was later consolidated into this action.

11. On May 11, 2021, the court denied Passley's motion to resolve Stoke's claim and ordered the proceeding stayed as to Stoke's claim pending resolution of Case No 19STCV15991 in the Superior Court of Los Angeles County, California, and Case No. A-21-833150-B in the Eighth Judicial District Court. In that same order the court denied Passley's motion to resolve Meridian's claim and ordered the proceeding stayed as to Meridian's claim pending resolution of Case No 19STCV15991 in the Superior Court of Los Angeles County, California.

12. The California action was dismissed as to Ameritek and settled as to Stokes in September 2023.

13. On September 3, 2024, Stokes and Meridian filed their Verified Complaint in Intervention, asserting derivative claims for breach of fiduciary duty and abuse of power against Passley.

14. On March 17, 2025, Ameritek answered and asserted counterclaims against Stokes and Meridian and third-party claims against Zieger and Mayeaux: two declaratory judgment counts seeking cancellation of shares issued in 2017, four fraudulent misrepresentations counts, two alternative breach of contract counts, and abuse of process.

15. The parties' claims came before the court at a bench trial starting July 14, 2026. Intervenors/Counterdefendants Meridian Pacific Holdings, LLC and Clinton L. Stokes, III and Third-Party Defendants Ari Zieger and Kenneth Mayeaux (collectively, "Intervenors") appeared by and through their counsel of record Melissa Saragosa-Stratton, Esq., and Keith Williams, Esq. of the law firm Kaempfer Crowell. Plaintiff Shaun Passley and Defendant/Counterclaimant/Third-Party Plaintiff Ameritek Ventures appeared by and through their counsel of record Peter Chasey, Esq., of Chasey Law Offices.

16. The court bifurcated trial. Phase 1 tried Ameritek's counterclaims and third-party claims, the validity of shares Ameritek issued in 2017, and the Stokes and Meridian creditor claims. Phase 2 tried the Intervenors' derivative claims against Passley arising from his conduct as custodian, sole director, and sole officer of Ameritek since November 2020.

17. Having heard and weighed the testimony of the witnesses, including without limitation assessment of their credibility, and having considered the exhibits admitted into

evidence, the court makes the below findings of fact and conclusions of law pursuant to NRCP 52. Any finding of fact that is more appropriately a conclusion of law shall be so deemed, and any conclusion of law that is more appropriately a finding of fact shall be so deemed.

The 2017 Transactions.

18. The fiber optic technology at issue in this action originated with Wesley Poff and his company PPB Engineering & Systems Design, Inc., whose development Stokes and Meridian had funded for years.

19. Some of that funding included loan advances made to an entity Capstone, which was for the same development of the fiber optic technology intended for Ameritek. This included a $3,000 advance on May 31, 2017, and a $3,060 advance on June 1, 2017.

20. On July 31, 2017, Meridian advanced $150,000.00 on behalf of Ameritek through Ameritek's counsel, Thomas Cook and Associates.

21. On August 18, 2017, Meridian paid Somerset CPA $12,500.00 for SEC filings on behalf of Ameritek. On this same day, Edward Zimmerman, law clerk to Thomas Cook and Associates informed Gene Zoellner, CPA for Somerset CPA, that Ameritek would be sending a wire for the Form 10-K filing. Gene Zoellner acknowledged an incoming wire from Zieger for Ameritek.

22. Zieger wanted Meridian to have assurances that his investment in the fiber optic assets would be secured. Without some security for his investment, Zieger informed Stokes and Mayeaux that he would no longer fund the development of the fiber optic technology.

23. On August 20, 2017, Ameritek executed a unanimous written consent to issue a Secured Promissory Note to Meridian for an amount up to $350,000.00. It was resolved that Kenneth Mayeaux, as Vice-President of Operations, Secretary and Treasurer of Ameritek would sign the Secured Promissory Note. This amount was not a calculation of monies advanced or expected to be advanced by Meridian to or on behalf of Ameritek, but rather a negotiated amount to provide security and assurance to Meridian.

24. On August 21, 2017, Kenneth Mayeaux executed the Secured Promissory Note in accordance with the board resolution.

25. The Secured Promissory Note indicates it was made for value received and was payable in full on the earlier of 1) February 20, 2018; 2) receipt of all or substantially all of the assets that served as collateral for the note; or 3) change in control of Ameritek.

26. Between August 31, 2017 and September 11, 2018, Meridian advanced payments totaling $34,000 to Michael Stokes on behalf of Ameritek. Michael Stokes was a third-party handling marketing for and capital investment in Ameritek.

27. Between August 31, 2017 and September 11, 2018, Meridian advanced payments totaling $81,850 to Lion Den on behalf of Ameritek. Lion Den was a third-party entity handling marketing for and capital investment in Ameritek.

28. Between August 31, 2017 and September 11, 2018, Meridian advanced additional payments totaling $67,500 to Thomas Cook and Associates on behalf of Ameritek.

29. On October 4, 2017, Meridian advanced an additional payment totaling $7,500 to Somerset CPA on behalf of Ameritek.

30. On October 30, 2017, Meridian advanced $17,000 to C. Frial on behalf of Ameritek.

31. Meridian's advances on behalf of Ameritek totaled over $400,000.

32. Pursuant to Schedule A to the Secured Promissory Note, the amount due on February 20, 2018 was $364,238.45.

33. Interest accrued at the rate of 0.5% per month for all amounts not paid.

34. Security for the Secured Promissory Note was intended to be proceeds from the sale of shares in the stock of Ameritek held in a block account equal to an amount five times any single draw.

35. On October 22, 2018, Meridian sent a demand letter to Ameritek demanding payment of the Secured Promissory Note.

The Asset Purchase Agreement.

36. On July 19, 2017, Ameritek entered into a lease agreement with Nottingham Properties, L.C., for 3,750 square feet of office and warehouse space in Roanoke, Virginia.

37. The equipment, fiber optic assets used to manufacture optical fiber preforms, and the intellectual property were moved to the Roanoke warehouse in early August 2017.

38. On August 16, 2017, Ameritek filed a Current Report Form 8-K with the Securities and Exchange Commission ("SEC") announcing the issuance of a press release to move manufacturing and design work to a new production facility.

39. On August 30, 2017, Stokes entered into an Asset Purchase Agreement to sell Ameritek fiber optic assets. The Asset Purchase Agreement was signed by Kenneth Mayeaux, as Secretary and Treasurer of Ameritek.

40. The Asset Purchase Agreement provided Stokes with $100,000 and 19,770,000 unregistered restricted common shares of Ameritek stock as consideration for the sale of the fiber optic assets.

41. On September 6, 2017, Mayeaux, on behalf of Ameritek, filed a Current Report Form 8-K with the SEC announcing the terms of the Asset Purchase Agreement and the change in control of ownership of the company with the issuance of 19,770,000 commons shares to Stokes, which represented 73.22% of the outstanding shares at that time.

