things and all that. Mr. Shapiro didn't. And that's 1 2 the time to have raised these issues. He consented to 3 our intervention. And so, when we step away from everything --4 5 THE COURT: Had you been moved up to 13 by 6 the time ---7 MR. FERRARIO: Yes. **THE COURT:** — of the intervention? 8 MR. FERRARIO: Yes. 9 10 THE COURT: Okay. MR. FERRARIO: And that's what -- and that's 11 why, you know, we went in front of Judge Cadish. 12 pretty sure - I can't quote exactly, but I remember 13 going in front of her in the summer and she said this 14 was, I think, the first mandamus petition she had 15 16 entertained, and she asked us --Isn't that what she said? Yeah. 17 And she says, "How do you want to proceed?" 18 The reason it kind of drug on is we ended up having 19 some briefing. We went back and forth, and really the 20 only people that were arguing at the time was the State 21 and Acres. And we were pursuing our writ of mandamus, 22 and by then the issues had crystalized. All the other 23 parties, I think, had dropped out. The declaratory 24 relief claim was really on the sideline now. So all we 25

```
1
      obtained a judgment on was our -- our mandamus
  2
      petition, and the mandamus petition says, State, go
      back and properly rank -- or properly rank the
  3
      applicants, which means, once you do that, Acres goes
  4
  5
      to 13, GB goes to 14. That's all that happened.
                So, at the end of the day, when I step way
  6
  7
     back from this --
                THE COURT: I quess, when - when did you
 8
 9
     realize GB was -- Sciences was No. 13?
               MR. FERRARIO: When did we realize GB Science
10
     was 13? I can't -- I don't remember when I became
11
     aware of the GB Science lawsuit, to be honest with you.
12
13
     I just don't.
               Do you remember that?
14
               MS. KATZ: I wasn't on the file at that time.
15
               MR. FERRARIO: I honestly don't remember,
16
     Your Honor. I know we were in court, and I was
17
1.8
     thinking at the time -
               THE COURT: Why didn't you -- and I
19
20
     understand you're saying they didn't get scored, but, I
     mean - or didn't release their scores, but why didn't
21
     you just, out of an abundance of caution, plug GB
22
     Sciences in to -
23
               MR. FERRARIO: I think that's - that's
24
     addressed here. They didn't allow the publishing of
25
```

```
1
      their scores.
                THE COURT: You're saying you didn't know --
  2
  3
                MR. FERRARIO: Where they --
                THE COURT: -- who they were at all, or that
  4
  5
      you didn't know if they were ahead of you or not?
               MR. FERRARIO: I -- I -- I don't want to
  6
  7
     misstate because I didn't draft that initial complaint.
      I -- I can -- the person that was doing that's no
 8
 9
     longer with the firm, and then Ms. Katz was working on
10
     it. So I can't tell you when I knew of that.
                I became aware of the -- of the GB Science
11
     lawsuit probably right around the time of the hearing
12
13
     and when I -- and when Mr. Shapiro showed up. And --
     and that he was claiming that there was a problem with
14
     NuLeaf's application, and I thought to myself -- and I
15
     think we even discussed this - that if we're
16
     successful in front of Judge Cadish, we'll be coming
17
     over in to your suit. And we had -- we had discussions
1.8
     about the fact that there was another certificate that
19
20
     was potentially available -- I think it was -- is it
     Desert Air was the other party? -- that had been
21
     dismissed, and I think they tried to bring them back in
22
     at one of the last hearings.
23
               So, from my perspective, I wouldn't have had
24
     to bring them in to the mandamus case under any
25
```

The only claim that they might have had a 1 scenario. 2 right to participate in might have been a declaration -- a declaratory relief claim, but that's 3 4 not what we ultimately prevailed on. We prevailed on 5 the mandamus claim. And so, as soon as we got that order -- or, 6 7 actually, at the hearing I think Mr. Shapiro and I had a discussion shortly after saying, you know, We're 8 9 going to come --MR. SHAPIRO: Your Honor, I'd object to the 10 11 representations of this. MR. FERRARIO: Well, fine. At the hearing -12 he was at the hearing, and then we -- right after we 13 14 got the order, we made our motion to come in to this 15 case. If he thought that he was somehow harmed by 16 what happened in front of Judge Cadish or that his due 17 process rights were violated or he wasn't going to be 18 bound by that Rule 13 -- or that finding by Judge 19 20 Cadish saying that Acres was 13, he should have If he objected at the time we petitioned to intervene. 21 didn't think we had any business being in this case 22 because he didn't have an opportunity to participate in 23 front of Judge Cadish, he should have made that 24 argument then. 25 He didn't.

At the end of the day, what Your Honor has 1 2 tried to do, at least from my reading of the - of the pleadings and your order, is you tried to follow the 3 4 law and get it right. And no matter how much he argues, no matter how much GB Science complains, they 5 simply never get to No. 13. So if we want to get this 6 right. Okay? If we want to do what Mr. Shapiro argues 7 we should do in his pleading and what GB Science wanted 8 to do, is they wanted the parties to be in the position 9 they should have been in on November 3rd, 2014. If you 10 take his stake, what position should the parties have 11 been in on November 3rd, 2014? Acres was No. 13; GB 12 Sciences was No. 14. And when you properly apply the 13 law, Acres gets the next certificate. 14 15

So if you go back to the case he cites, equity regards as done what in good conscious ought to be done, what in good conscious ought to be done is the person that should have been properly ranked 13 should get the certificate.

16

17

18

19

20

21

22

23

24

25

So I can go through the rest of this, but I think Your Honor's heard enough from us. At the end of the day, they have no case law that supports them on — on these propositions. Our mandamus claim was against the State; we prevailed. The State hasn't appealed. That means they're duty-bound to rank us 13th;

1	duty-bound, and they've done that. They followed Judge			
2	Cadish's order.			
3	So, at this point in time, according to the			
4	state of Nevada, we are No. 13. Under Your Honor's			
5	ruling, when NuLeaf is gone, the certificate goes to			
6	the next person in order, and that is Acres. And as I			
7	stated at the beginning, under no scenario can GB claim			
8	harm from an appropriate ranking of the applicants. So			
9	their whole argument starts from a false premise.			
10	THE COURT: Ms. Anderson, let me just ask, if			
11	I had ruled just shouldn't have gone to NuLeaf, give			
12	it to No. 13, what would you have been advising the			
13	Nevada State Department of Health and Human Services?			
14	MS. ANDERSON: And if I can clarify, Your			
15	Honor, if your ruling was we had to give it to No. 13,			
16	if you recall, part of my argument was, if you take			
17	someone out and don't move someone up the list, then we			
18	open up the application period again and let everybody			
L9	come in and fight about it. But if your ruling was			
20	that the 13th should move up, it does.			
21	MR. FERRARIO: You mean it goes to Acres?			
22	MS. ANDERSON: It goes to Acres.			
23	THE COURT: Okay. All right. I'll give			
24	you			
25	MR. SHAPIRO: Thank you, Your Honor.			

His arguments don't make sense. He argues I
should have objected to the motion to intervene and
made all these substantive arguments. That's not the
time for it. A motion to intervene is nothing more
than a request to become a party so you can assert a
right or an interest. That's it. You don't get to the
merits of the case. That wasn't the time to argue the
relative positions. That's not what NRCP 24 requires.
It's not what it states. All that was before Your
Honor was should they be allowed to come in and file a
complaint in intervention? They're the ones that put
themselves in here. They inserted themselves in to
this case. They subjected themselves to Your Honor and
they asserted claims, and we should have the ability to
flush out and and argue those claims.
Now, they argue we weren't part of Judge
Cadish and, therefore, you know, we didn't show up
and — and they say it was on a writ of mandamus; it
had nothing to do with equity. If they had properly
named GB Sciences in the Judge Cadish case, then GB
Sciences would have had the opportunity to come in and
do what? File an answer and assert counterclaims. We
could have had Judge Cadish balance the equities
between Acres and GB Sciences and make a determination

as to whether, at that late game -- point in the game,

Acres should be able to leapfrog GB Sciences. And if they would have allowed us to go in to that case, then all of these counterclaims would have been heard, but they didn't.

1.3

And Mr. Ferrario was very coy with the Court in saying, "I don't know when I knew about GB Sciences. You know, we don't know when our firm knew about it." The reality is they were well aware of it. This is a small community. I guarantee you their clients knew about the GB Sciences lawsuit. Their clients know about all the lawsuits. Everybody's covering every lawsuit. So they can't come in and plead ignorance, that in June of 2015 they were not aware of a lawsuit that had been going on for six months. They should have named GB Sciences. If they had named GB Sciences, we would have been able to flush out our counterclaims against them in front of Judge Cadish, but they didn't.

And so the question then becomes: Are we deprived of that right even though they injected themselves in to this case? The answer's no, we're not. They filed a complaint in intervention. That's a proper pleading. We filed an answer in counterclaim. That's a proper pleading. We're entitled, under the due process requirements of the Nevada Constitution, to be able to be heard on those claims.

1	And so, Your Honor, we'd request that our			
2	motion be granted.			
3	MR. SMITH: Your Honor, just quickly, just			
. 4	for the record I don't want to be accused of waiver			
5	at some point the reason NuLeaf's articulated in			
6	other places, NuLeaf objected to any order, amended or			
7	otherwise, that requires a certificate to be revoked,			
8	understanding that we're trying to get to a place where			
9	NuLeaf can appeal.			
10	I just want to put that out there.			
11	THE COURT: Okay. Thank you.			
12	Ms. Anderson, is there anything you want to			
13	add to this?			
14	MS. ANDERSON: I don't think so.			
15	I do want to say that in the hearing before			
16	Judge Cadish, I did try to point out to the Court that			
17	there was other litigation pending, that there were			
18	other parties that might be able to argue Judge			
19	Cadish, though, went forward with the decision in part			
20	because she realized it was just going to be for the			
21	13th and that those issues, you know, weren't going to			
22	be addressed in front of her. She made that choice			
23	when we were there before the Court.			
24	THE COURT: Okay. All right. Well, I don't			
25	see Judge Cadish's decision as essentially leapfrogging			

```
Acres over NuLeaf. Looking at the decision, it appears
  1
      that she essentially treated this as a clerical scoring
  2
  3
      issue, that Acres should have been scored additional
     points, and that happened, by the points that they got,
  4
 5
     to put them above GB Sciences. But it wasn't an issue
     of -- between Acres and GB Sciences. It was an issue
 6
 7
     between Acres and the department.
                So, you know, ultimately, I come back to
 8
            I would not have entered with my summary
 9
     judgment anything more than this should go to -- to
10
     No. 13, and I tell Department of Health and Human
11
     Services to issue to 13. I knew who 13 was based upon
12
     Judge Cadish's order. Even if I didn't know Judge
13
     Cadish's order, then I would have just gone to - I
14
     would have said give it to whoever has been scored as
15
     No. 13 or should have been scored as No. 13 at the time
16
     of - of the - of the issue on the 4th of November.
17
               So I am, at this point, going to deny the
18
     motion for -- to alter or amend judgment or, in the
19
     alternative, for partial reconsideration.
20
               MR. SHAPIRO: So how do you want to treat the
21
     pending complaint in intervention and counterclaims?
22
     Is that subsumed in your order?
23
               THE COURT: It's probably to be, if you want
24
25
     to --
```

```
I think you said it would be
                MR. FERRARIO:
  1
  2
      moot.
  3
                MR. SHAPIRO:
                              I mean --
                THE COURT: I will tell you -
  4
               MR. SHAPIRO: -- I would like to go forward
 5
 6
     with those but --
                THE COURT: I mean, I understand that, and we
 7
 8
     can look at the motion to dismiss and I'll give you a
     chance to argue a motion - I'm going - you know, just
 9
     giving you, as I usually do, sort of an upfront as to
10
     what I'm looking at. I do tend to agree with GB
11
     Sciences, that this is not a -- a matter of -- between
12
     you and Acres. It's a matter between Acres and the
13
     Department of Health and Human Services, and GB
14
     Sciences and the Department of Health and Human
15
     Services. This wasn't a competitive thing between -- I
16
     mean, I guess it was competitive in that everybody got
17
     scored, but it wasn't in a sense that, you know, Acres
18
     and GB Sciences wrestled or, you know, did any mind
19
     games or such to get points for -- to get points for
20
     their side and we're arguing about whether or not, you
21
     know, something should be read one way or another way.
22
               I mean, again, it seems to me that Acres
23
     said, You should have given us -- I don't know -- 67
24
25
     and a half points -- I can't remember what it was --
```

```
and Judge Cadish says, Yeah, you should have given them
  1
  2
      67 and a half points. Here's -- you know, add in 67
  3
      and a half points. And if that wouldn't have gotten
      them up to 13, then they wouldn't have been 13. They
  4
 5
     would have been whatever the 67 and a half points would
     have -- would have plugged in. And so, you know, I --
 6
      I tend to see that -- see -- see the counterclaims in
     that light, but I'll let you have -
 8
 9
               MR. SHAPIRO: Well, and, Your Honor, you've
10
     read the briefs, and I don't know that we need to
     belabor the point. But -- but I think it's -- it's
11
     disingenuous to arque that this is not a fight between
12
13
     GB Sciences and Acres when Acres intervenes.
     it goes back to they come in and they want to trump
14
     everything and then they want to argue, But we really
15
     don't have a fight with you. They do, and that's why
16
     they came in.
17
               And we do have a claim, and it really goes
18
     back to the arguments that are raised before, which are
19
20
     I do believe that — that the declaratory relief
     statute in Nevada is broad enough to encompass the
21
     claims that we've asserted. I do believe that we have
22
23
     a valid equitable estoppel.
               On the motion to dismiss, the legal standard
24
     is you've got to draw out all reasonable inferences in
25
```

1	favor of the nonmoving party. And I — I think, under			
2	the facts of this case, we have valid claims against			
3	Acres that need to be adjudicated. Granted they			
4	probably should have been adjudicated in the Acres			
5	lawsuit, but Acres didn't bring GB Sciences in so they			
6	weren't. They've now been asserted. I think they've			
7	been properly asserted. Again, this is — this is			
8	Acres' bed that they made. They inserted themselves in			
9	to this case. They subjected themselves to Your			
10	Honor's jurisdiction, and I think that the declaratory			
11	relief and the equitable estoppel claims under a motion			
12	to dismiss standard, which is a much lower standard			
13	than if it were going to trial or a summary judgment,			
14	on a motion to dismiss standard, I believe we have			
15	asserted valid claims and they should not be dismissed.			
16	Beyond that, you've you've got the arguments.			
17	You've you know, we've briefed it, and I'll answer			
18	any questions that you have.			
19	THE COURT: Give me just a little more,			
20	possibly, on your equitable estoppel.			
21	MR. SHAPIRO: The equitable estoppel argument			
22	is really simple, and that is they should have named GB			
23	Sciences in this case. We filed our lawsuit			
24	immediately. The provisional certificates were issued			
25	on November 3rd. On December 2nd, this lawsuit was			

1 filed. We acted timely, we pursued it, and ultimately 2 filed the motion for summary judgment which resulted in 3 the revocation of NuLeaf's provisional certificate. 4 Acres waited six months to file their 5 I quarantee you their clients knew that the 6 GB Sciences lawsuit was pending at the moment they 7 filed their lawsuit. They did not name GB Sciences. 8 They moved forward in a separate action where GB Sciences' interest was directly affected, and at a 9 minimum -- at a minimum -- Acres should reimburse GB 10 Sciences the more than \$15,000 that they're paying 11 12 every month in rent and all of this other expense that they're incurring for waiting till the last second to 13 come in. I think, under equitable estoppel, those 14 15 facts are sufficient to say, Acres, you may have -- you 16 may have been given the right to be 13th under the Cadish decision, but under the equities, we're not 17 18 going to let you leapfrog GB Sciences. And we're simply asking for the right to take some depositions, 19 20 to flush out the facts, and then to present the equitable evidence and arguments to Your Honor. And, 21 again, this is not a motion for summary judgment 22 standard; this is a motion to dismiss standard. 23 THE COURT: I know. 24 And it's a much lower standard, MR. SHAPIRO: 25

```
1
      and I think we've met that standard both on the
      declaratory relief and the equitable estoppel.
  2
                THE COURT: All right. I'm primarily
  3
  4
      interested in the equitable estoppel --
               MR. FERRARIO: Your Honor, there's --
  5
 6
                THE COURT: - so give me your -
                              They have to have relied to
 7
               MR. FERRARIO:
     their detriment on something that we did, and they
 8
 9
     simply can't do that because this all comes back to
     what Your Honor said. This was a fight, really, at its
10
11
     core, between us and the State for improperly ranking
     us. We didn't come in and say, "Rank us 13th." We
12
     came in and we said, "Give us the points to which we
13
     were entitled, " and Your Honor picked up on that and -
14
     a few minutes ago when you made those comments.
15
     were 15th, we were 15th. If we were 14th, we were
16
     14th. Whatever rights are accorded to us, we would
17
     get. And that's what we did.
18
19
               To take Mr. Shapiro's comments at face
     value -- every applicant knew of every lawsuit? If I
20
     take that at face value, then they knew the minute we
21
     filed our lawsuit in the summer of 2015 that we were
22
     possibly going to obtain some relief that might impact
23
     them. So to go back to the argument we just addressed
24
25
    before, why didn't his client, even though he wasn't
```

there at the time, why didn't they intervene and say
"Wait a while." You waited too long. If this is going
to impact me, I got this other lawsuit going on — you
can't do that.

