

IN THE SUPREME COURT OF THE STATE OF NEVADA

STEVE GILLIS; AND JULIA REIS,
Appellants,
vs.
KARINE FONSECA,
Respondent.


KARINE FONSECA,
Appellant,
vs.
STEVE GILLIS; AND JULIA REIS,
Respondents.

No. 87896

No. 88119

FILED

MAR 13 2025

ELIZABETH A. BROWN
CLERK OF SUPREME COURT
BY 
DEPUTY CLERK

ORDER OF AFFIRMANCE

This is a consolidated appeal from an order vacating an attorney fees award issued as a sanction and cross-appeal from an order denying attorney fees. Eighth Judicial District Court, Clark County; Kathleen E. Delaney, Judge.

Steve Gillis and Julia Reis (collectively, the Gillis Parties) initiated a civil action against Karine Fonseca, asserting causes of action for intentional interference with contractual relations and intentional interference with a prospective business advantage after Fonseca allegedly interfered with a contract involving the Gillis Parties' business, Summerlin Volleyball Academy. During discovery, at a hearing on the Gillis Parties' motion for summary judgment, the district court sanctioned Fonseca, awarding the Gillis Parties attorney fees. After filing an unsuccessful motion to set aside the sanctions, Fonseca filed a motion to dismiss for lack of subject matter jurisdiction. The district court granted the motion, concluding that it lacked jurisdiction over the matter because the Gillis Parties were barred from bringing an action against Fonseca pursuant to NRS 602.070. Fonseca subsequently filed a motion to vacate the district

court order imposing sanctions, which the district court also granted. In light of these orders, Fonseca filed a motion for attorney fees pursuant to NRS 18.101(2)(b), which the district court denied. The Gillis Parties appeal the district court order granting the motion to vacate the sanctions order, and Fonseca appeals the district court order denying her motion for attorney fees. We have consolidated the appeals.

The Gillis Parties argue that the sanctions order was improperly vacated. Fonseca disagrees and argues that even if the order was improperly vacated, this court should affirm because the district court reached the right result for the wrong reason.

A district court order imposing sanctions is an interlocutory order. District courts retain authority to vacate or modify interlocutory orders prior to final judgment, at which point they merge into the final judgment. NRCP 54(b). Additionally, district courts enjoy broad discretion in adjudicating a request for sanctions. *Emerson v. Eighth Jud. Dist. Ct.*, 127 Nev. 672, 680, 263 P.3d 224, 229 (2011). Here, the district court vacated its sanctions order—effectively denying the original request for sanctions. The district court vacated the order after it granted Fonseca’s motion to dismiss for lack of subject matter jurisdiction, reasoning that the sanctions order was void. After reviewing the record, we conclude that the district court reached the right result, albeit for the wrong reason, because the sanctions were imposed on Fonseca without proper notice and without an adequate legal basis. *Albios v. Horizon Cmtys., Inc.*, 122 Nev. 409, 426 n.40, 132 P.3d 1022, 1033 n.40 (2006) (stating that this court “will affirm the district court if it reaches the right result, even when it does so for the wrong

reason.”). We therefore conclude that the district court did not abuse its discretion in vacating the order imposing sanctions.¹

In her cross-appeal, Fonseca argues the district court abused its discretion in denying attorney fees pursuant to NRS 18.010(2)(b). Specifically, she asserts that the Gillis Parties’ action was groundless because they failed to adhere to the requirements outlined in NRS 602.070. We review a district court order awarding or denying attorney fees for an abuse of discretion. *Albios*, 122 Nev. at 417, 132 P.3d at 1028.

Under NRS 602.070, an action may not be commenced or maintained by a business entity unless the certificate required under NRS 602.010 has been filed.² NRS 602.070 “bars bringing an action when the claims arise from a contract, transaction, or business conducted beneath the banner of an unregistered fictitious name.” *Loomis v. Whitehead*, 124 Nev. 65, 69, 183 P.3d 890, 892 (2008). NRS 18.010(2)(b) provides that attorney fees may be awarded to a prevailing party “when the court finds that the claim . . . was brought or maintained without reasonable ground.” “[A] claim is frivolous or groundless if there is no credible evidence to support it.” *Capanna v. Orth*, 134 Nev. 888, 895, 432 P.3d 726, 734 (2018) (internal quotation marks omitted).


The district court dismissed the Gillis Parties’ complaint for lack of subject matter jurisdiction because their business, Summerlin Volleyball Academy, did not have a registered fictitious business name. As

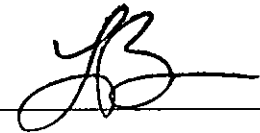
¹In light of this disposition, we decline to address the parties’ remaining arguments on appeal.


²NRS 602.010 requires every person doing business in Nevada under an assumed or fictitious name to file a certificate with the county clerk stating the assumed or fictitious name. NRS 602.020.

such, they could not file a complaint against Fonseca. However, we conclude that the Gillis Parties' failure to adhere to this statutory requirement does not mean that their causes of action were unsupported by credible evidence. Indeed, the record shows that after the complaint was dismissed for lack of subject matter jurisdiction the Gillis Parties subsequently registered their business and recommenced suit against Fonseca. We therefore conclude that the district court did not abuse its discretion in denying Fonseca's motion for attorney fees. Accordingly, we

ORDER the judgments of the district court AFFIRMED.


_____, J.
Parraguirre


_____, J.
Bell


_____, J.
Stiglich

cc: Hon. Kathleen E. Delaney, District Judge
Persi J. Mishel, Settlement Judge
Campbell & Williams
Greenberg Traurig, LLP/Las Vegas
Ballard Spahr LLP/Las Vegas
Eighth District Court Clerk