42. The fiber optic assets consisted of the technology used to produce optical fiber preforms through two different methods: vapor axial deposition and outside vapor deposition. The assets included schematic diagrams of the equipment; vendors and associated parts used in the manufacturing of equipment; proprietary computer programming; process control software; intellectual property associated with preform chemical composition; and future rights to patent development.

43. On August 30, 2017, Ameritek launched a press release announcing its acquisition of the fiber optic assets and its goal of fabricating 20 million kilometers of optical fiber preforms per year at its Roanoke, Virginia facility.

44. In 2018, Ameritek had not been able to bring its ambitious fiber optic endeavor to fruition and had lost all capital investors without completion of the production line and without beginning to generate revenue.

45. Around May 2018, Ameritek was no longer financially able to pay the rent for the Roanoke facility. In December 2018, Ameritek was evicted from the Roanoke facility and locked out, and no longer had access to its fiber optic assets or equipment. At that time, Ameritek owed over $20,000 in rent. The fiber optic assets and related equipment were never recovered by Ameritek.

The Subscription Agreement.

46. Also on August 30, 2017, Meridian subscribed for 71,429 restricted common shares at a price of $100,000.

47. On September 6, 2017, Ameritek executed its Acceptance by Corporation, signed by its Corporate Secretary, by which Ameritek "hereby acknowledges receipt of contributions in the amount of One Hundred Thousand ($100,000.00) Dollars for the purchase of 71,429 unregistered restricted common shares, accepts the Subscription, and agrees to issue said shares."

48. On September 7, 2017, Ameritek's board unanimously resolved that the Meridian shares "were sold on August 30, 2017 with funds being accepted by the Company on September 7, 2017," and authorized the transfer agent to issue them in book entry. The same day, Ameritek's officer announced the sale by email, and Ameritek filed a Form D notice of exempt offering.

49. On October 3, 2017, the transfer agent issued the 71,429 shares to Meridian, and they have been carried on the stock ledger from that day forward.

50. On October 23, 2017, Ameritek's outside financial reviewer, Zoellner, acknowledged that he "saw the transaction detail for the $100K deposit from Meridian," deposited into Ameritek's Chase account.

51. This Subscription Agreement was married to the Asset Purchase Agreement in that they were executed on the same day and the $100,000 received by Ameritek from Meridian for the 71,429 shares was immediately transferred to Stokes to satisfy Ameritek's purchase price to Stokes for the fiber optic assets.

52. Ameritek reported the sale of 71,429 shares of its common stock to Meridian in its 10-Q Quarterly Report for the quarter ending August 31, 2017.

The November 2020 Custodianship.

53. Kenneth Mayeaux resigned as director and officer of Ameritek on March 5, 2020.

54. Stokes resigned as director and officer of Ameritek on March 24, 2020.

55. The most recent SEC filing prior to the directors' resignations was a 10-Q Quarterly Report for the quarter ending February 28, 2019. At that time, there were 61,730,599 common shares issued and outstanding of the 185,000,000 shares authorized. There were 51,627 Preferred Series A shares issued and outstanding of the 5,000,000 shares authorized and no Preferred Series B or C shares issued although 5,000,000 of each were authorized.

56. Passley petitioned the district court for appointment as custodian for Ameritek based upon abandonment of the business.

57. The court granted the petition and issued an order appointing Passley custodian on November 9, 2020 at 4:04 p.m.

58. By Ameritek's own pleading, on November 8, 2020, *one day before the Custodianship Order was entered*, Passley admitted that he restored the corporate charter, amended the articles, and appointed himself officer and director.

59. On November 18, 2020, Passley filed a Current Report Form 8-K with the SEC dated November 9, 2020. He announced that the court had appointed him as Custodian of Ameritek and that he had appointed himself as Chief Executive Officer and Sole Director of Ameritek.

60. Also on November 18, 2020, Passley filed a Form 15 Termination of Registration of Securities with the SEC terminating Ameritek's reporting obligations. No SEC periodic report reached the public again until 2023.

61. Also on November 18, 2020, Passley filed a Current Report Form 8-K with the SEC that was dated November 10, 2020. This Form 8-K reported events *in the future* representing that a shareholder's meeting had been held on November 27, 2020 at which time Passley was appointed as President, CEO, Secretary, Treasurer and Director: as well as other unidentified matters.

62. Absent some unknown ability as a soothsayer, Passley would have had no way of knowing whether a quorum would have been present at a November 27, 2020, shareholder meeting when he signed the Form 8-K, on or about November 10, 2026, or when he filed the Form 8-K on or about November 18, 2020.

63. No competent proof that notice of the shareholder's meeting was mailed or delivered to any shareholder of record appears in evidence or in the docket, and its only reference is as an exhibit to an SEC filing made November 18, 2020, the day after the record date.

64. On November 12, 2020, Passley, as the sole self-appointed director of Ameritek, approved the unilateral conversion of all 51,627 existing Preferred Series A shares into 516,270 shares of common stock. This is contrary to the Articles of Incorporation, which allow the holder to elect a conversion, *not the company*.

65. Passley then redesignated the Preferred Series A shares to Preferred Series A Voting shares with each carrying 10,000 votes per share and by authorizing a total of 10,000,000 shares. Passley then caused Ameritek to issue 7,488,730 of the Preferred Series A Voting shares to *himself*. This information was not included on the previous Form 10-K.

The Preferred Series B Shares and Epazz Management Agreement.

66. On November 12, 2020, Passley, on behalf of Ameritek, executed a Management Services Agreement with Epazz, Inc.

67. Epazz is wholly owned by Passley.

68. The Epazz Management Services Agreement carried a 10,000,000-share Preferred Series B stock "engagement fee," a 45 percent monthly markup on expenses, and a $350,000 minimum annual fee payable in convertible promissory notes. Passley signed the Epazz Management Services Agreement on behalf of Ameritek as its Custodian and on behalf of Epazz as its President.

69. There is no evidence that any uninterested director or officer of Ameritek was made aware of Passley's financial interest in Epazz or voted to approve or ratify the Epazz Management Services Agreement, including because at this time Passley was the sole officer and director.

70. There is no evidence that the Ameritek shareholders were aware or made aware of Passley's financial interest in Epazz or that Passley put the Epazz Management Services Agreement to a vote of the shareholders or that the court approved the related party transaction.

71. The existence of the Epazz Management Services Agreement is reported for the first time in an SEC filing in a Form 10-K for fiscal year ending December 31, 2023.

72. The Vail Stock Transfer records indicate Epazz was issued 10,000,000 Ameritek Preferred Series B stock on November 17, 2020. This number exceeded the authorized Preferred Series B shares pursuant to Ameritek's Articles of Incorporation.

73. Prior to the issuance, on November 12, 2020, Passley, as sole director, re-designated Ameritek's Series B preferred stock to carry 10,000 votes per share and issued 10,000,000 preferred shares to Epazz at a cost basis he set at one cent per share: *one hundred billion votes*, delivered to his own company five days before the record date.