So that, in and of itself, if you take his
comment at face value, that negates their claim for
equitable relief because they should have acted sooner.

The other thing that — that he — he mentioned in terms of the — the intervention, the first thing the Court needs to decide is timeliness of the intervention. He didn't argue that our intervention was untimely. That's one of the very first things you address. He didn't make that argument. This is all now kind of — I don't want to say sour grapes, but that's what it is. But it can never be that when the Court looks at the reality of the situation. You know what the facts are. There are no facts here to support an equitable estoppel claim. There simply aren't. And if there were, he's waived that claim.

But if you take it at face value, every one knew there was a case, why didn't his client jump up in the summer of 2015 and intervene in the lawsuit and say, "Wait, we should be parties. Even though we kept our score secret, we should be in this case," in front

of Judge Cadish. "We want to arque that nothing should 1 2 happen here -- should impact us because we filed our lawsuit six months prior." They didn't do that. 3 So there is no claim for equitable estoppel. 4 As a matter of fact, I think it was asserted in --5 6 Wasn't it asserted in the amended pleading? I mean, it's like a desperation ploy. 7 didn't you include it in the original complaint or in 8 9 his original claim? But — THE COURT: Well, it's there. 10 MR. FERRARIO: So, at the end of the day, 11 Judge, I think you've got it right. As you've said 12 repeatedly and as NuLeaf wants, I think everybody, this 13 needs to get wrapped up here, and it needs to go to the 14 Their counterclaims should be dismissed 15 next level. because they are nothing more than an attempt to try to 16 continue to leverage this proposition without any legal 17 basis or facts to support the claims. 18 THE COURT: Go ahead. 19 MR. SHAPIRO: In response, he keeps arguing 20 that I should have done a lot of things in their motion 21 to intervene. Motion to intervene is simply a request 22 to become a party. There's no waiver. There's no law 23 that says, I waive any arguments, defenses, or claims 24

at a motion to intervene. That's simply not the law in

25

1	Nevada, and for him to keep raising it is disingenuous.			
2	Now, he says there's no detrimental reliance.			
3	There absolutely is detrimental reliance. My clients			
4	are paying more than \$15,000 a month; that's \$174,000			
5	that my clients have paid to keep this alive. And they			
6	didn't even file their lawsuit until June. By the time			
7	they filed my lawsuit their lawsuit, my clients had			
8	paid seven month's worth of rent. 15,000 times seven.			
9	I haven't done the math; whatever that comes out to be.			
10	It's a big number.			
11	THE COURT: But			
12	MR. FERRARIO: With no guarantee of success.			
13	THE COURT: Wait.			
14	How quickly — tell me, then, what — when is			
15	the equitable cutoff in terms of when they should have			
16	acted?			
17	MR. SHAPIRO: That's for Your Honor to			
18	decide, but that's an issue that has to be decided at			
19	an appropriate time after we've had an opportunity to			
20	present all of the evidence and arguments to Your			
21	Honor.			
22	I mean, we're not here to argue equitable			
23	estoppel. We're here to argue whether or not a claim			
24	can be stated, and all inferences need to be taken in			
25	favor of GB Sciences. And when you take all of those			

1	inferences in favor of GB Sciences, I think we clearly		
2	have stated a claim.		
3	THE COURT: And what act of Acres are you		
4	saying you detrimentally relied on?		
5	MR. SHAPIRO: That they didn't do anything		
6	for six months for seven months. They sat on their		
7	hands. They sat around for seven months while we're		
8	prosecuting our case.		
9	THE COURT: All right. Okay. Is there		
10	anything else you want to add?		
11	MR. SHAPIRO: No, Your Honor.		
12	THE COURT: Okay. All right. As I had		
13	indicated before, I in terms of the issues here,		
14	I I see this as an issue between Acres and the State		
15	and GB Sciences and the State, but I don't see this as		
16	an issue between GB Sciences and Acres.		
17	Acres got the scoring changed. I've seen		
18	nothing to suggest that the scoring change was improper		
19	for some particular reason beyond the State's argument		
20	that — the State's arguments which Judge Cadish		
21	didn't - didn't follow. So I just don't see, the suit		
22	here, a battle between this being a battle between		
23	GB Sciences and Acres.		
24	In terms of the equitable, I just don't see a		
25	delay of six months if you call it a delay I		

1	mean, in terms of filing a lawsuit to protect their
2	rights on — in a case in which it was already highly
3	circumspect whether or not GB Sciences was going to
4	succeed or not, at that point in time, as amounting to
5	something upon which detrimental reliance can be based.
6	So I am going to go ahead and grant the
7	motion to dismiss the counterclaim.
8	MR. FERRARIO: Thank you, Your Honor.
9	We'll prepare an order and circulate it to
10	Mr. Shapiro.
11	MR. SHAPIRO: Thank you, Your Honor.
12	THE COURT: All right. Thank you, guys.
13	(Whereupon, the proceedings concluded at 3:53
14	p.m.)
15	-000-
16	ATTEST: FULL, TRUE, AND ACCURATE TRANSCRIPT OF PROCEEDINGS.
17	PROCEEDINGS.
18	1 1 Diana
19	/S/ Amber Riggio, NV CCR No. 914
20	, o, mod 1 = 3 = 1 , V =
21	
22	
23	
24	
25	

	To	89169 [1] 2/21
	2	
MR. FERRARIO: [23]	20 [1] 14/24	9
4/8 4/17 5/5 14/25	20's [1] 4/4	914 [2] 1/25 41/19
15/7 16/16 20/13 22/6		9th [1] 10/16
	2014 [2] 26/10 26/12	
23/23 24/2 24/5 25/11	2015 [3] 29/13 36/22	A
27/20 31/25 36/4 36/6	37/23	A-14-710597-C [1] 1/6
38/10 39/11 41/7	2016 [2] 1/20 4/1	A710597 [1] 4/13
MR. SHAPIRO: [44]	21 [1] 7/15	ability [1] 28/14
MR. SMITH: [4] 4/21	2100 [1] 2/14	able [4] 29/1 29/16
5/3 6/1 30/2	214-2100 [1] 2/14	29/25 30/18
MS. ANDERSON: [7]	220 [1] 2/5	about [21] 8/8 8/14
4/19 4/25 6/24 11/19	24 [1] 28/8	8/16 9/6 9/7 10/18
27/13 27/21 30/13	25 [1] 14/24	16/11 17/9 17/12
MS. KATZ: [1] 23/14	2520 [1] 2/5	17/14 18/7 18/9 18/12
THE COURT: [64]	26 [2] 1/20 4/1	21/22 24/19 27/19
THE MARSHAL: [2] 4/2	2nd [1] 34/25	29/6 29/7 29/10 29/11
4/9		32/21
	3	above [1] 31/5
\$	300 [1] 2/12	absolutely [1] 39/3
\$15,000 [2] 35/11	318-5033 [1] 2/7	abundance [1] 23/22
39/4	3420 [1] 3/8	accept [2] 9/18 9/19
\$174,000 [1] 39/4	3773 [2] 2/20 2/22	accorded [1] 36/17
	3900 [1] 3/6	according [1] 27/3
	3:07 [2] 1/21 4/1	ACCURATE [1] 41/16
-o0o [1] 41/15	3:53 [1] 41/13	accused [1] 30/4
/	3rd [3] 26/10 26/12	Acres [59]
	34/25	Acres' [4] 5/11 11/4
/s [1] 41/19	4	14/4 34/8
1	40 [1] 17/18	across [1] 13/6
1-10 [1] 1/11		act [1] 40/3
1-100 [1] 1/11	40-plus [1] 9/13	acted [3] 35/1 37/7
10 [1] 1/11	400 [2] 2/12 2/20 486-3420 [1] 3/8	39/16
100 [1] 1/11		action [2] 19/9 35/8
12 [2] 7/24 9/23	4th [1] 31/17	actual [1] 12/24
13 [26] 6/16 6/17	5	actually [1] 25/7
6/24 7/3 7/4 13/13	5033 [1] 2/7	add [4] 20/25 30/13
13/14 22/5 23/5 23/9	555 [1] 3/6	33/2 40/10
23/11 25/19 25/20		additional [2] 19/16
26/6 26/12 26/18 27/4	6	31/3
27/12 27/15 31/11	67 [4] 32/24 33/2	address [1] 37/13
31/12 31/12 31/16	33/2 33/5	addressed [3] 23/25
31/16 33/4 33/4		30/22 36/24
13th [8] 7/25 13/21	7	adjudicated [3] 10/14
21/6 26/25 27/20	702 [4] 2/7 2/14 2/22	34/3 34/4
30/21 35/16 36/12	3/8	adjusted [2] 6/22
14 [2] 23/5 26/13	792-3773 [1] 2/22	6/23
14th [3] 8/2 36/16	7th [1] 2/12	admit [1] 8/5
36/17	8	admitted [2] 9/12
15 [2] 14/23 14/23		15/24
15 000 111 30/9	89074 [1] 2/6	adopting [1] 6/19
15th [2] 36/16 36/16	89101 [2] 2/13 3/7	advising [1] 27/12

A	34/18 38/17 38/24	40/20
affect [3] 8/1 10/3	anything [9] 8/14	around [3] 8/25 24/12
	12/9 18/7 18/9 21/16	40/7
18/17	30/12 31/10 40/5	articulated [1] 30/5
affected [1] 35/9	40/10	as [24] 7/9 7/17 7/19
affects [1] 18/24	appeal [1] 30/9	11/10 12/3 14/7 25/6
after [10] 8/17 8/17	appealed [2] 6/22	25/6 26/16 27/6 28/25
9/4 9/7 11/2 17/9	26/24	30/25 31/2 31/15
19/25 25/8 25/13	appear [1] 11/25	31/16 32/10 32/10
39/19	101 0/1	38/5 38/12 38/13
afternoon [3] 4/7 4/8	3/1 4/14	40/12 40/14 40/15
4/9	appears [1] 31/1	41/4
ag.nv.gov [1] 3/9	applicant [2] 21/6	ask [2] 15/18 27/10
again [7] 16/8 18/10	20/20	asked [2] 21/19 22/16
19/3 27/18 32/23 34/7	applicants [4] 17/25	asking [3] 14/15
35/22	20/21 23/4 27/8	20/10 35/19
against [8] 10/10	20/21 23/4 2//0	26/10 33/12 28/5 28/22
10/12 10/13 14/7 16/2	application [2] 24/15	assert [2] 20/3 20/22 asserted [8] 10/11
26/23 29/17 34/2	21/10	28/14 33/22 34/6 34/7
ago [1] 36/15	apply [1] 26/13	1 :
agree [1] 32/11	applying [1] 6/19	34/15 38/5 38/6
ahead [5] 6/4 6/4	appreciate [2] 7/12	asserting [2] 10/10
24/5 38/19 41/6	20/15	10/13
Air [1] 24/21	appropriate [2] 27/8	assume [1] 6/21
alive [1] 39/5	39/19	attempt [1] 38/16
all [47]	are [15] 5/1 8/13	ATTEST [1] 41/16
allow [2] 21/21 23/25	10/13 20/4 27/4 29/18	
allowed [3] 10/7	33/19 33/19 35/15	available [1] 24/20
28/10 29/2	36/17 37/17 37/17	Avenue [1] 3/6
already [7] 6/9 8/18	38/16 39/4 40/3	aware [5] 16/25 23/12
9/5 9/8 16/5 18/14	aren't [1] 37/19	24/11 29/8 29/13
41/2	arguably [4] 13/9	away [1] 22/4
alter [2] 5/9 31/19	13/10 13/15 13/15	awkward [1] 5/6
alternative [2] 5/10	argue [11] 28/7 28/15	В
31/20	28/16 30/18 32/9	
am [3] 11/19 31/18	33/12 33/15 37/11	back [15] 4/24 5/2
11/6	38/1 39/22 39/23	10/6 14/10 15/18
AMBER 121 1/25 41/19	argue a [1] 32/9	22/20 23/3 23/7 24/22
amond 121 5/9 31/19	argued [2] 10/17	26/15 31/8 33/14
amended [21 30/6 38/6]	21/10	33/19 36/9 36/24
amended [2] 30/0 38/0 amounting [1] 41/4	argues [3] 26/5 26/7	balance [2] 20/8
ANDERSON [6] 3/4 4/20	28/1	28/23
6/21 11/13 27/10	arguring [4]	based [3] 12/21 31/12
6/21 11/13 2//10	22/21 32/21 38/20	41/5
30/12	ardment last 10/10	basis [1] 38/18
another [4] 4/24 //10	11/21 14/16 20/17	battle [2] 40/22
24/19 32/22	25/25 27/9 27/16	40/22
answer [5] 10/11	J4/21 JU/21 J1/11	be [55]
10/22 28/22 29/22	40/19	became [2] 23/11
34/17	arguments [12] 11/24	24/11
answer's [1] 29/20	14/9 15/22 20/11 28/1	because [27] 6/9 7/4
any [13] 5/25 7/9 8/3	28/3 33/19 34/16	//25 8/2 8/10 9/14
8/3 14/8 19/8 24/25	35/21 38/24 39/20	9/20 10/21 11/11
25/22 30/6 32/19		