74. Passley reported the Preferred Series B stock issued to Epazz had liquidation and first position ownership rights on any assets owned by Ameritek as well as the voting rights. This number of votes per share is contrary to the Articles of Incorporation in two respects; first, the Preferred Series B shares were not entitled to any voting rights; second, the voting rights were a designation of the Preferred Series C shares at a weight of 500 votes for each share.

75. There is no evidence of an amendment to the Articles of Incorporation.

The Series C Preferred Shares.

76. At some time between filing the Form 15 to terminate reporting requirements and the next Form 10-K for fiscal year ended December 31, 2023, Passley authorized the issuance of Preferred Series C shares as follows:

a. 2,000,000 to himself;
b. 22,159,336 to GG Mars Capital, Inc. whose president is Passley's aunt, Vivienne Passley;
c. 22,236,666 to Star Financial Corporation whose president is Passley's mother, Fay Passley;
d. 4,800,000 to Craig Passley.

77. There is no documentary evidence of the consideration provided for each of these stock issuances, although SEC filings prepared at Passley's direction indicate shares to GG Mars Capital, Inc. and Star Financial Corporation was for debt issuance.

Ameritek's Common Shares.

78. On November 13, 2020, Passley authorized the issuance of additional common shares as follows:

a. 50,000,000 to Epazz, Inc.;
b. 18,103,638 to GG Mars Capital, Inc. whose president is Passley's aunt, Vivienne Passley;
c. 18,106,005 to Star Financial Corporation whose president is Passley's mother, Fay Passley;
d. 300 to Fay Passley;
e. 300 to Craig Passley;
f. 300 to Olga Passley;
g. 300 to Lloyd Passley.

79. There is no documentary evidence of the consideration provided for each of these stock issuances. However, the Ameritek Transfer Journal shows a significant number of other issuances of common stock on November 13, 2020.

The Bozki Merger.

80. On November 13, 2020, Bozki, Inc., another Passley company, was merged into Ameritek, and Ameritek assumed a $200,000 convertible note payable to Epazz.

81. There is no evidence of what benefit or consideration Ameritek received in this merger.

82. The terms of this convertible note were for a ten-year payback with an interest rate of 8% and an option to defer 36 monthly payments. As of the December 31, 2025 Form 10-K Annual Report, the total due on the note, inclusive of interest, was $327,982.00.

83. There is no evidence that any uninterested director or officer of Ameritek was made aware of Passley's financial interest in Bozki or voted to approve or ratify the Bozki merger.

84. There is no evidence that the Ameritek shareholders were aware or made aware of Passley's financial interest in Bozki or that Passley sought court approval for the related party transaction.

The VW Win Century Merger.

85. On November 19, 2020, VW Win Century, Inc. ("VW Win"), another Passley company acquired via a custodianship, merged with Ameritek. Both filings preceded the November 27 meeting that was purported to ratify them.

86. In the VW Win merger, Ameritek assumed a $1,000,000 10-year note due to Epazz. Ameritek converted, $500,000 of this debt into 50,000,000 Ameritek common stock issued to Epazz on September 24, 2021. By December 31, 2025, Ameritek reported the principal balance due was $564,094 plus interest of $196,528.

87. Also in the VW Win merger, Ameritek assumed an additional $250,000 note due to Epazz with a 15% interest rate and a maturity date of December 29, 2025. As of December 31, 2025, the principal balance remained $250,000 plus accrued interest of $374,500 for a total indebtedness of $624,500 leaving Ameritek in default of repayment of the note.

88. Purportedly for the $1.25M in assumed debt, Ameritek received a FlexFridge patent for a portable medical use mini-fridge, but by December 31, 2023, Ameritek has not put the product into production (and reported it acquired the patent through the Bozki merger, rather than the VW Win merger). As of December 31, 2025, no patent was listed as an asset and Ameritek reported the asset was not expected to generate any future economic benefit.

89. There is no evidence that any uninterested director or officer of Ameritek was made aware of Passley's financial interest in VW Win or voted to approve or ratify the VW Win merger, including because at this time Passley was the sole officer and director.

90. There is no evidence that the Ameritek shareholders were aware or made aware of Passley's financial interest in VW Win or that the court approved the related party transaction.

The Share Issuance Stay Order.

91. On January 29, 2021, the court issued an order, stating that "[p]ursuant to NRS 78.347, NRS 78.590, NRS 78.605, NRS 78.635, NRS 78.670 et seq., and NRCP54(b), all stock

issuance by ATVK to any and all third-parties and the imposition of any and all contractual penalties are hereby stayed pending resolutions of such claims against ATVK pursuant ot NRS 78.670 et. seq. subject to further orders by this Court."

92. The record does not reflect any order removing or lifting this stay order.

The ZenaTech License and Sale of Ecker Capital.

93. On January 1, 2022, Ameritek entered into yet another transaction with a Passley-owned business, ZenaTech, Inc. In this transaction, Ameritek purports to own a subsidiary, Augmum, Inc., that owns robotic arm technology which is related to drone technology. In substance, this Technology Exclusive License Agreement granted ZenaTech the exclusive right to develop, market, amend or modify the Licensed Software and to own all changes made by ZenaTech to the software. It further granted ZenaTech the right to sub-license or assign its rights. In exchange, Ameritek was to pay all costs associated with obtaining a patent, receive 3,500,000 shares of ZenaTech common stock and 7% of any and all sales.

94. ZenaTech is controlled by Passley.

95. There is no independent evidence of a valuation of the robotic arm technology or the valuation of the ZenaTech shares, yet the shares were valued at $661,886 in the Form 10-K for fiscal year ending December 31, 2023.

96. Passley signed this agreement on behalf of both Ameritek and Augmum and on behalf of both ZenaTech and its subsidiary ZenaDrone, Inc.

97. There is no evidence that any uninterested director or officer of Ameritek was made aware of Passley's financial interest in ZenaTech or voted to approve or ratify the Technology Exclusive License Agreement with ZenaTech.

98. There is no evidence that the Ameritek shareholders were aware or made aware of Passley's financial interest in ZenaTech or that Passley sought court approval for the related party transaction.

99. Despite Ameritek's right to 7% of all sales by ZenaTech, there is no indication that any revenue from sales has ever been realized. Instead, the most recent Form 10-K for fiscal year ending December 31, 2025, represents Ameritek entered into a selling agreement with ZenaTech,

Inc., a related party, to sell 100% of Ecker Capital, LLC membership shares on October 14, 2024, with an effective date of October 1, 2024. ZenaTech's controlling stock interest is owned by Epazz, Inc. and Shaun Passley, PhD. ZenaTech, Inc. issued members 5,000 ZenaTech Super Voting Shares, 1,583,333 ZenaTech common shares and 750,000 ZenaTech Preferred shares (notes 5 and 11). Ecker Capital, LLC is the holding parent company of Interactive Systems, Inc., interlinkOne, Inc. and ESM Software, Inc.

100. This entire transaction appears to be an exchange of shares.

101. Passley is the Managing Director of Ecker Capital, LLC and admits this is a related party transaction in SEC filings.

102. There is no evidence that any uninterested director or officer of Ameritek was made aware of Passley's financial interest in Epazz, ZenaTech, and Ecker or voted to approve or ratify the sale, including because at this time Passley was the sole officer and director.

103. There is no evidence that the Ameritek shareholders were aware or made aware of Passley's financial interest in Epazz, ZenaTech, and Ecker or that the court approved the related party transaction.

The Galaxy Batteries Purchase.

104. On August 14, 2025, Ameritek acquired all of the equity interest of Galaxy Batteries, Inc. from Epazz in exchange for 10,000,000,000 (ten billion) shares of Ameritek's common stock valued at $0.0037 per share.

105. The issuance took outstanding common stock from roughly 949 million shares to 10,949,226,791 shares, diluting every other common holder roughly eleven-fold, and required an amendment raising authorized common stock to 11,000,000,000 shares, approved the month before by "stockholders holding a majority of the voting power," which was the Epazz bloc. Passley approved the acquisition for both companies and confirmed it under oath.

106. Because Passley is the controlling shareholder of Epazz and director, president, chief executive officer, secretary, treasurer, and chief financial officer of Ameritek, this was a related party transaction.

107. There is no evidence that any uninterested director or officer of Ameritek was made aware of Passley's financial interest in Epazz or Galaxy or voted to approve or ratify the transaction, including because at this time Passley was the sole officer and director.

108. There is no evidence that the Ameritek shareholders were aware or made aware of Passley's financial interest in Epazz and Galaxy or that the court approved the related party transaction.

109. There is no evidence of any independent valuation conducted for the issuance of 10,000,000,000 shares.

110. The issuance of 10,000,000,000 shares of common stock far exceeded the authorized shares under the articles of incorporation.

111. For every transaction described above, there was no disinterested director, no committee, no fairness opinion, no independent valuation, and no legitimate shareholder vote. Every valuation was fixed by Passley alone, and every valuation favored Passley or his entities.

Ameritek's 2025 Purchases.

112. On July 3, 2025, Passley entered into an Area Development Agreement with Anytime Fitness Franchisor LLC for the development of fitness centers in Chicago, Illinois. On the same date, Passley assigned all of its rights, title, and interest in the agreement to Ameritek. It appears Ameritek's interest is only in the area development rights rather than any individual franchise agreement. It is unclear how many franchises Ameritek intends to open or where it will obtain the capital to open an actual franchise location.

113. Ameritek purchased a condominium in Chicago, Illinois for $423,242.00 in 2025. As of December 31, 2025, it had produced no rental revenue.

Passley's Stock Compensation Agreement.

114. On January 15, 2025, Ameritek entered into a Stock Compensation Agreement with Passley purporting to provide Passley with an annual salary of $391,575 payable in stock in lieu of cash salary.

115. There is no evidence that any uninterested director or officer of Ameritek was made aware of Passley's financial interest in the Stock Compensation Agreement or voted to approve or ratify the agreement or his salary award.

116. There is no evidence that the Ameritek shareholders were aware or made aware of Passley's financial interest in the Stock Compensation Agreement or that Passley sought court approval for the related party transaction.

117. No resolution, agreement, or other instrument fixing that compensation for defined services appears in evidence, and the issuance, roughly a third of the then-outstanding common stock, awarded during this litigation, was made without any independent process of any kind, on top of the management fees, markups, and minimum annual compensation Epazz was already collecting.

118. Fourteen days after entering into the Stock Compensation Agreement, on January 29, 2025, Ameritek issued Passley 300,000,000 shares of common stock valued at that time at $0.0013 pursuant to Passley's Stock Compensation Agreement.

119. On January 29, 2025, Ameritek issued Epazz another 66,000,000 shares of common stock valued at that time at $0.0013 pursuant to the Epazz Management Agreement.

2020-2026 The Custodianship Years.

120. The Custodianship Order required a report to this Court every three months. NRS 78.347(3)(d). Approximately twenty-two reports came due between November 2020 and April 2026. One was filed: on April 30, 2026, at 9:40 p.m., after Intervenors moved to compel it and the court ordered it. Passley's own petition listed the reporting obligation among the custodian's duties, and yet he violated the Custodianship Order for years.

121. Passley's personal holdings grew from his $5,000 investment in shares before the custodianship to 79,000,000 shares within a month of his appointment, and to 379,100,400 (315,917 after the reverse stock split) common shares after a further self-issuance on January 29, 2025.

122. On October 2, 2023, each of GG Mars and Star Financial received 7,700,000 shares of Series C preferred stock for "debt issuance fees," convertible one-to-three into common stock.

By Ameritek's own count, at the end of 2025 Passley, Epazz, GG Mars, and Star Financial held 8,646,096 or 95% of the 9,124,541 outstanding common shares, and Passley, GG Mars, Star Financial, and Craig Passley owned 51,196,002 or 87% of the 58,896,002 outstanding Series C preferred shares. Additionally, Passley and Epazz own 100% of all Preferred Series A, Preferred Series B, and Preferred Series E shares, and Star Financial, GG Mars, and Craig Passley own over 97% of all Preferred Series D Shares.

123. There is no evidence of what debt issuance fees were earned, what consideration was given for any of the shares issued, and the SEC filings show no notes due to GG Mars, Star Financial, Craig Passley, Fay Passley, Vivienne Passley, Olga Passley, or Lloyd Passley for any capital loans.

124. On January 20, 2026, with this case awaiting trial, Ameritek effected a 1-for-1,200 reverse split of its common stock, taking 10,949,226,791 outstanding common shares down to approximately 9.1 million. The 10,000,000 Preferred Series B shares, with their one hundred billion votes, were untouched. Passley signed the SEC filing "Title: Custodian." After the split, the transfer agent's certificate report shows 9,131,485 common shares outstanding: Epazz holds 8,430,001 and Passley 315,917, *ninety-six percent* of the common stock between them, alongside the untouched one hundred billion preferred votes.

125. None of the issuances or transactions described in Sections C and D was noticed to shareholders, approved by any disinterested person or the court, or even reported to this court.

126. Passley demonstrated knowledge of how to seek this court's approval when he sought approval for his rejection of the Stokes and Meridian creditor's claims under NRS 78.347(6), and obtained approval of his creditor-claim denials. Passley failed to seek court approval for any transaction between Ameritek and his own companies or family members.

The Stokes Creditor Claim.

127. Stokes submitted a creditor claim on February 24, 2021 totaling $3,172,915.13. At trial, Stokes fixed his request at the cash components of the claim comprising $450,000 in salary, $15,000 in unreimbursed expenses, and approximately $39,000 in attorney fees, costs, and interest, based on claimed employment from June 2017 to March 2020. The remaining $2,668,950

was claimed based upon the lost opportunity to sell his 19,770,000 restricted shares because Passley, on behalf of Ameritek, made representations to the transfer agent that prevented the removal of the restrictions and later sought a court-ordered stay on the removal of the restrictions during the litigation.