В	briefing [1] 22/20	change [1] 40/18
because [18] 11/23	briefs [1] 33/10	changed [1] 40/17
	bring [5] 9/10 9/15	choice [1] 30/22
12/12 13/7 13/20	24/22 24/25 34/5	CHRISTINE [1] 3/4
13/21 14/6 15/23	broad [1] 33/21	circulate [1] 41/9
16/10 18/13 18/25	brought [1] 19/9	circumspect [1] 41/3
19/11 24/7 25/23	burden's [1] 17/17	cites [1] 26/15
30/20 36/9 37/7 38/2	business [1] 25/22	City [1] 6/15
38/16		claim [15] 8/3 22/25
become [2] 28/5 38/23	c	25/1 25/3 25/5 26/23
becomes [2] 9/16	Cadish [27] 7/14 8/14	f ·
29/18	9/11 11/15 14/4 14/8	
bed [1] 34/8	•	37/20 38/4 38/9 39/23
been [29] 5/19 6/9	14/12 16/9 16/13	40/2
9/5 12/15 13/14 13/14	19/11 20/23 21/12	claiming [1] 24/14
14/4 14/11 18/15	22/12 24/11 23/11	claims [17] 1/14 5/18
21/15 22/5 24/21 25/2	25/20 25/24 28/17	5/19 8/12 10/9 10/13
26/10 26/12 26/18	20/20 20/23 23/11	10/14 11/4 28/14
i	30/16 30/19 33/1	28/15 29/25 33/22
27/12 29/3 29/14	35/17 38/1 40/20	34/2 34/11 34/15
29/16 31/3 31/15	Cadish's [10] 6/19	38/18 38/24
31/16 33/4 33/5 34/4	7/4 9/17 11/7 13/23	clarify [1] 27/14
34/6 34/7 35/16	16/16 27/2 30/25	CLARK [1] 1/3
before [12] 1/18 5/15	31/13 31/14	clearly [1] 40/1
8/8 10/25 12/1 16/12	calendar [4] 5/16	clearly [1] 10/1
28/9 30/15 30/23	5/17 5/22 6/4	11/17 19/3 31/2
33/19 36/25 40/13	call [6] 4/11 5/16	
beginning [1] 27/7	5/17 5/22 6/4 40/25	client [5] 12/18
behalf [1] 4/22	came [8] 8/22 9/3 9/6	17/15 20/18 36/25
BEHAVIORAL [1] 1/8	9/7 16/4 18/9 33/17	i
being [4] 19/8 19/9		clients [6] 29/9
25/22 40/22	36/13	29/10 35/5 39/3 39/5
belabor [1] 33/11	can [13] 4/25 14/21	39/7
believe [5] 9/5 19/22	18/23 24/8 26/20 27/7	CLV [2] 1/9 2/9
33/20 33/22 34/14	21/14 20/3 30/3 32/0	come [13] 14/1 14/2
better [1] 14/23	37/15 39/24 41/5	16/13 25/9 25/14
	can't [12] 9/19 9/19	27/19 28/10 28/21
between [18] 5/18	13/23 13/23 18/18	29/12 31/8 33/14
5/20 10/2 12/8 18/23	22/13 23/11 24/10	35/14 36/12
18/25 28/24 31/6 31/7	29/12 32/25 36/9 37/4	comes [2] 36/9 39/9
32/12 32/13 32/16	care [2] 9/23 9/23	coming [3] 7/8 8/11
33/12 36/11 40/14	case [53]	24/17
40/16 40/22 40/22	cases [1] 19/24	comment [3] 10/19
beyond [2] 34/16	caution [1] 23/22	21/5 37/6
40/19	CCR [2] 1/25 41/19	comments [2] 36/15
BICE [1] 2/11	CD [4] 15/11 15/13	36/19
big [1] 39/10	15/14 15/19	
bind [1] 18/16	certificate [8] 6/13	community [1] 29/9
blank [1] 15/11	13/11 24/19 26/14	company [2] 1/5 1/10
board [1] 13/6	26/19 27/5 30/7 35/3	competitive [2] 32/16
both [2] 20/3 36/1		32/17
bound [3] 25/19 26/25	certificates [2] 8/4	complains [1] 26/5
27/1	34/24	complaint [10] 7/15
briefed [2] 17/13	chance [3] 7/11 16/21	10/8 10/21 10/25 11/2
	32/9	24/7 28/11 29/21
34/17		

С	December [1] 34/25	discretion [2] 15/2
complaint[2]	December 2nd [1]	15/3
1	34/25	discuss [1] 7/11
31/22 38/8	decide [3] 11/4 37/10	discussed [1] 24/16
concluded [1] 41/13	39/18	discussion [2] 12/1
conscious [2] 26/16	decided [2] 10/20	25/8
26/17	39/18	discussions [1] 24/18
consented [1] 22/2	decision [8] 13/2	disingenuous [2]
consider [1] 14/8	16/1 20/8 20/12 30/19	
considerations [1]	30/25 31/1 35/17	dismiss [7] 5/11 32/8
19/16		33/24 34/12 34/14
considered [1] 19/14	decision's [1] 6/9	1
Constitution [1]	declaration [1] 25/3	
29/24	declaratory [5] 22/24	•
contemplated [1] 7/1	25/3 33/20 34/10 36/2	
contest [1] 9/14	defend [1] 9/22	DISPENSARY [2] 1/10
context [2] 6/12 12/7	defendants [5] 1/12	2/9
continue [1] 38/17	7/16 7/18 9/13 17/19	disrupt [1] 13/20
CONTINUED [1] 3/1	defenses [1] 38/24	DISTRICT [2] 1/2 4/4
convinced [1] 18/21	delay [2] 40/25 40/25	DIVISION [1] 1/8
	denied [3] 6/8 19/8	do [35] 5/13 5/23 6/7
core [1] 36/11	19/10	9/11 9/17 10/5 10/6
Correct [1] 6/25	deny [1] 31/18	17/11 18/6 18/8 18/9
could [9] 8/9 13/12	denying [1] 19/18	18/12 20/19 20/24
14/2 14/2 15/22 17/3	department [14] 1/9	22/18 23/4 23/14 26/2
21/5 21/18 28/23	1/19 3/2 4/12 4/21	26/7 26/8 26/9 28/19
Counsel [1] 4/14	6/23 11/15 12/5 12/9	28/22 30/15 31/21
counterclaim [4] 5/12	27/13 31/7 31/11	32/10 32/11 33/16
10/11 29/22 41/7	32/14 32/15	33/18 33/20 33/22
counterclaims [9]	depositions [1] 35/19	
10/12 10/23 11/5		Doe [1] 7/18
28/22 29/3 29/16	deprived [1] 29/19	does [10] 1/11 5/25
1 31/// 33// 30/13	DEPT [1] 1/7	
COUNTY [1] 1/3	Desert [1] 24/21	14/1 15/18 17/15
court [16] 1/2 4/4	desperation [1] 38/7	17/16 17/20 17/23
10/20 12/1 19/17	determination [1]	18/5 27/20
19/17 20/12 20/22		doesn't [7] 8/1 10/3
21/3 21/4 23/17 29/5	detriment [1] 36/8	13/2 18/16 18/17 19/1
30/16 30/23 37/10	detrimental [3] 39/2	20/16
37/16	39/3 41/5	doing [7] 7/2 10/6
covering [1] 29/11	detrimentally [1]	19/17 20/19 21/3 21/4
COV [11 29/5	40/4	24/8
CROSS 111 1/14	develop [1] 14/15	don't [34] 5/20 6/3
CROSS-CLAIMS [1] 1/14	developed [1] 15/22	6/22 7/8 7/9 9/1 11/8
crystalized [1] 22/23	did [15] 11/25 12/12	12/3 14/24 14/25
	13/3 13/17 13/18 14/8	16/15 17/11 19/22
currently [1] 13/21	16/11 16/13 23/8	20/2 21/8 23/11 23/13
cut [2] 7/5 7/6	23/10 30/16 32/19	23/16 24/6 27/17 28/1
cutoff [1] 39/15	35/7 36/8 36/18	28/6 29/6 29/7 30/4
D	didn't [61]	30/14 30/24 32/24
1	difference [1] 13/2	33/10 33/16 37/14
day [3] 10/10 20/0	different [2] 7/16	40/15 40/21 40/24
20/1 20/22 30/11		done [10] 14/19 19/18
deal [3] 5/13 5/15	directly [1] 35/9	20/25 21/18 26/16
.	directly [1]	20,20 21,20 20,10
		į

	equity [6] 19/13	felt [2] 5/6 17/1
D	19/18 20/6 21/2 26/16	
done [5] 26/17	20/10	4/18 5/4 29/5
26/17 27/1 38/21 39/9	ERIC [2] 1/18 4/5	ferrariom [1] 2/23
down [2] 12/20 16/13	error [4] 11/17 15/3	few [1] 36/15
draft [1] 24/7		fight [4] 27/19 33/12
draw [1] 33/25	15/7 19/4	
dropped [1] 22/24	ESQ [5] 2/3 2/10 2/17	
drug [1] 22/19	2/18 3/4	figure [1] 5/23
due [7] 7/10 14/7	essentially [8] 11/4	file [6] 12/21 23/15
18/19 19/8 19/19	11/13 11/15 11/16	28/10 28/22 35/4 39/6
25/17 29/24	17/23 19/3 30/25 31/2	8/8 8/18 8/18 8/23
duty [6] 9/10 15/13	estopped [1] 12/20	
15/18 19/23 26/25	estoppel [10] 33/23	11/3 12/7 16/5 18/14
27/1	34/11 34/20 34/21	
duty-bound [2] 26/25	35/14 36/2 36/4 37/18	34/23 35/1 35/2 35/7
27/1	38/4 39/23	
	even [15] 5/15 7/25	36/22 38/2 39/7
E	11/8 11/8 11/9 13/7	filing [1] 41/1 find [2] 16/11 17/9
easily [1] 13/12	13/15 13/16 16/24	# =
East [1] 3/6	24/16 29/19 31/13	finding [2] 6/12 25/19
effect [5] 9/25 16/2	36/25 37/24 39/6	fine [2] 5/1 25/12
18/17 20/2 21/17	ever [2] 11/5 20/18	
effects [1] 18/22	every [6] 7/23 29/11	firm [2] 24/9 29/7
either [3] 8/4 9/1	35/12 36/20 36/20	first [9] 5/13 6/7 9/6 20/20 20/25 21/14
9/17	37/21	
else [4] 18/24 19/1	everybody [5] 4/7 5/5	22/15 3//10 3//15
19/2 40/10	27/18 32/17 38/13	fledged [1] 14/15
encompass [1] 33/21		flush [3] 28/15 29/16 35/20
end [5] 5/23 23/6	everything [4] 6/24	follow [2] 26/3 40/21
26/1 26/21 38/11	17/13 22/4 33/15	
ended [1] 22/19	evidence [2] 35/21	followed [1] 27/1 forth [1] 22/20
enough [2] 26/21	39/20	forward [4] 9/10
33/21	exactly [1] 22/13 expense [1] 35/12	30/19 32/5 35/8
ensure [1] 17/6		found [3] 13/10 16/23
entered [6] 6/9 10/24	F	17/14
10/25 11/1 11/6 31/9	face [4] 36/19 36/21	Fourteen [1] 9/22
entertained [1] 22/16	37/6 37/21	front [12] 8/14 11/14
entities [2] 1/11 8/1	fact [3] 10/19 24/19	14/11 20/22 22/12
entitled [2] 29/23	38/5	22/14 24/17 25/17
36/14	factors [1] 20/7	25/24 29/17 30/22
entity [2] //21 //23	facts [6] 34/2 35/15	37/25
equate [1] 20/16	35/20 37/17 37/18	frustration [2] 20/15
equitable [20] 8/12	38/18	20/16
14/12 14/13 19/13	fail [1] 8/6	full [3] 8/7 14/15
19/16 20/5 33/23	failure [1] 12/21	41/16
34/11 34/20 34/21	false [2] 20/17 27/9	full-fledged [1]
35/14 35/21 36/2 36/4	fault [3] 15/16 15/17	14/15
31/1 31/10 30/4 33/13	15/17	future [1] 10/20
39/22 40/24	favor [3] 34/1 39/25	
edurcapra [r] 17/19	40/1	G
equities [4] 20/7	feeling [1] 6/16	game [2] 28/25 28/25
20/9 28/23 35/17		

G	13/4 30/2 34/3	heard [6] 13/25 18/20
games [1] 32/20	grapes [1] 37/15	19/20 26/21 29/3
GB [68]	GREENBERG [1] 2/19	29/25
GENERAL'S [1] 3/5	gtlaw.com [1] 2/23	hearing [10] 11/5
get [14] 7/2 7/3 7/25	guarantee [3] 29/9	11/21 17/13 21/10
23/20 26/4 26/6 26/6	35/5 39/12	21/11 24/12 25/7
26/19 28/6 30/8 32/20	guess [6] 4/23 5/22	25/12 25/13 30/15
32/20 36/18 38/14	12/3 14/10 23/8 32/1/	
gets [1] 26/14	guys [3] 4/24 4/24	held [1] 13/6
getting [2] 15/1	41/12	Henderson [1] 2/6 her [4] 6/20 6/21
17/17	H	22/14 30/22
gist [1] 11/25	had [42]	here [21] 5/1 7/6
give [13] 7/10 15/13	hadn't [1] 18/15	13/7 14/6 14/18 16/4
15/14 16/20 19/16	half [4] 32/25 33/2	16/5 17/1 20/4 20/10
27/11 27/15 27/23	33/3 33/5	20/10 21/24 23/25
31/15 32/8 34/19 36/6	hands [2] 21/20 40/7	28/12 37/18 38/2
30/13	happen [1] 38/2	38/14 39/22 39/23
given [5] 13/24 15/23 32/24 33/1 35/16	mappened [4] +1/0	40/13 40/22
giving [2] 18/19	23/5 25/17 31/4	Here's [2] 19/6 33/2
32/10	happens [2] 13/7 13/8	
go [18] 5/21 6/3 6/4	hard [1] 19/5	highly [1] 41/2
9/14 10/6 13/12 13/14	harm [3] 13/23 21/14	him [1] 39/1
15/18 23/2 26/15	21/0	his [11] 20/17 20/18
26/20 29/2 31/10 32/5	harmed [3] 13/22 20/18 25/16	21/20 25/17 26/8
36/24 38/14 38/19	has [6] 9/25 16/1	26/11 28/1 36/25 37/5
41/6	18/25 26/1 31/15	37/22 38/9
goes [8] 18/22 23/4	39/18	hmm [1] 18/3 holding [3] 11/5 11/6
23/5 27/5 27/21 27/22	hasn't [1] 26/24	13/21
33/14 33/18	hate [1] 21/8	honest [2] 7/9 23/12
going [23] 5/21 7/5	have [87]	honestly [1] 23/16
9/9 13/5 14/10 16/20	haven't [3] 14/19	Honor [32] 4/9 4/19
21/14 21/25 22/14	16/24 39/9	6/2 6/25 7/13 8/22
25/9 25/18 29/14	having [4] 6/14 7/9	10/1 14/14 15/9 16/17
30/20 30/21 31/18	19/5 22/19	20/4 20/14 21/19
32/9 34/13 35/18 36/23 37/2 37/3 41/3	he [30] 18/11 18/12	23/17 25/10 26/1
41/6	21/11 21/11 21/16	27/15 27/25 28/10
gone [3] 27/5 27/11	21/17 21/18 21/19	28/13 30/1 30/3 33/9
31/14	21/19 22/2 24/14	35/21 36/5 36/10
good [8] 4/7 4/8 4/9	25/13 25/16 25/16	36/14 39/17 39/21
15/13 15/14 15/19	25/18 25/20 25/21 25/23 25/24 25/25	40/11 41/8 41/11
26/16 26/17	26/4 26/15 28/1 36/25	Honor's [3] 26/21
got [18] 5/8 5/16		27/4 34/10
6/18 8/17 9/8 17/10	38/20 39/2	HONORABLE [2] 1/18 4/5
17/10 21/7 21/13 25/6	he's [1] 37/19	how [7] 9/16 14/25
25/14 31/4 32/17	head [1] 17/6	22/18 26/4 26/5 31/21
33/25 34/16 37/3	HEALTH [11] 1/8 1/9	39/14
38/12 40/17		Howard [1] 2/20
gotten [2] 16/24 33/3		Hughes [1] 2/20
grant [2] 21/14 41/6		HUMAN [10] 1/9 3/2
granted [4] 10/15		
1		

Н	17/8 19/23 20/3 25/21	31/13 33/1 38/1 38/12
HUMAN [8] 4/13	28/2 28/4 37/1 37/23	40/20
4/21 6/23 12/5 27/13	38/22 38/22 38/25	judgment [12] 5/10
31/11 32/14 32/15	intervened [2] 13/10	9/9 10/17 16/6 18/14
31/11 32/14 32/13	21/24	20/23 23/1 31/10
I	intervenes [1] 33/13	31/19 34/13 35/2
I'd [1] 25/10	intervention [12]	35/22
I'11 [7] 7/9 7/10	10/8 10/22 10/25 11/2	judicata [5] 9/18
15/6 27/23 32/8 33/8	22/3 22/8 28/11 29/21	
34/17	31/22 37/9 37/11	jump [1] 37/22
I'm [16] 6/11 7/5 7/8	37/12	June [2] 29/13 39/6
11/8 11/12 12/24	is [77]	jurisdiction [1]
14/10 14/18 16/20	isn't [2] 21/2 22/17	34/10
18/21 19/4 21/13	issue [13] 5/25 12/8	just [26] 6/10 7/2
22/12 32/9 32/11 36/3	16/24 17/1 18/10 31/3	
I've [3] 5/8 21/15	31/5 31/6 31/12 31/17	
40/17	39/18 40/14 40/16	19/4 19/4 21/13 23/13
identified [2] 7/17	issue's [1] 5/19	23/22 27/10 27/11
7/19	issued [3] 14/5 21/5	30/3 30/3 30/10 30/20
ignorance [1] 29/12	34/24	31/14 32/9 34/19
ignore [3] 9/18 10/1	issues [7] 16/2 16/6	36/24 40/21 40/24
10/5	19/13 22/2 22/23	K
immediately [1] 34/24	30/21 40/13	KATZ [3] 2/18 4/18
impact [5] 7/10 19/1	it [106]	24/9
36/23 37/3 38/2	it's [20] 11/3 12/6	keep [2] 39/1 39/5
implicitly [1] 18/4	13/19 19/3 19/22 19/24 19/25 20/4 20/5	
improper [1] 40/18	21/3 21/14 28/9 31/24	27/04
improperly [1] 36/11	32/13 33/11 33/11	key [1] 6/12
inappropriate [2]	35/25 38/7 38/10	kind [3] 18/11 22/19
11/3 11/7	39/10	37/14
include [5] 11/9	its [2] 17/15 36/10	kinds [1] 15/21
12/12 15/24 15/25	itself [1] 37/5	knew [13] 7/4 8/8
38/8		18/4 21/17 24/10 29/6
included [1] 11/10	J	29/7 29/9 31/12 35/5
inclusive [1] 1/11	JAMES [1] 2/3	36/20 36/21 37/22
<pre>incurring [1] 35/13 indicated [1] 40/13</pre>	JANUARY [2] 1/20 4/1	know [42]
inferences [3] 33/25	Jim [1] 4/16	L
20/24 40/1	JOHNSON [2] 1/18 4/5	
initial [1] 24/7	JORDAN [2] 2/10 4/22	landerson [1] 3/9
injected [1] 29/19	jshapiro [1] 2/8	large [1] 17/24
inserted [2] 28/12	jts [1] 2/15	Las [5] 2/13 2/21 3/7 4/1 6/15
34/8	JUDGE [37] 1/18 4/5	last [3] 19/24 24/23
interest [12] 7/17	6/19 7/4 7/14 8/14	35/13
7/20 7/22 7/24 8/2	9/10 9/17 11/7 11/14 13/22 14/4 14/8 14/12	
8/6 9/12 9/24 11/24	13/22 14/4 14/8 14/12	28/25
15/25 28/6 35/9	21/12 22/12 24/17	law [5] 26/4 26/14
interested [1] 36/4	25/17 25/19 25/24	26/22 38/23 38/25
interests [1] 14/9	27/1 28/16 28/20	lawsuit [27] 8/7 8/8
intervene [20] 8/19	28/23 29/17 30/16	8/14 8/16 9/5 12/22
10/8 10/16 13/4 13/16	30/18 30/25 31/13	19/25 23/12 24/12
13/17 13/20 16/9 17/3	00, 20 00, 20 02, 20	29/10 29/12 29/13

L	loses [1] 17/15	missteps [1] 21/9
lawsuit [15] 34/5	lot [1] 38/21	Mm [1] 18/3
34/23 34/25 35/5 35/6	lower [4] 8/2 9/23	Mm-hmm [1] 18/3
35/7 36/20 36/22 37/3	1 2/1/10 25/05	moment [1] 35/6
37/23 38/3 39/6 39/7	1	month [2] 35/12 39/4
39/7 41/1	M	month's [1] 39/8
lawsuits [1] 29/11	made [11] 6/12 10/19	months [11] 8/7 12/20
leapfrog [2] 29/1	11/15 11/24 20/8	19/25 21/15 29/14
35/18	25/14 25/24 28/3	35/4 38/3 40/6 40/6
leapfrogging [1]	30/22 34/8 36/15	40/7 40/25
30/25	make [6] 4/14 13/2	moot [3] 6/9 12/6
learned [3] 8/16 9/7	20/12 28/1 28/24	32/2
17/12	37/13	more [6] 28/4 31/10
least [1] 26/2	makes [1] 6/7	34/19 35/11 38/16
legal [3] 20/16 33/24	mandamus [9] 20/24 22/15 22/22 23/1 23/2	39/4
38/17	22/15 22/22 23/1 23/2	
less [1] 11/1	24/25 25/5 26/23	motion [28] 5/9 5/10
let [7] 6/10 11/12	28/18 NADY 121 2/17 4/18	5/11 6/7 8/18 8/20
15/6 27/10 27/18 33/8	MARK [2] 2/17 4/18 math [3] 15/3 15/7	10/15 10/17 16/5
35/18	39/9	18/14 21/11 25/14
let's [3] 4/11 5/23	matter [5] 26/4 26/5	28/2 28/4 30/2 31/19 32/8 32/9 33/24 34/11
12/25	32/12 32/13 38/5	34/14 35/2 35/22
letter [1] 6/14	may [2] 35/15 35/16	35/23 38/21 38/22
level [1] 38/15	me [13] 6/10 11/6	38/25 41/7
leverage [1] 38/17	11/12 14/15 16/8 17/2	motions [1] 9/9
liability [2] 1/4	19/4 27/10 32/23	move [2] 27/17 27/20
1/10	34/19 36/6 37/3 39/14	moved [2] 22/5 35/8
light [1] 33/8	mean [22] 8/15 11/21	Mr [1] 16/18
like [9] 9/12 13/11	14/12 14/21 16/14	Mr. [11] 5/4 5/7
14/17 14/22 16/20	16/23 16/24 17/1	20/16 21/10 22/1
21/8 21/9 32/5 38/7	17/15 17/16 18/8 19/1	24/13 25/7 26/7 29/5
likewise [1] 7/19 limited [2] 1/4 1/10	23/21 27/21 32/3 32/7	36/19 41/10
LINDA [2] 3/4 4/20	32/17 32/23 33/13	Mr. Ferrario [2] 5/4
	38/7 39/22 41/1	29/5
7/15 7/10	means [2] 23/4 26/25	Mr. Shapiro [8] 5/7
1-11- 1- 1	Medical [1] 2/16	20/16 21/10 22/1
19:43-43- 551 10/05	mention [1] 5/15	24/13 25/7 26/7 41/10
17/4 10/22 10/24	mentioned [1] 37/9 merits [1] 28/7	Mr. Shapiro's [1]
20/17		36/19 Ms. [5] 6/21 11/13
little [1] 34/19	might [4] 25/1 25/2	Ms. [5] 6/21 11/13 24/9 27/10 30/12
LLC [7] 1/4 1/10 2/2		Ms. Anderson [4] 6/21
2/9 2/11 2/16 4/12	mind [1] 32/19	11/13 27/10 30/12
logic [1] 13/5		Ms. Katz [1] 24/9
long [2] 12/17 37/2		much [4] 26/4 26/5
longer [1] 24/9	35/10	34/12 35/25
look [4] 6/17 20/6		my [15] 6/16 6/18
20/6 32/8	19/24 36/21	11/13 11/21 14/20
	minutes [1] 36/15	17/15 21/15 24/24
1 10/10 20/0 21/1 22/11	missed [1] 11/18	26/2 27/16 31/9 39/3
looks [1] 37/16	misstate [1] 24/7	39/5 39/7 39/7
100%3 [1] 3//10		
<u> </u>		

M	12/12 12/24 13/24	OFFICE [1] 3/5
myself [1] 24/15	14/7 14/8 18/10 18/21	Oh [1] 12/6
	- 19/9 19/14 19/17 24/5	,
N	25/4 28/3 28/8 28/9	6/10 7/1 8/24 9/16
name [6] 8/4 8/6	29/13 29/21 31/9	12/2 12/14 16/8 16/19
17/24 20/1 21/21 35/7	32/12 32/21 33/12	19/21 20/13 22/10
named [10] 8/9 9/13	34/15 35/7 35/17	26/7 27/23 30/11
14/3 17/17 17/18	35/22 38/25 39/22	30/24 40/9 40/12 once [2] 13/10 23/4
18/15 28/20 29/15	39/23 41/3 41/4	once [2] 13/10/23/4 one [13] 5/14/6/8
29/15 34/22	not seeing [1] 12/24 nothing [5] 28/4	7/21 8/17 8/19 9/23
necessarily [1] 19/2	28/19 38/1 38/16	9/24 14/2 18/4 24/23
need [8] 10/14 12/6 13/16 16/2 16/6 33/10	1	32/22 37/12 37/21
34/3 39/24	notice [7] 10/9 10/13	1
needed [3] 11/9 13/20	13/24 18/11 18/19	only [5] 7/21 9/24
17/2	19/15 19/19	14/23 22/21 25/1
needs [3] 37/10 38/14	November [5] 10/16	open [1] 27/18
38/14	26/10 26/12 31/17	opportunity [12] 9/14
negates [1] 37/6	34/25	13/24 14/1 15/23
NEVADA [21] 1/3 1/4	November 3rd [3]	18/12 18/20 19/15
1/4 1/8 1/10 2/2 2/6	26/10 26/12 34/25	19/20 20/11 25/23
2/13 2/21 3/2 3/7 4/1	November 9th [1]	28/21 39/19
4/11 4/12 4/17 6/22	10/16	order [29] 6/20 6/20
27/4 27/13 29/24	now [13] 7/21 9/16	6/21 7/5 7/14 9/17
33/21 39/1	10/5 14/1 16/20 16/22	1 1
never [2] 26/6 37/16	17/15 20/13 22/25	10/15 10/24 10/24 11/1 11/6 11/7 18/17
next [4] 5/6 26/14	28/16 34/6 37/14 39/2 NRCP [1] 28/8	20/3 21/5 25/6 25/14
27/6 38/15	NULEAF [15] 1/9 2/9	26/3 27/2 27/6 30/6
no [33] 1/6 1/7 1/25 4/13 6/2 6/16 6/17	4/22 5/18 5/25 6/13	31/13 31/14 31/23
6/24 7/4 7/24 8/2	7/2 13/10 21/25 27/5	41/9
8/20 9/13 9/25 10/17	27/11 30/6 30/9 31/1	ordered [2] 19/12
13/6 16/1 18/16 20/2	38/13	20/5
24/8 26/4 26/5 26/22	NuLeaf's [4] 20/5	original [2] 38/8
27/7 29/20 37/18 38/4	24/15 30/5 35/3	38/9
38/23 38/23 39/2	number [3] 17/24	originally [1] 5/17
39/12 40/11 41/19	17/25 39/10	other [16] 6/8 7/23
No. [13] 7/3 13/13	numbers [1] 21/1	8/20 11/10 14/12 17/3
	NV [2] 1/25 41/19	17/4 21/23 22/23
26/13 27/4 27/12	0	24/21 30/6 30/17
27/15 31/11 31/16	o0o [1] 41/15	30/18 35/12 37/3 37/8
31/16	object [1] 25/10	otherwise [1] 30/7 ought [2] 26/16 26/17
No. 13 [12] 7/3 13/13	objected [4] 21/25	our [25] 9/22 11/25
13/14 23/9 26/6 26/12	25/21 28/2 30/6	12/16 12/18 12/19
27/4 27/12 27/15	objection [1] 6/2	13/19 17/7 18/14
31/11 31/16 31/16 No. 14 [1] 26/13	obligation [3] 17/6	18/16 20/23 22/3
nobody [1] 9/21	17/7 20/1	22/22 23/1 23/1 25/14
nonmoving [11 34/1	obtain [1] 36/23	26/23 29/7 29/16 30/1
North [1] 2/20	obtained [3] 6/14	34/23 36/22 37/11
not 1361 6/14 9/20	20/23 23/1	37/25 38/2 40/8
10/3 11/8 12/9 12/9	October [1] 16/17	out [17] 5/23 16/11

1_	1 101 11/2 20/6	20/2
0	places [2] 14/2 30/6	prior [1] 38/3
out [15] 16/23	Plaintiff [1] 1/6	privity [1] 9/21
17/9 17/14 18/18	plaintiff's [1] 5/9	privy [1] 9/21
19/23 22/24 23/22	plead [1] 29/12	probably [4] 9/1
27/17 28/15 29/16	pleading [4] 26/8	24/12 31/24 34/4
30/10 30/16 33/25	29/22 29/23 38/6	problem [5] 7/14
	pleadings [2] 10/20	10/15 12/23 15/21
35/20 39/9	26/2	24/14
outcome [2] 7/22 7/25	please [1] 4/14	procedural [1] 21/8
over [5] 4/24 13/7	PLLC [1] 2/4	proceed [2] 10/1
13/8 24/18 31/1	ploy [1] 38/7	22/18
P	plug [1] 23/22	proceedings [3] 1/17
	plugged [2] 11/19	41/13 41/16
p.m [3] 1/21 4/1	33/6	process [7] 7/10 14/7
41/14	•	18/19 19/8 19/19
paid [2] 39/5 39/8	plus [2] 7/18 9/13	25/18 29/24
paralleled [1] 17/24	Poe [1] 7/18	
Parkway [2] 2/5 2/20	point [13] 6/15 9/8	proper [3] 10/1 29/22
part [5] 15/12 17/24	14/20 15/2 17/11	29/23
27/16 28/16 30/19	18/13 27/3 28/25 30/5	
partial [2] 5/10	30/16 31/18 33/11	23/3 23/3 26/13 26/18
31/20	41/4	28/19 34/7
participate [2] 25/2	points [9] 31/4 31/4	proposition [1] 38/17
25/23	32/20 32/20 32/25	propositions [1]
particular [1] 40/19	33/2 33/3 33/5 36/13	26/23
parties [15] 7/17	position [15] 7/25	prosecuting [1] 40/8
7/19 8/5 8/5 10/2	9/22 11/21 12/15	protect [1] 41/1
11/10 11/10 11/24	12/16 12/19 13/19	provisional [3] 8/3
20/1 20/3 22/24 26/9	13/21 14/11 18/2	34/24 35/3
26/11 30/18 37/24	18/18 20/17 21/7 26/9	1
	26/11	published [1] 21/22
party [12] 9/12 9/20		publishing [1] 23/25
10/4 13/22 14/4 15/25	28/8	pulled [1] 4/23
17/18 19/14 24/21	possibly [2] 34/20	purposes [1] 12/7
28/5 34/1 38/23	IT	pursuant [3] 6/18
paying [2] 35/11 39/4		
pending [4] 9/9 30/17	potentially [1] 24/20	pursued [1] 35/1
31/22 35/6	power [1] 19/11	
people [3] 18/23	powers [2] 20/4 20/6	pursuing [1] 22/22
18/25 22/21	practical [1] 12/6	push [1] 18/18
period [1] 27/18	*	put [6] 7/25 10/9
person [3] 24/8 26/18	18/11	10/12 28/11 30/10
27/6	prejudicial [2] 9/25	31/5
perspective [2] 18/16	12/17	Q
24/24	<pre>premise [2] 20/18</pre>	
petition [3] 22/15	27/9	question [4] 9/16
23/2 23/2	prepare [1] 41/9	15/16 21/19 29/18
petitioned [1] 25/21	present [4] 20/11	questions [1] 34/18
picked [1] 36/14	21/11 35/20 39/20	quickly [2] 30/3
PISANELLI [1] 2/11	presiding [1] 4/6	39/14
" -	pretty [1] 22/13	quote [1] 22/13
broancrrroro.com [-1		75
2/19	25/4 26/24	R
place [3] 20/20 20/25	primarily [1] 36/3	raised [2] 22/2 33/19
30/8	bringing [1]	raising [1] 39/1