128. Stokes bears the burden to come forward by a preponderance of the evidence to demonstrate he is owed the money he claims. The court finds Stokes did not meet this burden with respect to any part of his claim.

129. The court finds that had the fees owed for employment been accepted and acknowledged by Ameritek prior to Stokes' resignation, the employment fees would, could, and should have been identified on Ameritek's financials; they were not.

130. As to the claim for attorney's fees, it is entirely unclear to the court the legal basis for the claim and what evidence supports the claimed attorney's fees. Insufficient evidence exists to establish the monies claimed due for attorney fees were authorized by any contract, rule, or statute.

131. As to the subpart of the claim related to damages suffered for failure to remove the restrictive legend, the court finds the calculation of damages required expert testimony or economist testimony. To the extent that Stokes can be considered an unretained expert for himself, the court finds his screen shots of an AI generated Google search showing share value or share trading volume do not present a reliable methodology and disregards any testimony or evidence related to those damages.

132. The claim was presented in the alternative only, contingent on a ruling cancelling the shares, and is MOOT in light of the court's confirmation of the shares below.

133. The court further finds that any attorney fees due pursuant to the defense or prosecution of this action will be determined after a determination of the prevailing parties, as well as entitlement to attorney fees and costs pursuant to any contract, rule, or statute.

134. For these reasons, the Stokes creditor claim is disallowed.

The Meridian Creditor Claim.

135. Meridian submitted a creditor claim in the court-ordered claims process totaling $613,985: $396,350 in principal and $217,635 in fees, costs, interest, and penalties. The claim rests on the Secured Promissory Note approved by Ameritek's board on August 20, 2017 and executed the next day.

136. The Secured Promissory Note identifies 0.50% per month in interest, which calculates to an annual interest rate of 6.0%. It provides that if a payment becomes overdue, then in addition to interest, there is a late charge in an amount equal to 10% of the overdue payment, until the note balance, interest and fees are paid in full.

137. The Secured Promissory Note identifies $353,500.00 (to include a $3,500 facility fee) advanced on August 21, 2017, with $364.238.45, due and owing on February 20, 2018.

138. Despite Meridian's October 22, 2018, demand for payment, the note was never paid.

139. While the court accepts the Secured Promissory Note as competent and persuasive evidence of the amount Ameritek owes Meridian, the court is not persuaded that Ziegler's personal spreadsheet, along with other documentary evidence, demonstrates any amount provided to Ameritek in excess of the $353,500.00 principal and facility fee amount.

Breach of Contract (A-21-833150-B).

140. Ameritek's claim against Stokes for breach of contract alleges Stokes breached the Asset Purchase Agreement by failing to or refusing to deliver rights or title to fiber optic assets.

141. To prevail on a claim for breach of contract, the plaintiff must show (1) the existence of a valid contract, (2) that the plaintiff performed, (3) that the defendant breached, and (4) damage as a result of the breach. *Iliescu v. Reg'l Transp. Comm'n of Washoe Cnty*, 138 Nev. 741, 746–747, 522 P.3d 453, 458 (Ct. App. 2022), citing *Saini v. Int'l Game Tech.*, 434 F. Supp. 2d 913, 919-20 (D. Nev. 2006).

142. Here, the parties do not dispute that the Asset Purchase Agreement is a valid contract and that the plaintiff performed by providing Stokes with the bargained amount of 19,770,000 restrict common shares and $100,000.

143. Rather, Ameritek contends that Stokes breached the contract by either 1) failing to deliver the fiber optic assets, 2) failing to deliver title to the fiber optic assets, or 3) failing to have clear title to the fiber optic assets.

144. The court finds that Ameritek has failed to come forward with sufficient evidence demonstrating that consideration was not received for the shares. Even if an inference could be drawn that consideration was not received, the court finds Stokes has come forward with competent evidence to rebut any type of inference.

145. Stokes presented evidence concerning the lease of Ameritek's facility, contemporaneous press releases regarding Ameritek's acquisition of the fiber optic technology and move to the new Roanoke facility. Jamie Mayeaux's testimony further confirmed the existence and receipt of the fiber optic assets. The loss or destruction of those fiber optic assets eighteen months after delivery to Ameritek's custody and control does not amount to a breach by Stokes.

146. Though there was testimony that a bill of sale or other documentation required to transfer title was to be provided as part of the Asset Purchase Agreement, the court finds a bill of sale would confirm nothing more than what the Asset Purchase Agreement already established—that is the transfer of the fiber optic assets for the consideration of $100,000 and 19,770,000 shares. As such, the court finds the provision of a bill of sale is not a material term of the contract.

147. Finally, the court finds the fiber optic assets identified in the Asset Purchase Agreement related to the intellectual property, future patent rights, software, and schematics rather than the two physical manufacturing machines. To that end, Zieger's testimony that any lien against the two machines was lifted as part of his agreement to infuse $100,000 capital into Ameritek for the purchase of 71,429 shares credible. Ameritek failed to establish any other security interest in the fiber optic assets that would have precluded the sale and transfer and failed to establish any title documentation required to transfer intellectual property outside of the Asset Purchase Agreement itself.

Declaratory Relief (A-21-833150-B and repeated as the First Cause of Action in Counterclaim in A-20-822695-B).

148. Any person interested under a written contract or other writings constituting a contract, or whose rights, status or other legal relations are affected by a statute, municipal ordinance, contract, may have determined any question of construction or validity arising under the instrument or contract and obtain a declaration of rights, status or other legal relations thereunder. NRS 30.040(1).

149. Ameritek seeks this court's declaration that the Asset Purchase Agreement is void for impossibility because Stokes could not have held title to the fiber optic assets based upon a July 20, 2016 security agreement. Ameritek further seeks a declaration from this court that Stokes breached the Asset Purchase Agreement by failing to deliver the fiber optic assets. Finally, Ameritek seeks a declaration from this court that Ameritek can cancel Stokes' shares pursuant to NRS 78.211.

150. The court finds the declarations Ameritek seeks inconsistent with its findings on Ameritek's breach of contract claim, above. Ameritek failed to present any evidence of a July 20, 2016 security agreement that would have prevented Stokes from holding title to the fiber optic assets such that he could not transfer them to Ameritek. Independent evidence was presented demonstrating Ameritek received the consideration for which the board of directors authorized the issuance of shares in the Asset Purchase Agreement. Therefore, the shares issued are fully paid and not subject to cancellation. NRS 78.211(2).

Injunctive Relief (A-21-833150-B)

151. Through its complaint, Ameritek sought injunctive relief in the form of restraining Stokes from removing or attempting to remove the restrictions from his 19,770,000 shares.

152. Any person interested under a written contract or other writings constituting a contract, or whose rights, status or other legal relations are affected by a statute, municipal ordinance, contract, may have determined any question of construction or validity arising under the instrument or contract and obtain a declaration of rights, status or other legal relations thereunder. NRS 30.040(1).

153. On February 12, 2021, Ameritek sought an amendment to a previously issued order to prevent Stokes from removing the restrictive legend from Stokes' 19,770,000 shares.