73	34/11 36/2 36/23 37/7	Rule [1] 25/19
R	remember [5] 22/13	Rule 13 [1] 25/19
rank [6] 19/12 20/20	23/11 23/14 23/16	ruled [2] 14/5 27/11
23/3 23/3 26/25 36/12	32/25	rules [2] 10/7 17/5
ranked [4] 7/24 8/2	rendered [1] 6/8	ruling [7] 13/23 14/5
21/6 26/18	rent [2] 35/12 39/8	16/12 16/13 27/5
ranking [2] 27/8		27/15 27/19
36/11	repeatedly [1] 38/13	run [1] 19/23
re [2] 19/12 19/12	REPORTED [1] 1/25 REPORTER'S [1] 1/17	
re-rank [1] 19/12	representations [1]	S
re-work [1] 19/12	25/11	said [17] 12/5 13/11
read [2] 32/22 33/10	request [4] 5/22 28/5	1
reading [1] 26/2	30/1 38/22	15/19 16/20 16/23
ready [1] 5/21	required [1] 6/14	21/5 22/14 22/17
real [6] 7/10 7/17	requirements [1]	31/15 32/1 32/24
7/19 8/5 9/11 15/24	20/24	36/10 36/13 38/12
reality [5] 7/21 13/8	requires [3] 20/24	same [3] 10/16 20/4
18/24 29/8 37/16	28/8 30/7	21/7
realize [2] 23/9	res [5] 9/18 9/19	sat [3] 21/20 40/6
23/10	16/1 18/17 20/2	40/7
realized [1] 30/20	resolved [5] 5/19	satisfied [1] 14/6
realizing [1] 21/13	16/3 16/3 16/4 16/6	say [14] 9/4 11/22
really [14] 7/22 8/2	response [1] 38/20	12/4 18/8 21/12 21/16
9/24 11/9 14/23 17/1	rest [1] 26/20	21/18 28/18 30/15
19/17 20/17 22/20	result [1] 18/23	35/15 36/12 37/1
22/25 33/15 33/18	resulted [1] 35/2	37/15 37/24
34/22 36/10	retotaled [1] 11/19	saying [10] 7/2 8/13
reason [6] 12/11 13/6	reverse [1] 12/25	13/1 21/25 23/20 24/2
19/10 22/19 30/5	revocation [1] 35/3	25/8 25/20 29/6 40/4
40/19	revoke [1] 20/5	says [5] 22/18 23/2
reasonable [1] 33/25	revoked [1] 30/7	33/1 38/24 39/2
recall [5] 8/22 9/1 17/11 17/11 27/16	RIGGIO [2] 1/25 41/19	scenario [2] 25/1
receive [1] 13/11	right [33] 5/1 5/8	27/7
received [1] 6/13	6/3 6/24 12/2 15/4	scheduled [1] 5/18
reconsider [1] 6/7	15/10 16/20 16/21	Science [5] 23/10
reconsideration [2]	16/21 17/22 17/22	23/12 24/11 26/5 26/8
5/11 31/20	18/1 19/19 21/1 21/3	SCIENCES [56]
record [2] 4/15 30/4	21/4 24/12 25/2 25/13	Sciences' [5] 5/12
reference [1] 12/9	26/4 26/7 27/23 28/6	11/4 14/9 19/23 35/9 score [6] 11/18 11/18
regards [1] 26/16	29/19 30/24 35/16	
reimburse [1] 35/10	35/19 36/3 38/12 40/9	37/25
RELATED [1] 1/14	40/12 41/12	ggord [8] 12/4 14/22
relating [1] 11/17	rights [6] 7/10 17/16	14/24 23/20 31/3
relationship [1]	19/8 25/18 36/17 41/2	31/15 31/16 32/18
10/18	rise [1] 4/4	scores [2] 23/21 24/1
relative [1] 28/8	road [1] 12/21	scoring [4] 19/3 31/2
release [1] 23/21	ROE [2] 1/11 7/18	40/17 40/18
reliance [3] 39/2	Roes [3] 17/21 17/23	seated [1] 4/10
39/3 41/5	18/5	second [1] 35/13
relied [2] 36/7 40/4	role [1] 12/25	secret [1] 37/25
relief [8] 11/23	Rose [1] 2/5	see [17] 6/16 6/17
22/25 25/3 33/20	ruining [1] 8/11	

S	small [1] 29/9	33/21
see [15] 7/9 7/9	SMITH [3] 2/4 2/10	stems [1] 20/17
see [15] //9 //9 12/3 12/23 14/21	4/22	step [2] 22/4 23/6
1	smithshapiro.com [1]	still [3] 5/19 10/21
17/17 18/21 30/25	2/8	16/2
33/7 33/7 33/7 40/14	so [48]	Street [1] 2/12
40/15 40/21 40/24	11/24 17/20	subjected [2] 28/13
seeing [2] 12/24 19/7	17/20 19/1 22/20 30/5	
seems [5] 12/4 12/8	35/19 36/23 40/19	substantive [1] 28/3
17/2 19/4 32/23	somebody [2] 18/24	subsumed [1] 31/23
seen [2] 7/4 40/17	19/1	succeed [1] 41/4
sense [3] 6/7 28/1	somehow [1] 25/16	success [1] 39/12
32/18	10/2	successful [1] 24/17
separate [2] 5/4 35/8	27/17 27/17	such [1] 32/20
September [2] 9/4	something [7] 11/17	sucked [1] 19/2
17/10	10/12 10/23 21/10	sufficient [1] 35/15
SERVICES [10] 1/9 3/3	32/22 36/8 41/5	suggest [1] 40/18
4/13 4/21 6/23 12/5	soon [1] 25/6	suit [4] 11/14 12/7
27/13 31/12 32/14	sooner [1] 37/7	24/18 40/21
32/16	sort [3] 6/11 7/8	Suite [4] 2/5 2/12
session [1] 4/5	32/10	2/20 3/6
seven [4] 39/8 39/8		summary [8] 9/9 10/17
40/6 40/7	sour [1] 37/15	16/5 18/14 31/9 34/13
SHAPIRO [11] 2/3 2/4	South [1] 2/12	35/2 35/22
4/16 5/7 20/16 21/10	specifically [2] 7/16	,
22/1 24/13 25/7 26/7	19/9	36/22 37/23
41/10	spot [1] 20/15	supply [1] 15/19
Shapiro's [1] 36/19	St [1] 2/5	support [2] 37/18
she [9] 14/5 22/14		38/18
22/15 22/16 22/17	stake [1] 26/11	supports [1] 26/22
22/18 30/20 30/22	stall [1] 21/25	supposed [1] 20/19
31/2	stand [1] 21/12	sure [2] 11/8 22/13
shifted [1] 17/17	standard [8] 33/24	T
shortly [1] 25/8	34/12 34/12 34/14	
should [48]	35/23 35/23 35/25	table [1] 4/24
shouldn't [4] 6/13	36/1	take [8] 26/11 27/16
7/2 13/11 27/11	standing [2] 14/6	35/19 36/19 36/21
show [1] 28/17	14/18	37/5 37/21 39/25
showed [1] 24/13	starts [1] 27/9	taken [1] 39/24
side [1] 32/21	state [201 1/8 3/2	taking [1] 12/20
sideline [1] 22/25	4/12 4/12 15/14 15/14	talk [1] 15/6
simple [1] 34/22	15/18 19/12 20/5	tell [6] 6/10 16/8
simply [10] 11/3	20/19 20/24 22/21	24/10 31/11 32/4
20/19 21/3 21/6 26/6	23/2 26/24 26/24 27/4	39/14
35/19 36/9 37/19	27/13 36/11 40/14	tend [2] 32/11 33//
38/22 38/25	40/15	terms [5] 37/9 39/15
sitting [1] 5/6	State's [3] 15/17	40/13 40/24 41/1
situation [2] 14/22	40/19 40/20	than [9] 11/1 14/12
37/17	stated [3] 27/7 39/24	14/23 28/5 31/10
six [10] 8/7 12/20	40/2	34/13 35/11 38/16
19/25 21/15 21/15	states [1] 28/9	39/4
29/14 35/4 38/3 40/6	statute [2] 6/15	Thank [6] 7/12 27/25
40/25		
,		

today [4] 5/7 5/24 39/2 14/6 14/18 16/1 therefore [2] Thank... [4] 30/11 told [1] 21/20 28/17 41/8 41/11 41/12 tomorrow [1] 5/17 these [7] 8/4 18/25 that [206] 20/20 22/2 26/23 28/3 too [4] 12/17 18/6 that's [31] 6/8 7/8 18/9 37/2 29/3 11/7 13/2 14/7 15/21 total [1] 17/25 they [111] 16/19 16/21 17/13 they're [6] 8/5 19/18 TRAN [1] 1/1 20/25 22/1 22/11 26/25 28/11 35/11 TRANSCRIPT [2] 1/17 22/11 23/5 23/24 41/16 35/13 23/24 24/8 25/3 28/3 |they've [3] 27/1 34/6 |TRAURIG [1] 2/19 28/6 28/8 29/21 29/23 treat [2] 9/17 31/21 34/6 33/16 36/18 37/12 thing [4] 21/23 32/16 treated [1] 31/2 37/15 38/25 39/4 trial [3] 5/21 6/5 37/8 37/10 39/17 39/18 things [4] 21/9 22/1 34/13 their [29] 7/15 8/8 24/22 26/2 37/13 38/21 tried [3] 8/18 9/4 9/7 11/10 think [32] 5/14 5/20 26/3 11/20 17/6 19/19 troubling [1] 21/24 6/6 6/8 6/22 11/22 19/24 19/25 21/21 17/5 17/17 20/14 21/4 TRUE [1] 41/16 23/21 24/1 27/9 29/9 13/5 19/17 21/24 22/15 22/24 truly [2] 29/10 32/21 35/4 35/5 33/14 23/24 24/16 24/20 trump [1] 35/7 36/8 37/6 38/15 24/22 25/7 25/22 truth [1] 21/9 38/21 39/6 39/7 40/6 16/9 19/23 26/21 30/14 32/1 try [4] 41/1 33/11 34/1 34/6 34/10 30/16 38/16 them [14] 8/1 10/14 35/14 36/1 38/5 38/12 trying [1] 30/8 15/13 15/18 21/21 38/13 40/1 TUESDAY [2] 1/20 4/1 21/22 24/22 24/25 turning [1] 17/5 thinking [1] 23/18 26/22 29/17 31/5 33/1 two [5] 5/16 11/2 Thirteen's [1] 9/24 33/4 36/24 14/2 18/23 18/25 thirteenth [1] 18/18 themselves [6] 28/12 type [1] 11/22 this [73] 28/12 28/13 29/20 those [13] 5/16 10/14 typo [1] 11/16 34/8 34/9 11/24 16/2 16/6 20/9 typographical [1] then [28] 6/6 6/8 28/15 29/25 30/21 11/17 7/17 8/6 9/16 10/5 32/6 35/14 36/15 10/9 10/12 13/6 14/5 39/25 19/17 19/17 20/2 21/4 though [5] 17/6 29/19 ultimately [5] 11/11 22/23 24/9 25/13 11/12 25/4 31/8 35/1 30/19 36/25 37/24 25/25 27/17 28/20 7/5 24/15 under [14] 9/18 9/19 thought [3] 29/2 29/18 31/14 33/4 10/7 15/13 19/13 25/16 33/15 35/20 36/21 24/25 27/4 27/7 29/23 7/6 7/6 through [4] 39/14 34/1 34/11 35/14 9/23 26/20 there [28] 4/24 7/21 35/16 35/17 till [1] 35/13 10/17 12/11 12/12 understand [4] 11/11 time [20] 9/1 13/13 13/7 13/8 15/11 17/1 11/13 23/20 32/7 17/12 19/5 21/14 22/2 17/7 17/12 21/11 understanding [3] 22/6 22/21 23/15 24/14 24/19 30/10 6/18 11/14 30/8 23/18 24/12 25/21 30/12 30/17 30/17 until [2] 17/9 39/6 27/3 28/4 28/7 31/16 30/23 37/1 37/17 untimely [1] 37/12 37/1 39/6 39/19 41/4 37/19 37/19 37/22 up [12] 21/12 22/5 timeliness [1] 37/10 38/4 38/10 39/3 40/9 22/19 24/13 27/17 timely [2] 12/21 35/1 there's [10] 5/14 27/18 27/20 28/17 39/8 times [1] 5/19 13/6 15/21 18/16 33/4 36/14 37/22 to -- I [1] 31/14 20/2 36/5 38/23 38/23

U	wants [1] 38/13	what's [2] 21/3 21/4
up [1] 38/14	warranted [1] 11/22	whatever [6] 12/7
upfront [1] 32/10	was [109]	17/21 21/16 33/5
upon [4] 7/10 12/21	Washington [1] 3/6	36/17 39/9
31/12 41/5	wasn't [14] 6/19 8/23	when [34] 7/2 7/15
us [31] 5/8 8/10 9/10	14/14 15/2 15/5 15/7	9/6 13/23 14/16 15/19
9/15 9/21 12/5 12/17	23/15 25/18 28/7 31/5	16/13 17/14 18/6 18/9
13/20 13/23 14/23	32/16 32/18 36/25	20/6 20/22 21/10
14/24 15/24 15/25	38/6	21/24 22/4 23/6 23/8
16/2 17/17 18/16	water [1] 7/6	23/8 23/10 23/11
18/18 18/18 18/19	way [8] 10/1 11/11	24/10 24/13 24/13
21/7 22/16 26/21	11/12 19/1 21/1 23/6	26/13 27/5 29/6 29/7
26/25 29/2 32/24	32/22 32/22	30/23 33/13 36/15
36/11 36/12 36/12	we [104]	37/16 39/14 39/15
36/13 36/17 38/2	we'd [1] 30/1	39/25
usually [1] 32/10	we'11 [3] 6/4 24/17	where [9] 6/11 7/8
	41/9	14/1 14/22 16/3 19/15
V	we're [21] 5/20 9/9	24/3 30/8 35/8
vacate [1] 6/4	9/11 13/24 14/23 17/5	•
vacated [1] 5/23	17/7 18/10 19/10	whether [7] 15/2
<pre>valid [3] 33/23 34/2</pre>	20/10 24/16 25/8	16/25 18/10 28/25
34/15	29/20 29/23 30/8	32/21 39/23 41/3
value [4] 36/20 36/21	32/21 35/17 35/18	which [18] 5/8 8/17
37/6 37/21	39/22 39/23 40/7	10/7 10/9 10/16 18/19
Vegas [5] 2/13 2/21	we've [6] 5/16 9/8	19/11 20/4 20/20
3/7 4/1 6/15	33/22 34/17 36/1	20/24 23/4 33/19
versus [1] 4/12	39/19	34/12 35/2 36/13
very [3] 19/11 29/5	weeks [1] 11/2	40/20 41/2 41/5
37/12	well [19] 7/5 7/12	while [3] 21/12 37/2
view [1] 6/14	8/12 9/8 9/17 10/6	40/7
violated [1] 25/18	13/2 13/9 13/12 13/13	
vis [2] 10/18 10/18	13/17 14/10 15/16	6/17 7/4 8/7 8/23
vis-a-vis [1] 10/18		9/24 19/24 24/4 31/12
W	33/9 38/10	whoever [2] 7/3 31/15
	went [6] 17/19 20/22	
Wait [4] 21/12 37/2	-	wholly [1] 11/3
37/24 39/13	30/19	whom [2] 7/16 7/19 whose [1] 15/16
waited [3] 12/17 35/4		
37/2	10/3 10/7 10/10 12/19	9/19 13/3 13/3 13/4
waiting [1] 35/13	13/21 13/22 15/12	16/8 18/8 21/20 22/12
waive [1] 38/24	-	23/19 23/21 33/16
waived [1] 37/19		36/25 37/1 37/22 38/7
waiver [2] 30/4 38/23		will [2] 10/20 32/4
want [21] 5/13 8/10		without [4] 11/5
9/3 16/19 16/21 21/8	36/14 36/16 36/16	18/19 20/9 38/17
1		work [1] 19/12
1 - 1		work [1] 19/12 working [1] 24/9
	weren't [6] 8/25 9/21	
! i	15/23 28/16 30/21	worth [1] 39/8
38/1 40/10 wanted [3] 11/18 26/8		would [25] 5/22 12/14
1 1	what [42]	12/14 13/13 13/14
20/9	wiide [TA]	12,11 10,10 10,11

	T	1
W		
would [20] 13/14 13/22 14/6 14/11 20/18 21/6 27/12 28/21 29/2 29/3 29/16 31/9 31/14 31/15 32/1 32/5 33/5 33/5 33/6 36/17 wouldn't [4] 14/5 24/24 33/3 33/4 wrapped [1] 38/14 wrestled [1] 32/19 writ [3] 20/23 22/22 28/18 written [1] 11/1		
wrong [3] 11/12 11/19		
17/18		
X		
XX [2] 1/7 1/19		
Y		
Yeah [3] 9/2 22/17 33/1 year [1] 9/4 years [1] 21/16 Yes [2] 22/7 22/9 yet [1] 9/13 you [130] you're [7] 13/1 14/15 15/1 19/8 20/14 23/20 24/2 you've [7] 33/9 33/25 34/16 34/16 34/17 38/12 38/12 your [50]		

Electronically Filed 03/03/2016 11:38:47 AM

1 ORDR MARK E. FERRARIO, ESQ. (NV Bar #1625) CLERK OF THE COURT MOOREA L. KATZ, ÉSQ. (NV Bar #12007) 2 GREENBERG TRAURIG, LLP 3 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 4 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 5 E-mail: ferrariom@gtlaw.com katzmo@gtlaw.com 6 Counsel for Plaintiff in Intervention Acres Medical, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 GB SCIENCES NEVADA, LLC, a Nevada Case No.: A-14-710597-C 10 limited liability company, Dept. No.: XX 11 Plaintiff, 12 ψ. 13 STATE OF NEVADA, DIVISION OF 14 PUBLIC AND BEHAVIORAL HEALTH OF ORDER GRANTING INTERVENOR ACRES THE DEPARTMENT OF HEALTH AND 15 MEDICAL, LLC'S MOTION TO DISMISS HUMAN SERVICES; CITY OF LAS VEGAS. GB SCIENCES NEVADA, LLC'S a municipal corporation and political 16 COUNTERCLAIMS AGAINST ACRES subdivision of the State of Nevada; DESERT MEDICAL, LLC 17 AIRE WELLNESS, LLC, a Nevada limited liability company; NULEAF CLV 18 DISPENSARY, LLC, a Nevada limited liability company; DOES 1 through 100; and 19 ROE ENTITIES 1 through 100, 20 Defendants. 21 ACRES MEDICAL, LLC. 22 Plaintiff in Intervention, 23 24 ٧. 25 STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF 26 THE DEPARTMENT OF HEALTH AND HUMAN SERVICES: CITY OF LAS VEGAS, 27 a municipal corporation and political 28 subdivision of the State of Nevada; NULEAF

LV 420625328v1

l

2

3

4

5

б

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

CLV DISPENSARY, LLC, a Nevada limited liability company; GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Defendants in Intervention.

THIS MATTER, having come before the Court on January 26, 2016, on ACRES MEDICAL, LLC'S ("Acres" or "Intervenor") Motion to Dismiss GB Sciences Nevada, LLC's Counterclaim Against Acres Medical, LLC ("Motion"), Plaintiff, having appeared by and through its attorneys of record, SMITH & SHAPIRO, PLLC; Defendant STATE OF NEVADA. DEPARTMENT OF HEALTH AND HUMAN SERVICES (the "State" or "Division"), having appeared by and through ADAM PAUL LAXALT, Attorney General through his Chief Deputy Attorney General, LINDA C. ANDERSON: Defendant NuLeaf CLV Dispensary LLC, having appeared by and through its attorneys of record, PISANELLI BICE, PLLC; Intervenor Acres, having appeared by and through its attorneys of record, GREENBERG TRAURIG, LLP, the Court having reviewed the papers and pleadings on file herein, having heard the arguments of counsel, the Court having stated its conclusions on the record, the Court being fully advised in the premises, and good cause appearing, NOW THEREFORE, THE COURT FINDS AND CONCLUDES:

GB Sciences Nevada, LLC's ("GB Sciences") counterclaims for declaratory relief and equitable estoppel against Acres are subject to dismissal. GB Sciences cannot seek a provisional Medical Marijuana Establishment ("MME") certificate from the Division via a claim for declaratory relief or equitable estoppel against Acres. If GB Sciences wishes to challenge the score or rank its MME application received from the Division, counterclaims against Acres is not the proper method to do so. Acres is simply a fellow MME applicant in the City of Las Vegas with no legal or contractual relationship with GB Sciences.

Additionally, GB Sciences has failed to allege any facts sufficient to state a claim for equitable estoppel against Acres. GB Sciences bases its claim for equitable estoppel on its allegations that (1) Acres delayed to intervene in this action; and (2) Acres did not name GB Sciences as a party in separate writ proceedings against the Division seeking a correction of Acres' LV 420625328v1

Page 2

Page 3

RAPP000361

LV 420625328v1

		11
	j	Approved/Disapproved as to Form and Content:
	2	PISANELLI BICE, PLLC
	3	
	4	Todd L. Bice, Esq. Nevada Bar No. 4534
	5	400 South 7th Street, Suite 300 Las Vegas, NV 89101
	6	Attorneys for Nuleaf CLV Dispensary LLC
	7	
	8	Approved/Disapproved as (o Form and Content:
	9	ADAM PAUL LAXALT Attorney General
	10	Jinda C. anderson
	11	Linda C. Anderson, Esq. Chief Deputy Attorney General
	12	Nevada Bar No. 4090 555 E. Washington Ave., #3900
SANAN SANAN	13	Las Vegas, NV 89101
GREINBERG TRAURIO, LLP 3773 Howard Hughes Pathorn Shide 410 North Los Vegas, Novada 18458 Teleptrone, (702) 722-3772 Hansimile: (702) 722-3772	14	
Howard P Soile 4 Vegas, N Principi	15	
GAGIII SYTS Telescope ST Telescope ST Telesc	16	
	17	
	18	
	19	
	20	
	21	
	22	
	23	

LV 420625328v1

Electronically Filed 03/03/2016 11:40:57 AM

RAPP000363

1 ORDR Mark E. Ferrario, Esq. (NV Bar #1625) **CLERK OF THE COURT** 2 MOOREA L. KATZ, ESQ. (NV Bar #12007) GREENBERG TRAURIG, LLP 3 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 4 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 5 E-mail: ferrariom@gtlaw.com katzmo@gtlaw.com б Counsel for Plaintiff in Intervention Acres Medical, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 GB SCIENCES NEVADA, LLC, a Nevada Case No.: A-14-710597-C 10 limited liability company, Dept. No.: XX 11 Plaintiff. 12 13 STATE OF NEVADA, DIVISION OF 14 PUBLIC AND BEHAVIORAL HEALTH OF ORDER DENYING PLAINTIFF GB THE DEPARTMENT OF HEALTH AND 15 SCIENCES NEVADA, LLC'S MOTION TO HUMAN SERVICES; CITY OF LAS VEGAS, ALTER OR AMEND JUDGMENT: OR, IN a municipal corporation and political 16 THE ALTERNATIVE MOTION FOR subdivision of the State of Nevada; DESERT PARTIAL RECONSIDERATION 17 AIRE WELLNESS, LLC, a Nevada limited liability company; NULEAF CLV 18 DISPENSARY, LLC, a Nevada limited liability company; DOES 1 through 100; and 19 ROE ENTITIES 1 through 100. 20 Defendants. 21 ACRES MEDICAL, LLC. 22 Plaintiff in Intervention, 23 24 v. 25 STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF 26 THE DEPARTMENT OF HEALTH AND HUMAN SERVICES: CITY OF LAS VEGAS, 27 a municipal corporation and political subdivision of the State of Nevada; NULEAF 28

Page 1

LV 420625540v1

GREENBERG TRAURIG, LLP 3772 Howard Hugues Pankway Suite out Yorgh Ann Las Verges, New British Takeymane, (702) 782-3373 Farchinie (702) 782-3373 1

2

3

4

5

6

7

8

Q

10

11

12

1.3

15

16

17

18

19

20

21

22

23

24

25

26

27

28

CLV DISPENSARY, LLC, a Nevada limited liability company; GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Defendants in Intervention.

THIS MATTER, having come before the Court on January 26, 2016, on GB SCIENCES NEVADA, LLC'S ("Plaintiff") Motion to Alter or Amend Judgment; or, in the Alternative Motion for Partial Reconsideration ("Motion"), Plaintiff, having appeared by and through its attorneys of record, SMITH & SHAPIRO, PLLC; Defendant STATE OF NEVADA, DEPARTMENT OF HEALTH AND HUMAN SERVICES (the "State" or "Division"), having appeared by and through ADAM PAUL LAXALT, Attorney General through his Chief Deputy Attorney General, LINDA C. ANDERSON; Defendant NuLeaf CLV Dispensary LLC, having appeared by and through its attorneys of record, PISANELLI BICE, PLLC; Intervenor ACRES MEDICAL, LLC ("Acres"), having appeared by and through its attorneys of record, GREENBERG TRAURIG, LLP; the Court having reviewed the papers and pleadings on file herein, having heard the arguments of counsel, the Court having stated its findings and conclusions on the record, and good cause appearing, NOW THEREFORE, THE COURT FINDS AND CONCLUDES:

GB Sciences has not demonstrated that the Court's December 14, 2015 Order ("December Order") was clearly erroneous and therefore has not met the standard for reconsideration. See Masonry and Tile Contrators Ass'n of S. Nevada v. Jolley. Urga & Wirth, Ltd., 941 P.2d 486, 113 Nev. 737 (1997). Nor has GB Sciences demonstrated that the Court's December Order should be amended based on accident or error pursuant to Nevada Rule of Civil Procedure 59(a).

NOW THEREFORE, IT IS HEREBY ORDERED that Plaintiff's Motion to Alter or Amend Judgment; or, in the Alternative Motion for Partial Reconsideration is DENIED.

IT IS SO ORDERED this 29 day of February 2016

DISTRICT COURT JUDGE

ERIC JOHNSON

á

LV 420625540v1

	1	Respectfully Submitted by:
	2	GREENBERG TRAURIG, LLP
	3	
	4	Mark E. Ferrario, Esq. Nevada Bar No. 1625
	5	3773 Howard Hughes Parkway
	6	Suite 400 North Las Vegas, Nevada 89169
		Counsel for Plaintiff in Intervention Acres Medical, LLC
	7	
	8	Approved/Disapproved as to Form and Content:
	9	SMITH & SMAPIRO, PLEC
	10	
	11	James E. Shapiro, Esq.
	12	Nevada Bar No. 7907 2520-Saint Rose Parkway, Suite 220
7, LLP 888 773 773 881	13	Henderson, Nevada 89074 Attorneys for Plaintiff GB Sciences Nevada, LLC
SAURIC Mark For ware services Portices	14	
E SASER	15	Approved/Disapproved as to Form and Content:
KRENBERI Svin Svin Lis Vegas Tampiume Facsinike	16	
•••		PISANELLI BICE, PLLC
	17	Todd L. Bice, Esq.
	18	Nevada Bar Ño. 4534 400 South 7th Street, Suite 300
	19	Las Vegas, NV 89101
j	20	Attorneys for Nuleaf CLV Dispensary LLC
	21	
	22	Approved/Disapproved as to Form and Coptent:
	23	ADAM PAUL LAXALT Attorney General
ŝ	24	
2	2.5	Linda C. Anderson, Esq. Chief Deputy, Aftorney General
2	26	Nevada Bar No. 4090 555 E. Washington Ave., #3900
	27	Lar Vegas, NV 89101
2		•

' 420628540v1

		The same of the sa
	1.	Respectfully Submitted by:
	2	GREENBERG TRAUBIG, LLP
	3	
	4	Mark E. Ferrario, Esq. Nevada Bar No. 1625
	5	3773 Howard Hughes Parkway
	6	Suite 400 North Las Vegas, Nevada 89169
	7	Counsel for Plaintiff in Intervention Acres Medical, LLC
	8 9	Approved/Disapproved as to Form and Content:
	10	SMITH & SHAPIRO, PLŁĆ
	1.1	James E. Shapiro, Esq.
	12	Nevada Bar No. 7907 2520 Şaint Rose Parkway, Suite 220
a	13	Henderson, Nevada 89074
GREENBRING TRAURIG, LL.P. 2773 Howard Mughes Parkway Sules 400 horth Las Voyses, Nevede 18150 Telephore, (702) 782-5002 Forstnie: (702) 782-5002	14	Attorneys for Plaintiff GB Sciences Nevada, LLC
RG TR. serd Hug life 470 l ges. Neve re. (702		
EEMERRG 71 Howard Sulps Las Veyge, 1 relephone, Fookmile,	15	Approved/Disapproved as to Form and Content:
ű "	16	PISANELLI BICE, PLLC
	17	Todd L. Bice, Esq.
	18	Nevada Bar No. 4534 400 South 7 th Street, Suite 300
	19	Las Vegas, NV 89101 Attorneys for Nuleaf CLV Dispensary LLC
	20	Autorneys for Nutear CLV Dispensary LLC
	21	
	22	Approved/Disapproved as to Form and Content:
	23	ADAM PAUL LAXALT Attorney General
	24	Sunda C Cinderson
	25	Binda C. Anderson, Esq. Chief Deputy Attorney General
	26	Nevada Bar No. 4090 555 E. Washington Ave., #3900
	27	Las Vegas, NV 89101
	28	

Page 3

I.V 420625540v

Electronically Filed 03/04/2016 11:41:04 AM

CLERK OF THE COURT

NEOJ MARK E. FERRARIO, ESQ. (NV Bar #1625) MOOREA L. KATZ, ESQ. (NV Bar #12007) GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway, Suite 400 North

Las Vegas, Nevada 89169 Telephone: (702) 792-3773

Facsimile: (702) 792-9002 E-mail: ferrariom@gtlaw.com katzmo@gtlaw.com

Counsel for Plaintiff in Intervention

Acres Medical, LLC

1

2

3

4

5

6

7

8

9

10

11

16

17

18

19

20

21

22

23

24

26

27

28

DISTRICT COURT

CLARK COUNTY, NEVADA

GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Case No.: A710597 Dept. No.: XX

MOTION FOR PARTIAL

RECONSIDERATION

NOTICE OF ENTRY OF ORDER DENYING

PLAINTIFF GB SCIENCES NEVADA,

LLC'S MOTION TO ALTER OR AMEND

JUDGMENT; OR, IN THE ALTERNATIVE

Plaintiff,

STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; CITY OF LAS VEGAS, a municipal corporation and political subdivision of the State of Nevada; DESERT AIRE WELLNESS, LLC, a Nevada limited liability company; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; DOES 1 through 100; and ROE ENTITIES 1 through 100,

Defendants.

ACRES MEDICAL, LLC,

Plaintiff in Intervention,

٧. 25

> STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; CITY OF LAS VEGAS,

.V 420644504v1 153342.010300

Page 1 of 3

RAPP000367

2

3

4

5

6

7

8

9

a municipal corporation and political subdivision of the State of Nevada; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Defendants in Intervention

YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that an ORDER DENYING PLAINTIFF GB SCIENCES NEVADA, LLC'S MOTION TO ALTER OR AMEND JUDGMENT; OR, IN THE ALTERNATIVE MOTION FOR PARTIAL **RECONSIDERATION** was entered in the above-captioned matter on the 3rd day of March, 2016.

DATED this 4th day of March, 2016.

GREENBERG TRAURIG, LLP

By: /s/ Moorea L. Katz MARK E. FERRARIO (NV Bar No. 1625) MOOREA L. KATZ (NV Bar No. 12007) 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 Counsel for Plaintiff in Intervention Acres Medical, LLC

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b)(2)(D) and E.D.C.R. 8.05, I certify that on this 4th day of March, 2016, I caused a true and correct copy of the foregoing to be filed and served via the Court's Wiznet E-Filing system. The date and time of the electronic proof of service is in place of the date and place of deposit in the mail.