154. An order granting the injunctive relief sought was entered on March 1, 2021 and remains in effect.

155. Having found that the shares were validly issued, the court finds no legal basis to retain the restrictive legend on the shares.

Declaratory Relief Against Meridian.

156. Through its Counterclaim, Ameritek seeks a declaration from this court that the 71,429 shares issued to Meridian were without consideration and that Ameritek has the authority to cancel those shares pursuant to NRS 78.211.

157. The court finds the Subscription Agreement dated August 30, 2017 set the consideration for the 71,429 shares at $100,000.00. Stokes, Zieger, and Jamie Mayeaux each provided competent testimony regarding the payment of the $100,000.00, which was further corroborated by independent evidence in the form of an email from Gene Zoellner of Somerset CPA acknowledging receipt of the funds into Ameritek's Chase bank account, the signed Acceptance by Corporation, and SEC filings acknowledging receipt.

158. The court finds the shares issued were fully paid, validly issued, and not subject to cancellation. NRS 78.211(2).

Intentional Misrepresentation.

159. The Nevada Supreme Court has outlined the following elements necessary for a claim of intentional misrepresentation: (1) Defendant made a false representation; (2) Defendant knew or believed that his or her representation was false, or defendant had insufficient basis of information for making the representation; (3) Defendant intended to induce plaintiff to act or refrain from acting upon misrepresentation; (4) Plaintiff justifiably relied upon defendant's representation; and (5) Plaintiff sustained damages as a result. *Bulbman, Inc. v. Nevada Bell*, 108 Nev. 105, 110–111, 825 P2d 588, 592 (1992).

160. Ameritek asserts three causes of action for intentional misrepresentation.

161. For its first intentional misrepresentation claim**,** Ameritek alleges that Meridian, Zieger, Stokes, and Kenneth Mayeaux each misrepresented to the Custodian that Meridian had delivered $350,000 to Ameritek on February 26, 2021. This claim fails for multiple reasons.

162. First, the February 26, 2021 date coincides with Meridian's presentation of its creditor's claim. The only author of this document is Ari Zieger on behalf of Meridian. Accordingly, Ameritek has presented no evidence that either Stokes or Kenneth Mayeaux made any representations to Passley, as the custodian of Ameritek, on February 26, 2021.

163. Second, the docket shows that Passley, as custodian, rejected this claim and sought the Court's resolution or confirmation of his rejection by way of motion on March 31, 2021. At that time, Passley asserted that there was no record that the funds of $350,000 were actually delivered to Ameritek.

164. The statute of limitations for a claim of intentional misrepresentation is three years from the date of discovery. NRS 11.190(3)(d). Here, Ameritek's counterclaim filed on March 17, 2025, was brought beyond the applicable statute of limitations and was properly raised by Meridian and Zieger as an affirmative defense.

165. Third, as an independent basis for denying this claim, the Court finds the testimony of Zieger, Stokes, and Mayeaux, as well as the independent records showing payments made by Meridian on behalf of Ameritek establish that neither Meridian nor Zieger made any representations to the custodian intended to induce Ameritek to act or refrain from acting upon the representation. Further, Ameritek has failed to produce clear and convincing evidence that it justifiably relied upon defendant's representation or that any representation played a substantial and material part in leading Ameritek to take any particular course of action. *Blanchard v. Blanchard*, 108 Nev. 908, 911, 839 P.2d 1320, 1322 (1992). Ameritek has also failed to establish any damages.

166. For its second misrepresentation claim, Ameritek asserts that Meridian, Zieger, Stokes, and Mayeaux each misrepresented Meridian's ability and intention to deliver $100,000 to Ameritek as consideration for the 71,429 Ameritek shares in unidentified public reports and

disclosures on August 30, 2017 and thereafter. Ameritek has failed to meet its burden of proving its claim by clear and convincing evidence.

167. Passley's testimony confirmed that he became aware of the alleged misrepresentation around the same time that he rejected the related creditor's claims at the end of March 2021. Given the three-year statute of limitations, Ameritek's claim was brought beyond the statute of limitations period and could be denied on that basis alone. NRS 11.190(3)(d).

168. Further, it is questionable whether the claim was pleaded with sufficient particularity to include averments to the time and place of the alleged fraud given the broad range of time and lack of identification of the place in which the alleged misrepresentation was made. NRCP 9(b); *Rocker v. KPMG LLP*, 122 Nev. 1185, 1192, 148 P.3d 703, 708 (2006).

169. No further clarifying information was presented at trial, leaving the court to speculate. Nonetheless, the court finds no evidence of intent and no evidence of how Ameritek relied upon any of the allegations. *Bulbman, Inc. v. Nevada Bell*, 108 Nev. 105, 110–111, 825 P2d 588, 592 (1992); *Blanchard v. Blanchard*, 108 Nev. 908, 911, 839 P.2d 1320, 1322 (1992). Furthermore, the court finds no misrepresentation as there is independent evidence that the $100,000 consideration for the shares was actually paid by Meridian and received by Ameritek.

The Asset Purchase Agreement.

170. In its fifth cause of action, Ameritek asserts that from August 30, 2017, and thereafter, Stokes and Mayeaux misrepresented that Stokes transferred the fiber optic assets to Ameritek as consideration for the $100,000 and 19,770,000 shares Stokes received from Ameritek.

171. The Court finds that Ameritek has failed to meet its burden of proving its claim by clear and convincing evidence.

172. For the same reasons noted above, Passley admits to having knowledge of the basis of this claim as far back as March 2021 rendering his claim in violation of the statute of limitations. NRS 11.190(3)(d).

173. Independently, there is compelling and competent evidence that the fiber optic assets were transferred to Ameritek and maintained in an Ameritek facility for approximately 18

months before they went missing after eviction. The court finds neither Stokes nor Mayeaux made a misrepresentation or false statement. Additionally, the Court finds no evidence of intent on the part of Stokes or Mayeaux to induce Ameritek in any way and no evidence of Ameritek's reliance. *Bulbman, Inc. v. Nevada Bell*, 108 Nev. 105, 110–111, 825 P2d 588, 592 (1992); *Blanchard v. Blanchard*, 108 Nev. 908, 911, 839 P.2d 1320, 1322 (1992).

Negligent Misrepresentation.

174. The Nevada Supreme Court has adopted the Restatement (Second) of Torts § 552 definition of the tort of negligent misrepresentation: "(1) One who, in the course of his business, profession or employment, or in any other action in which he has a pecuniary interest, supplies false information for the guidance of others in their business transactions, is subject to liability for pecuniary loss caused to them by their justifiable reliance upon the information, if he fails to exercise reasonable care or competence in obtaining or communicating the information." *Barmettler v. Reno Air, Inc.*, 114 Nev. 441, 449, 956 P.2d 1382, 1387 (1998).

175. For the same reasons Ameritek's claim for intentional misrepresentation fails, its claim for negligent misrepresentation fails.

Breach of Contract ($350,000 Note).

176. Alternative to its other claims, Ameritek alleges a breach of contract against Meridian for failing to deliver $350,000 to Ameritek pursuant to a loan agreement.

177. To prevail on a claim for breach of contract, the plaintiff must show (1) the existence of a valid contract, (2) that the plaintiff performed, (3) that the defendant breached, and (4) damage as a result of the breach. *Iliescu v. Reg'l Transp. Comm'n of Washoe Cnty*, 138 Nev. 741, 746–747, 522 P.3d 453, 458 (Ct. App. 2022), citing *Saini v. Int'l Game Tech.*, 434 F. Supp. 2d 913, 919-20 (D. Nev. 2006).

178. Preliminarily, though Ameritek phrases its claim as a breach of a loan agreement, the court finds no evidence of a loan agreement. Instead, the court has been presented with evidence of the existence of a valid Secured Promissory Note. Ameritek bears the burden of demonstrating that Meridian breached the Secured Promissory Note. The court finds Ameritek has

not carried its burden at demonstrating Meridian had either an obligation to deliver amounts under the Secured Promissory Note or that Meridian failed to deliver the amounts.

Breach of Contract Claim (Subscription Agreement).

179. For the same reasons noted above in the analysis of the declaratory relief and intentional misrepresentation claims related to Meridian's purchase of 71,429 shares, Ameritek's claim for breach of the subscription agreement fails.

180. Independent evidence exists demonstrating that Meridian delivered and Ameritek received the $100,000 purchase price. There is no evidence of a breach by Meridian.

Abuse of Process.

181. Ameritek asserts Meridian and Stokes committed an abuse of process by asserting creditor's claims, initiating the related California litigation, defending Ameritek's share cancellation case consolidated herein, and asserting derivative claims in the complaint in intervention.

182. A claim of abuse of process requires both 1) an ulterior purpose by the defendants other than resolving a legal dispute and 2) a willful act in the use of the legal process. *LaMantia v. Redisi*, 118 Nev. 27, 30, 38 P.3d 877, 879 (2002). The mere filing of a complaint does not meet the requirement of a willful act. *Land Baron Invs., Inc. v. Bonnie Springs Family Ltd. P'shi*p, 131 Nev. 686, 698, 356 P.3d 511, 519–520 (2015).

183. The court finds no evidence of an ulterior purpose on the part of either Meridian or Stokes.

Breach of Fiduciary Duty Against Passley.

184. Meridian and Stokes bring derivative claims against Passley for a series of self-interested transactions, including the Epazz Management Agreement, ZenaTech License Agreement, Stock Compensation Agreement, merger with Bozki, merger with VW Win, the acquisition of Galaxy Batteries, and issuance of millions of shares to himself and family members or entities controlled by family members.

185. A director or officer is individually liable for damages where the good faith presumption of the business judgment rule is rebutted *and the breach involved intentional*

misconduct, fraud, or a knowing violation of law. NRS 78.138(7); *Guzman v. Johnson*, 137 Nev. 126, 483 P.3d 531 (2021); Chur v. Eighth Judicial District Court, 136 Nev. 68, 458 P.3d 336 (2020).

186. The business judgment rule is rebutted by a showing that Passley, as the fiduciary, held a personal interest in the challenged transactions. *Guzman*, 137 Nev. at 132, 483 P.3d at 537 (a plaintiff may rebut the presumption of good faith by "showing that the fiduciary had a personal interest in the transaction") (citing *Wynn Resorts, Ltd. v. Eighth Judicial Dist. Court*, 133 Nev. 369, 377, 399 P.3d 334, 343 (2017)).

187. The court finds that Passley had a personal financial interest in each of the multiple transactions he entered into on behalf of Ameritek. The evidence clearly establishes that he was the signing party on behalf of both Ameritek and the other entity under his control. Each of the multiple transactions outlined in the findings of fact is between Ameritek and another corporation or entity in which Ameritek's only director and officer, Passley, was financially interested. NRS 78.140.

188. Although the court finds the good faith presumption afforded by NRS 78.138(3) has been rebutted, Meridian and Stokes have not come forward with sufficient evidence to hold Passley personally liable under NRS 78.138(7)(b). There is not sufficient evidence of fraud, intentional misconduct, or knowing violation of the law.

189. Meridian and Stokes do not appear to assert fraud (i.e., that Passley made misrepresentations or failed to disclose information on which they relief); rather they appear to assert Passley's conduct amounts to intentional misconduct or knowing violation of the law by causing Ameritek to enter into numerous related party transactions, to issue large numbers of shares to Passley and related parties, and to cause a reverse split.

190. In *Chur*, the Nevada Supreme Court held that for a claimant to show intentional misconduct or knowing violation "the claimant must establish that the director or officer had knowledge that the alleged conduct was wrongful." *Chur v. Eighth Jud. Dist. Ct. in & for Cnty. of Clark*, 136 Nev. 68, 75, 458 P.3d 336, 342 (2020).

191. While the court finds Passley's related party transactions as conducted were wrongful, Meridian and Stokes have not presented sufficient evidence from which the court can find or infer that Passley *knew* his conduct was wrongful. The mere wrongfulness of conduct cannot equate knowledge of that wrongfulness.

192. Even if the court is wrong with regard to the sufficiency of evidence on knowledge, Meridian and Stokes have not come forward with sufficient evidence of Ameritek's damages, as opposed to damages suffered individually and distinctly by them and other diluted stockholders. Even then Meridian and Stokes have not sufficiently shown the decrease in their share value, from which the court could award an amount of monetary damages.

193. That said, it appears Meridian and Stokes presently do not seek a monetary award, as opposed to voiding of the related party transactions and/or removal of Passley as custodian. For this, NRS 78.138(7) is inapplicable, as it is limited to personal liability. The court finds that it may still void the related party transactions and actions ensuing from the related party transactions, whether it does so because Stokes breached his fiduciary duty and/or because Stokes acts only pursuant to this court's grant of power as custodian. *See Kendall v. Henry Mountains Mines, Inc.*, 78 Nev. 408, 411, 374 P.2d 889, 890 (1962) (holding that a director "cannot, therefore, at the same time act for himself and his principal without full knowledge and free assent of the principal, and, if he assumes to do so, his acts may be avoided by the corporation or its stockholders. Such transactions, however, are not absolutely void; they are only voidable at the instance of the corporation or a stockholder.") Here, there is no evidence as contemplated by NRS 78.140(2) that would "avoid" voiding of the related-party transactions.

Abuse of Power.

194. The court finds this is not a separate legally cognizable claim and the allegations are fairly consumed in the breach of fiduciary duty claims above.

ORDER

Based on the foregoing, the court ORDERS as follows:

195. The court DENIES Ameritek's First Cause of Action for Breach of Contract Against Stokes in A-21-833150-B, finding in favor of Stokes and against Ameritek.

196. The court DENIES Ameritek's Second Cause of Action for Declaratory Relief in A-21-833150-B and the restated claim in the First Cause of Action in its Counterclaim in A-20-822695-B, finding in favor of Stokes and against Ameritek.