/s/ Joyce Heilich

An employee of GREENBERG TRAURIG, LLP

LV 420644504v1 153342.010300

Page 3 of 3

RAPP000369

Electronically Filed 03/03/2016 11:40:57 AM

RAPP000370

1 ORDR MARK E. FERRARIO, ESQ. (NV Bar #1625) CLERK OF THE COURT 2 MOOREA L. KATZ, ESQ. (NV Bar #12007) GREENBERG TRAURIG, LLP 3 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 4 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 5 E-mail: ferrariom@gtlaw.com 6 katzmo@gtlaw.com Counsel for Plaintiff in Intervention Acres Medical, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 GB SCIENCES NEVADA, LLC, a Nevada Case No.: A-14-710597-C 10 limited liability company, Dept. No.: XX 11 Plaintiff. 12 13 STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF ORDER DENYING PLAINTIFF GB THE DEPARTMENT OF HEALTH AND 15 SCIENCES NEVADA, LLC'S MOTION TO HUMAN SERVICES; CITY OF LAS VEGAS, ALTER OR AMEND JUDGMENT; OR, IN a municipal corporation and political 16 THE ALTERNATIVE MOTION FOR subdivision of the State of Nevada; DESERT PARTIAL RECONSIDERATION 17 AIRE WELLNESS, LLC, a Nevada limited liability company; NULEAF CLV 18 DISPENSARY, LLC, a Nevada limited liability company; DOES 1 through 100; and 19 ROE ENTITIES 1 through 100, 20 Defendants. 21 ACRES MEDICAL, LLC, 22 Plaintiff in Intervention, 23 24 25 STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF 26 THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; CITY OF LAS VEGAS, 27 a municipal corporation and political 28 subdivision of the State of Nevada; NULEAF

Page 1

LV 420625540v1

б

Ģ

CLV DISPENSARY, LLC, a Nevada limited liability company; GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Defendants in Intervention.

THIS MATTER, having come before the Court on January 26, 2016, on GB SCIENCES NEVADA, LLC'S ("Plaintiff") Motion to Alter or Amend Judgment; or, in the Alternative Motion for Partial Reconsideration ("Motion"), Plaintiff, having appeared by and through its attorneys of record, SMITH & SHAPIRO, PLLC; Defendant STATE OF NEVADA, DEPARTMENT OF HEALTH AND HUMAN SERVICES (the "State" or "Division"), having appeared by and through ADAM PAUL LAXALT, Attorney General through his Chief Deputy Attorney General, LINDA C. ANDERSON; Defendant NuLeaf CLV Dispensary LLC, having appeared by and through its attorneys of record, PISANELLI BICE, PLLC; Intervenor ACRES MEDICAL, LLC ("Acres"), having appeared by and through its attorneys of record, GREENBERG TRAURIG, LLP; the Court having reviewed the papers and pleadings on file herein, having heard the arguments of counsel, the Court having stated its findings and conclusions on the record, and good cause appearing, NOW THEREFORE, THE COURT FINDS AND CONCLUDES:

GB Sciences has not demonstrated that the Court's December 14, 2015 Order ("December Order") was clearly erroneous and therefore has not met the standard for reconsideration. See Masonry and Tile Contrators Ass'n of S. Nevada v. Jolley. Urga & Wirth, Ltd., 941 P.2d 486, 113 Nev. 737 (1997). Nor has GB Sciences demonstrated that the Court's December Order should be amended based on accident or error pursuant to Nevada Rule of Civil Procedure 59(a).

NOW THEREFORE, IT IS HEREBY ORDERED that Plaintiff's Motion to Alter or Amend Judgment; or, in the Alternative Motion for Partial Reconsideration is DENIED.

IT IS SO ORDERED this 29 day of February , 2016

DISTRICT COURT JUDGE

ERIC JOHNSON

Page 2

LV 420625540v1

X

	1	Respectfully Submitted by:
	2	GREENBERG TRAURIG, LLP
	3	
		Mark E. Ferrario, Esq.
	4	Nevada Bar No. 1625
	5	3773 Howard Hughes Parkway Suite 400 North
	6	Las Vegas, Nevada 89169
	7	Counsel for Plaintiff in Intervention Acres Medical, LLC
	8	
	9	Approved/Disapproved as to Form and Content:
	·	SMITH & SMAPIRO, PLEC
	10	
	11	James E. Shapiro, Esq.
	12	Nevada Bar No. 7907 2520 Saint Rose Parkway, Suite 220
HIS AL	1.3	Henderson, Nevada 89074
10,6865, 85 Person 10,000 10,000 110,000		Attorneys for Plaintiff GB Sciences Nevada, LLC
O TRA	14	
GREINBERG TRAINGIG, LLP 3773 foward finguise Forestay Solie sliff Abrit List Vegos Avende 18115 Despress (1702) 722, 9713 Farshelle (1702) 722, 9713	15	Approved/Disapproved as to Form and Content:
AN THE	16	PISANELLI BICE, PLLC
	17	
	18	Todd L. Bice, Esq. Nevada Bar No. 4534
	19	400 South 7 th Street, Suite 300
		Las Vegas, NV 89101 Attorneys for Nuleaf CLV Dispensary LLC
	20	
	21	1475
	22	Approved/Disapproved as to Form and Content:
	23	ADAM PAUL LAXALT Attorney General
	24	
	25	Linda C. Anderson, Esq. Chief Deputy, Attorney General
	26	Nevada Bar No. 4090 555 E. Washington Ave., #3900
	27	Las Vegas, NV 89101
	28	
	2 7	•

Page 3

LV 420625540v1

		Appen					
	1	Respectfully Submitted by:					
	2	GREENBERG TRAURIG, LLP					
	3						
	4	Mark E. Ferrano, Esq.					
	5	Nevada Bar No. 1625 3773 Howard Hughes Parkway					
	6	Suite 400 North Las Vegas, Nevada 89169					
		Counsel for Plaintiff in Intervention Acres Medical, LLC					
	7						
	8	Approved/Disapproved as to Form and Content:					
	9	SMITH & SHAPIRO, PLEC					
	10						
	11	James E. Shapiro, Esq.					
n.	12	Nevada Bar No. 7907 2520 Saffit Rose Parkway, Suite 220					
1G, L.L. Parkway 1970 1972 1972	13	Henderson, Nevada 89074 Attorneys for Plaintiff GB Sciences Nevada, LLC					
TRAUR Cohes F 50 North levade 702) 792	14						
GREENBERG TRAURIG, LI.P. 3771 Howard Hughes Parkway. Subs 400 fount. Las Voyse, Novade 189101 indeptons. (702) 762-3772 Forsmin: (702) 762-3772	15	Approved/Disapproved as to Form and Content:					
GREER AVIII Lus Tage Face	16	PISANELLI BICE, PLLC					
	17						
	18	Todd L. Bice, Esq. Nevada Bar No. 4534					
	19	400 South 7th Street, Suite 300 Las Vegas, NV 89101					
	20	Attorneys for Nuleaf CLV Dispensary LLC					
	21	and the second s					
		Approved/Disapproved as to Form and Content:					
	22	ADAM PAUL LAXALT					
	23	Attorney General					
	24	Finds C Underson Dinda C. Anderson, Esq.					
	25	Chief Deputy Attorney General Nevada Bar No. 4090					
	26	555 E. Washington Ave., #3900					
	27	Las Vegas, NV 89101					
	28						

Page 3

LV 420625540v1

NOTC 1 James E. Shapiro, Esq. **CLERK OF THE COURT** 2 Nevada Bar Ño. 7907 Sheldon A. Herbert, Esq. Nevada Bar No. 5988 3 **SMITH & SHAPIRO, PLLC** 2520 St. Rose Parkway, Suite 220 Henderson, NV 89074 (702) 318-5033 5 Attorneys for GB SCIENCES NEVADA, LLC 6 DISTRICT COURT 7 CLARK COUNTY, NEVADA 8 GB SCIENCES NEVADA, LLC, a Nevada limited 9 liability company, Case No. A-14-710597-C Dept. No. XX 10 Plaintiff, 11 STATE OF NEVADA, DIVISION OF PUBLIC BEHAVIORAL HEALTH OF 12 SMITH & SHAPIRO, PLLC 2520 St. Rose Parkway, Suite 220 DEPARTMENT OF HEALTH AND HUMAN Henderson, Nevada 89074 SERVICES; CITY OF LAS VEGAS, a municipal 13 (202) 318-5033 corporation and political subdivision of the State of Nevada; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; DOES 1-10, and ROE ENTITIES 1-100, inclusive, Date: Time: 16 Defendants. 17 AND RELATED CLAIMS 18 19 NOTICE OF CROSS-APPEAL 20 Notice is hereby given that Plaintiff/Defendant-in-Intervention/Counterclaimant-in-Intervention 21 GB SCIENCES NEVADA, LLC, a Nevada limited liability company, hereby cross-appeals to the 22 Supreme Court of Nevada from the following: 23 The District Court's Minute Order, entered on November 13, 2015. 1) 24 The District Court's Order, entered on December 14, 2015. 25 2) The District Court's Minute Order, entered on January 26, 2016. 3) 26 111 27 111 28

SMITH & SHAPIRO, PLLC 2520 St. Rose Parkway, Suite 220

- 4) The District Court's Order Denying Plaintiff GB Sciences of Nevada's Motion to Alter or Amend Judgment; or, in the Alternative, Motion for Partial Reconsideration, entered on March 3, 2016.
- 5) The District Court's Order Granting Intervenor Acres Medical, LLC's Motion to Dismiss GB Sciences of Nevada, LLC Counterclaims against Acres Medical, LLC, entered on March 3, 2016.
- 6) All other orders and rulings made appealable from the foregoing.

 DATED this 30th day of March, 2016.

SMITH & SHAPIRO, PLLC

/s/ James E. Shapiro
James E. Shapiro, Esq.
Nevada Bar No. 7907
Sheldon A. Herbert, Esq.
Nevada Bar No. 5988
2520 St. Rose Parkway, Suite #220
Henderson, NV 89074
Attorneys for Plaintiff/Defendant
in Intervention/Counterclaimant in Intervention

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of SMITH & SHAPIRO, PLLC, and that on the 30th day of March, 2016, I served a true and correct copy of the forgoing NOTICE OF CROSS-APPEAL, by e-serving a copy on all parties registered and listed as Service Recipients in Wiznet, the Court's online, electronic filing website, pursuant to Administrative Order 14-2, entered by the Chief Judge, Jennifer Togliatti, on May 9, 2014.

/s/ Jill M. Berghammer
An employee of SMITH & SHAPIRO, PLLC

2

3

4

5

6

7

8

9

10

11

12

13

(702) 318-5033

16

17

18

19

20

21

22

23

24

25

26

27

Certificate), and (3) determination of entitlement of the Provisional Certificate by a subsequent fullybriefed dispositive motion or trial on the merits.

Acres goes on to argue that GB Sciences was not deprived of due process because it could have argued at the November 9, 2015 hearing against Acres' receiving the NuLeaf Provisional Certificate. See Opposition at 6:10-12. However, an actual determination on whether Acres was entitled to be ranked #13 or not, was not before the Court at the time. The only matters before the Court were (1) the issues by and between NuLeaf and GB Sciences as to whether the NuLeaf Provisional Certificate could be revoked and reissued to GB Sciences, and (2) whether Acres could intervene (i.e. become a party to the case) to, as Acres put it, "protect its rights and pursue a Provisional License." Acres was not a party to the competing motions for summary judgment, directly or by joinder, nor was an actual determination that the Provisional Certificate be transferred over to Acres even before the Court. Yet. that was what made it into the Court's ultimately entered MSJ Order.

Further, as explained in the Motion, none of the parties made any arguments to the Court relating to Acres' involvement. In fact, upon inquiry, counsel for GB Sciences noted to the Court that there would be future pleadings and arguments to determine the relative positions of GB Sciences and Acres. Outside of this comment, no arguments were raised by any parties relative to Acres, primarily because the issue had not yet been properly pled, nor was it properly in front of the Court (as it had not yet been briefed), as well as because none of the parties were prepared to make any such arguments at that time (as Acres' Motion to Intervene had been granted less than an hour before).

Acres next argument is that GB Sciences was not deprived of due process because it is permitted to brief and argue the instant Motion. See Opposition at 6:16-18. That is nonsensical because a motion to alter or amend arises under a different standard, happens after-the-fact, the scope of what can be considered in such a motion is extremely narrow, and the motion in this case still arises without the benefit of conducting any discovery regarding the critical issue of whether Acres should be ranked higher than GB Sciences and without any arguments as to the merits of Acres and GB Sciences claims and defenses.

111

28 III

22

23

24

25

26

27

1

2

3

4

5

6

7

8

Finally, Acres argues that GB Sciences was not deprived of due process because it was able to assert its Counterclaim against Acres for declaratory relief. See Opposition at 6:18-19. However, this argument is also nonsensical because GB Sciences was not able to assert the Counterclaim until after an actual Complaint in Intervention was filed by Acres, which was after the motion for summary judgment (which the MSJ Order was supposed to determine) was fully briefed and heard. Contrary to Acres' arguments, GB Sciences is not being afforded the opportunity to pursue the Counterclaim by conducting discovery and briefing the law related to the Counterclaim. Rather, the MSJ Order already effectively ruled against the Counterclaim before GB Sciences has had any opportunity to develop it through the appropriate legal channels and procedures.

As explained in the Motion, the case of Nicoladze v. First Nat. Bank of Nevada, 94 Nev. 377, 580 P.2d 1391 (Nev., 1978) is instructive. In Nicoladze, First National Bank of Nevada ("FNBN") obtained a judgment against Lawler Cattle Company. Id., at 377. After the Judgment had been obtained, FNBN filed a motion to add George G. Nicoladze as a party on the theory that he was the alter ego of the Lawler Cattle Company. Id. "Without conducting a hearing on the matter or making any findings, the district court granted the motion." Id. at 377-378. In reversing the district court's ruling. the Nevada Supreme Court held that "Fundamental due process requires that a person against whom a claim is asserted in a judicial proceeding have an opportunity to be heard and present his defenses." Id. a 378 (emphasis added). This did not happen in this case.

Although the opinion in the Nicoladze case does not set forth all of the facts that the court relied upon in making its determination, it is unlikely that Nicoladze had no notice of the lawsuit or the Judgment against the Lawler Cattle Company. If FNBN actually moved the court to add Nicoladze as a judgment debtor, under an alter-ego theory, there must have been some kind of close business association between Nicoladze and the Lawler Cattle Company. That being the case, Nicoladze was undoubtedly aware of the lawsuit against Lawler Cattle Company. Yet, he was denied due process because he did not have notice that findings would be made against him.

Likewise, in this case, just because there may have been some reference by Acres in its Motion. to Intervene that it was claiming to be #13 in rank, that does not translate into notice to GB Sciences that the Court would actually rule on that issue when Acres was not a party to the competing motions Henderson, Nevada 89074

1

2

3

4

5

6

7

8

9

10

11

12

13

EE05-81E (201)

16

17

18

19

20

21

22

23

24

25

26

27

28

for summary judgment. With respect to the Complaint in Intervention that came thereafter, it did not constitute due process or notice to GB Sciences that the Complaint in Intervention would be ruled upon immediately. Just because a party receives a copy of a complaint does not mean that the party should expect any immediate result. Rather, the complaint is merely the formal assertion of claims and a statement that the plaintiff will take a certain position in litigation until such time as an actual judgment is sought and obtained through default, dispositive motion, or trial, all of which must comply with Nevada's due process requirements.

In this case, GB Sciences filed its Motion for Summary Judgment as well as its Replies to the Division and NuLeaf's Oppositions, all before Acres even filed its Motion to Intervene. Nothing in GB Sciences Motion for Summary Judgment, in the Division's Opposition, in NuLeaf's Opposition and Countermotion, and in GB Sciences' Reply briefs addressed Acres and/or Acres claim that they should be put ahead of GB Sciences. In fact, prior to December 14, 2015, when this Court entered the MSJ Order, there was simply no notice to any party that the Court would be deciding the issue of priority between Acres and GB Sciences.

It wasn't until the day of the hearing on GB Sciences' MSJ (November 9, 2015) that Acres' Motion to Intervene was granted. By that time, GB Sciences' MSJ and NuLeaf's Countermotion had been fully briefed and none of the parties were prepared to argue anything relating to Acres. This is emphasized by the fact that Acres did not file its Complaint in Intervention until November 17, 2015, more than a week after the hearing on GB Sciences MSJ had concluded.