197. The court DENIES Ameritek's Third Cause of Action for Injunctive Relief in A-21-833150-B, and DISSOLVES the stay previously entered. Stokes may initiate a request to have the restrictive legend removed from the shares without interference or impediment by Ameritek.

198. The court DENIES Ameritek's Second Cause of Action for Declaratory Relief Against Meridian in the counterclaim, finding in favor of Meridian and against Ameritek.

199. The court DENIES Ameritek's Third Cause of Action for Intentional Misrepresentation in the counterclaim/third-party claim, finding in favor of Meridian, Zieger, Stokes, and Mayeaux and against Ameritek.

200. The court DENIES Ameritek's Fourth Cause of Action for Intentional Misrepresentation in the counterclaim/third-party claim, finding in favor of Meridian, Zieger, Stokes, and Mayeaux and against Ameritek.

201. The court DENIES Ameritek's Fifth Cause of Action for Intentional Misrepresentation in the counterclaim/third-party claim, finding in favor of Stokes and Mayeaux and against Ameritek.

202. The court DENIES Ameritek's Sixth Cause of Action for Negligent Misrepresentation in the counterclaim/third-party claim, finding in favor of Meridian, Zieger, Stokes, and Mayeaux and against Ameritek.

203. The court DENIES Ameritek's Seventh Cause of Action for Breach of Loan Contract in the counterclaim, finding in favor of Meridian and against Ameritek.

204. The court DENIES Ameritek's Eighth Cause of Action for Breach of Purchase Contract in the counterclaim, finding in favor of Meridian and against Ameritek.

205. The court DENIES Ameritek's Ninth Cause of Action for Abuse of Process in the counterclaim, finding in favor of Meridian and Stokes and against Ameritek.

206. The court GRANTS Intervenors' First Cause of Action for Breach of Fiduciary Duty, finding in favor of Meridian and Stokes, derivatively on behalf of Ameritek, and against

Shaun Passley, individually, in so far as limiting the remedy to voiding of the related party transactions, as opposed to imposing any personal liability on Passley.

207. The court GRANTS Intervenors' First Cause of Action for Breach of Fiduciary Duty, finding in favor of Meridian and Stokes, derivatively on behalf of Ameritek, and against Shaun Passley, individually, in so far as limiting the remedy to voiding of the related party transactions, as opposed to imposing any personal liability on Passley.

208. The court DENIES the Intervenors' Third Cause of Action for Abuse of Power.

209. The court DENIES and disallows Clinton Stokes' creditor's claim.

210. The court GRANTS and permits Meridian's creditor's claim compromising $353,500.00 in principal and facility fees, with additional interest and late fees calculated as of the date of this order to be (1) $190,250.00 in interest; and (2) $35,350 in late fee, for a total of **$579,100.00**, with additional interest to accrue at the contractual rate until paid in full.

211. Pursuant to this court's authority under NRS 78.347 and the resolution of the creditor's claims the custodianship is TERMINATED and Passley is REMOVED as custodian.

212. All shares issued to Passley, entities controlled by Passley, Passley's family members, the entities controlled by family members, or issued to Passley's associates, which were issued without demonstrated consideration, are deemed VOID and CANCELLED.

213. The Epazz Management Agreement, the Ameritek merger with Bozki, the Ameritek merger with VW Win, the ZenaTech License Agreement, the Stock Compensation Agreement, the sale of Ecker Capital, the purchase of Galaxy Batteries, and all other transactions wherein Passley signed on behalf of both parties are deemed VOID AB INITIO. All shares issued pursuant to those agreements are deemed CANCELLED. All debt assumed pursuant to those agreements remains with the originating party.

214. Passley was never properly appointed as a director or officer of Ameritek leaving Ameritek without duly appointed leadership.

215. Passley, entities controlled by Passley, Passley's family members, the entities controlled by family members, are BANNED from serving as officers or directors of Ameritek.

216. The January 20, 2026 one-for-1,200 reverse split of Ameritek's common stock is RESCINDED. The share register shall be restored to its pre-split state, as modified by the cancellations ordered herein, and Ameritek and its transfer agent shall make all corrections and filings necessary to implement the restoration.

217. Passley, as the owner or control person of Epazz, Inc., ZenaTech, Inc., Bozki, Inc., VW Win Century, Inc., and Ecker Capital, LLC, and as the person who directed the issuances to GG Mars Capital, Inc., Star Financial Corporation, and his family members, shall cause each such entity and person to surrender for cancellation all shares cancelled by this Order and to execute all instruments necessary to implement the rescissions ordered herein, within twenty-one (21) days of notice of entry of this Order. Pursuant to NRCP 65(d)(2), this Order binds Passley, his officers and agents, and all persons and entities in active concert or participation with him who receive actual notice of it. Failure to comply may result in an order to show cause why the court should not hold Passley in contempt.

218. A neutral receiver or successor custodian (the "Neutral"), in the form the court determines, may be appointed by further order of the court.[2] Within fourteen (14) days of notice of entry of this order, each side may submit up to three (3) proposed candidates, together with each candidate's qualifications and a written disclosure of any present or prior relationship with any party, counsel, or affiliate, and whether the candidate will serve without compensation, and if not, how the candidate will be compensated. Candidates must be independent of all parties and should have experience in corporate governance, custodianships, receiverships, or insolvency. The court may require a bond in an amount it deems appropriate.

219. If a Neutral is appointed, Passley shall deliver all books, records, credentials, accounts, and property of Ameritek to any Neutral within ten (10) days of the Neutral's appointment and shall cooperate fully with the Neutral's review. Pending the appointment and

[2] That the court is calling for nomination of a neutral does not mean the court will appoint a neutral. Although the court acknowledges there are likely innocent stockholders who purchased Ameritek shares following Passley's appointment, in balancing the equities, the court is not obligated to rehabilitate the company through a neutral or otherwise.

qualification of the Neutral, Ameritek and its transfer agent shall maintain the status quo: no shares shall be issued, transferred, converted, split, or cancelled except as ordered herein, no charter documents shall be amended, and no transactions outside the ordinary course shall be undertaken.

IT IS SO ORDERED.

Dated this 11th day of August, 2026

Maria Gall

E58 6D9 2224 9946
Maria Gall
District Court Judge

CSERV

DISTRICT COURT
CLARK COUNTY, NEVADA

Shaun Passley, Plaintiff(s) vs. Ameritek Ventures, Defendant(s)	CASE NO: A-20-822695-B DEPT. NO. Department 9

AUTOMATED CERTIFICATE OF SERVICE

This automated certificate of service was generated by the Eighth Judicial District Court. The foregoing Findings of Fact, Conclusions of Law and Order was served via the court's electronic eFile system to all recipients registered for e-Service on the above entitled case as listed below:

Service Date: 8/11/2026

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If indicated below, a copy of the above mentioned filings were also served by mail via United States Postal Service, postage prepaid, to the parties listed below at their last known addresses on 8/12/2026

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