In the MSJ Order, the Court essentially granted summary judgment in favor of Acres and against GB Sciences on all of Acres claims against GB Sciences (filed less than one month prior) and all of GB Sciences counterclaims against Acres (filed just 11 days prior), all without any advance notice to any of the parties, without giving GB Sciences an opportunity to brief the issue, without holding a hearing on the matter, and without providing GB Sciences with an opportunity to be heard. Because GB Sciences has not had any opportunity to be heard in its defense of Acres' claims against it and in favor of its Counterclaims against Acres, the December 14, 2015 MSJ Order is unquestionably erroneous and should be amended to correct this clear violation.

III

SMITH & SHAPIRO, PLLC 2520 St. Rose Parkway, Suite 220 Henderson, Nevada 89074

218-5033

3. The MSJ Order Violates The Principal of Res Judicata.

Acres also argues in its Opposition that there is no *res judicata* problem because Acres is trying to enforce the Order from the Acres Case against the Division, *not* GB Sciences. *See* Opposition at 3:16-17. However, that is simply a matter of sophistry of argument, not accurate, and is belied by Acres' own actions.

In its Complaint in the Acres Case, Acres named a total of twenty-one (21) parties², plus plus DOE ENTITIES 1-5, ROE ENTITIES 1-4, and POE ENTITIES 1-16. A true and correct copy Acres' Complaint is attached hereto as Exhibit "4" and incorporated herein by this reference. In paragraphs 4 through 25, Acres identified twenty (20) of the Defendants as "Defendant/Real Party in Interest... whose ranking among all such applications might be affected by the relief sought herein." See Exhibit "1". In paragraph 25, Acres alleged:

25. On information and belief Defendants/Real Parties in Interest Poe Entities 1-14 are each applicants for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein. Because of the Division's anonymous scoring and ranking process, the identities of the real Parties in Interest Poe Entities 1-14 are unknown to Plaintiffs/Petitioners at this time. (See Exhibit "1" (emphasis added).)

Noticeably absent from the list of named Defendants was GB Sciences, although GB Sciences clearly fit the identification of one of the Poe Entities 1-14. See Exhibit "1".

Acres clearly recognized and has already admitted that there were numerous parties, all of whom had submitted applications for a Provisional Certificate, all of whom would potentially be affected by Acres Lawsuit, all of whom Acres acknowledged were "Real Parties in Interest," and all of whom Acres knew had an interest in the outcome of the Acres Lawsuit. See Exhibit "1". Thus, Acres has already acknowledged that GB Sciences was a real party in interest in the Acres Case.

²Specifically, Acres named the following as Defendants: (1) NEVADA DEPARTMENT OF HEALTH AND SERVICES, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH; (2) NLVG, LLC; (3) NULEAF CULTIVATION, LLC; (4) THE MEDMEN OF NEVADA 2, LLC; (5) CANNABIS RENAISSANCE GROUP, LLC; (6) MM DEVELOPMENT, LLC; (7) NYE NATURAL MEDICINAL SOLUTIONS, LLC; (8) GREENLIFE PRODUCTIONS, LLC; (9) GWGA, LLC; (10) NEVADA NATURAL MEDICINES, LLC; (11) WELLNESS ORCHARDS OF NEVADA, LLC; (12) NCMN, LLC; (13) ACC INDUSTRIES, INC.; (14) SAMANTHA'S REMEDIES; (15) NEVADA CARES, LLC; (16) THC NEVADA, LLC; (17) RED ROCK WELLNESS, LLC; (18) QUALCAN OF LAS VEGAS, LLC; (19) PHYSIS ONE LLC; (20) BUFF ALO CENTER MEDICAL ADVOCATES; and (21) PRIMO DISPENSARY.

2

3

4

5

6

7

8

9

10

11

12

13

(202) 318-5033

16

17

18

19

20

21

22

23

24

25

26

27

The Order in the Acres Case mandated that the Division re-score Acres' application and declare that Acres was #13 on the list of MME applicants. This clearly has a direct and real affect on GB Sciences, and as Acres has already admitted, GB Sciences should have been a party to the Acres Case so that they could have raised their defenses and counterclaims on the issue. Because Acres failed to include GB Sciences in the Acres Case, even though it included twenty-one (21) other parties and especially when GB Sciences was arguably the party who was most likely to be affected by the ruling, there is no question that GB Sciences has the right to argue that the Acres Order does not apply to GB Sciences and to raise such additional defenses and arguments as it deems appropriate when GB Sciences is given the opportunity afforded by the Nevada Constitution to be heard on Acres' claims and GB Sciences' counterclaims.

4. Acres is Equitable Estopped From Obtaining NuLeaf's Revoked Provisional ertificate.

Finally, Acres claims that equitable estoppel does not apply for a couple of reasons. Acres argues that NuLeaf made the same argument of in opposition to Acres' Motion to Intervene, and the argument was rejected by the Court. See Opposition at 8:4-5. However, this is not true. While NuLeaf argued lack of timeliness, it only addressed prejudice from intervention because it would "delay resolution of the motions for summary judgment and stall the outcome of the proceedings." See NuLeaf's Opposition to the Motion to Intervene at 4:5-6. NuLeaf also argued that it would have to file additional motions directed at Acres and potentially go to trial with a different or additional party (i.e. cost more going forward), and NuLeaf would be hampered from becoming operational within 18 months, pursuant to NAC 453A.324. See NuLeaf's Opposition to Motion to Intervene at 4:6-11. The arguments relating to GB Sciences equitable estoppel claims were not even before the Court and are substantially different.

Further, Acres claims that it did all it could to play fair because it "named as real parties in interest all applicants for medical marijuana registrations that were publicly available" when it filed the Acres Case and GB Sciences had not originally consented to its score being published so it was not included as a party in the Acres Case. See Opposition at 8:9-11. Aside from the fact that this argument is a clear admission that GB Sciences was a real party in interest that should have been named, Acres

2

3

4

5

6

7

8

9

10

11

12

13

16

1.7

18

19

20

21

22

23

24

25

26

27

28

fails to mention that the Acres Case was not initiated until June 9, 2015, which was more than six months after this matter was filed, that Acres had public notice that GB Sciences was a contender for one of the Provisional Registration Certificates, and that GB Sciences claimed it was #13 and next in line, following the revocation of the Provisional Certificates issued to NuLeaf and/or Desert Aire. GB Sciences, therefore, was easily identifiable by Acres when it filed the Acres Case as a potentially affected party who also claimed to be #13. Nonetheless, Acres conveniently never bothered to name or include GB Sciences as a party in the Acres Case.

In any event, because the Nevada constitution gives GB Sciences the right to flush out its equitable estoppel argument and to be heard on the same, the mere fact that Acres is arguing that the equitable estoppel argument does not apply simply underscores the fact that the MSJ Order violates GB Sciences' due process rights and must be amended.

IV.

CONCLUSION

Based upon the foregoing points and authorities, the Plaintiff respectfully repeats it request that the Court alter or amend the Judgment to remove Paragraphs 21, 37, 40, and 41 which grant Nuleaf's revoked Provisional Certificate to Acres. In the alternative, the Plaintiff respectfully repeats its request that the Court reconsider the portion of the Order which grants Nulear's revoked Provisional Certificate to Acres.

DATED this 18th day of January, 2016.

SMITH & SHAPIRO, PLLC

/s/ James E. Shapiro, Esq. James E. Shapiro, Esq. Nevada Bar No. 7907 Sheldon A. Herbert, Esq. Nevada Bar No. 5988 2520 St. Rose Parkway, Suite 220 Henderson, NV 89074 Attorneys for Plaintiff

SMITH & SHAPIRO, PLLC

2520 St. Rose Parkway. Suite 220 Henderson, Nevada 89074 (702) 318-5033

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of SMITH & SHAPIRO, PLLC, and that on the 18th day of January, 2016, I served a true and correct copy of the forgoing REPLY TO OPPOSITION TO PLAINTIFF'S MOTION TO ALTER OR AMEND JUDGMENT; OR, IN THE ALTERNATIVE MOTION FOR PARTIAL RECONSIDERATION, by e-serving a copy on all parties registered and listed as Service Recipients in Wiznet, the Court's on-line, electronic filing website, pursuant to Administrative Order 14-2, entered by the Chief Judge, Jennifer Togliatti, on May 9, 2014.

An employee of SMITH & SHAPIRO, PLLC

JA15575-Motions quotion recomider reply wad

EXHIBIT 4

EXHIBIT 4

Electronically Filed 06/09/2015 04:12:21 PM

COMP 1 MARK E. FERRARIO, ESQ. Nevada Bar No. 1625 CLERK OF THE COURT GREENBERG TRAURIG, LLP 3 3773 Howard Hughes Parkway Suite 400 North Las Vegas, Nevada 89169 Telephone: (702) 792-3773 5 Facsimile: (702) 792-9002 Emails: ferrariom@gtlaw.com 6 cowdent@gtlaw.com Counsel for Plaintiffs/Petitioners Acres 7 Medical LLC, and Acres Cultivation, LLC 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA. 10 ACRES MEDICAL, LLC, a Nevada limited Case No. A-15-719637-W liability company; and ACRES CULTIVATION, LLC, a Nevada limited 11 Dept. No. VI liability company, 12 Plaintiffs/Petitioners. 13 COMPLAINT FOR DECLARATORY AND -- VS. --14 INJUNCTIVE RELIEF AND/OR PETITION **NEVADA DEPARTMENT OF HEALTH** FOR WRIT OF CERTIORARI AND 15 AND SERVICES, DIVISION OF PUBLIC **MANDAMUS** AND BEHAVIORAL HEALTH, 16 Defendant/Respondent; 17 Exempt from Arbitration: And Action for Declaratory Relief & Equitable 18 Relief NLVG, LLC; NU LEAF CULTIVATION, LLC; THE MEDMEN OF NEVADA 2, LLC; 19 CANNABIS RENAISSANCE GROUP, LLC; 20 MM DEVELOPMENT, LLC; NYE NATURAL MEDICINAL SOLUTIONS, LLC: 21 GREENLIFE PRODUCTIONS, LLC; GWGA, LLC; NEVADA NATURAL MEDICINES, 22 LLC; WELLNESS ORCHARDS OF NEVADA, LLC; NCMN, LLC; ACC INDUSTRIES, INC.; SAMANTHA'S REMEDIES; NEVADA CARES, LLC; THC 23 NEVADA, LLC; RED ROCK WELLNESS, LLC; QUALCAN OF LAS VEGAS, LLC; PHYSIS ONE LLC; BUFFALO CENTER MEDICAL ADVOCATES; PRIMO 24 25 26 DISPENSARY; DOE ENTITIES 1-5; ROE ENTITIES 1-4, POE ENTITIES 1-16. 27 Defendants/ 28 Real Parties in Interest.

LV 420451699v1

Page 1 of 11

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

COME NOW, Acres Medical, LLC and Acres Cultivation, LLC, by and through their legal counsel, the law firm GREENBERG TRAURIG, LLP, and as their Complaint for Declaratory Relief and Petition for Writs of Mandamus and/or Certiorari, allege as follows:

GENERAL ALLEGATIONS

THE PARTIES

- 1. Plaintiff/Petitioner Acres Medical, LLC ("Acres Medical") is a Nevada limited liability company, duly authorized to conduct business in the State of Nevada.
- 2. Plaintiff/Petitioner Acres Cultivation, LLC ("Acres Cultivation") is a Nevada limited liability company, duly authorized to conduct business in the State of Nevada.
- 3. Defendant/Respondent Nevada Department of Health and Services, Division of Public and Behavioral Health (the "Division") is an agency of the State of Nevada, and was the recipient of the applications submitted by Petitioners.
- 4. Defendant/Real Party in Interest NLVG, LLC is a Nevada limited liability company. and was an applicant for a medical marijuana registration certificate to own and operate a cultivation medical marijuana establishment ("MME") in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 5. Defendant/Real Party in Interest Nu Leaf Cultivation, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 6. Defendant/Real Party in Interest The MedMen of Nevada 2, LLC is a Nevada limited liability company, and was an applicant for medical marijuana registration certificate to own and operate a cultivation MME and a dispensary MME in the City of Las Vegas whose rankings among all such applications might be affected by the relief sought herein.
- 7. Defendant/Real Party in Interest Cannabis Renaissance Group, LLC is a Nevada limited liability company, and was an applicant for medical marijuana registration certificate to own

and operate a cultivation MME and a dispensary MME in the City of Las Vegas whose rankings among all such applications might be affected by the relief sought herein.

- 8. On information and belief, Defendants/Real Parties in Interest Doe Entities 1-3 are each Nevada entities who submitted applications for medical marijuana registration certificates to own and operate cultivation MMEs in the City of Las Vegas, and whose ranking among such applicants may affected by the relief sought herein. Because of the Division's anonymous scoring and ranking process, the identities of the real parties in interest Doe Entities 1-3 are unknown to Plaintiffs/Petitioners at this time.
- 9. Defendant/Real Party in Interest MM Development, LLC, is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 10. Defendant/Real Party in Interest Nye Natural Medicinal Solutions, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 11. Defendant/Real Party in Interest GreenLife Production, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 12. Defendant/Real Party in Interest GWGA, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 13. Defendant/Real Party in Interest Nevada Natural Medicines, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.

14. Defendant/Real Party in Interest Wellness Orchards of Nevada, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.

- 15. Defendant/Real Party in Interest NCMM, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 16. On information and belief, Defendant/Real Party in Interest Roe Entities 1-4 were each Nevada entities who submitted applications for medical marijuana registration certificates to own and operate cultivation MMEs in Nye County, and whose ranking among such applicants may affected by the relief sought herein. Because of the Division's anonymous scoring and ranking process, the identities of the Real Parties in Interest Roe Entities 1-4 is unknown to Plaintiffs/Petitioners at this time.
- 17. Defendant/Real Party in Interest Samantha's Remedies is a business entity of unknown type or origin, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 18. Defendant/Real Party in Interest Nevada, Cares, LLC is a Nevada limited liability company, was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 19. Defendant/Real Party in Interest THC Nevada, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 20. Defendant/Real Party in Interest Red Rock Wellness, LLC, is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and LV 420451699v1

Page 4 of 11

operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.

- 21. Defendant/Real Party in Interest QualCan of Las Vegas, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 22. Defendant/Real Party in Interest Physis One LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 23. Defendant/Real Party in Interest Buffalo Center Medical Advocates is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 24. Defendant/Real Party in Interest Primo Dispensary is a Nevada corporation, and an was applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 25. On information and belief Defendants/Real Parties in Interest Poe Entities 1-14 are each applicants for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein. Because of the Division's anonymous scoring and ranking process, the identities of the real Parties in Interest Poe Entities 1-14 are unknown to Plaintiffs/Petitioners at this time.
- 26. Pursuant to NRS 453A.322(2), all prospective owners and operators of MMEs were required to submit an application for a registration certificate to the Division.

***************************************	27. On or about August 14, 2014, Acres Medical submitted to the Division thre
	applications for medical marijuana registration certificates to own and operate medical marijuan
	facilities as follows:
	a. Application CO12, to own and operate a medical marijuana cultivation facility in La
	Vega, NV;
	b. Application PO11 - to own and operate a medical marijuana production facility in
-	Las Vegas, NV, and
	c. Application DO11, to own and operate a medical marijuana dispensary facility in
-	Las Vcga, NV.

- 28. On the same date, Acres Cultivation submitted to the Division two applications for medical marijuana registration certificates to own and operate medical marijuana facilities, as follows:
 - a. Application CO13, to own and operate a medical marijuana cultivation facility in Armargosa Valley, Nye County, NV;
 - b. Application PO12 to own and operate a medical marijuana production facility in Armargosa Valley, Nye County, NV.
- 29. At the time of these submittals, which were made by hand delivery by Petitioner's representative Paris Balaouras, the Division confirmed that all portions of each application were included in the submittals.
- 30. In reviewing applications, the Division is required to rank the applications based on, as relevant here, the contents of the application concerning specific areas of inquiry.
 - 31. Among such areas of inquiry is "Organizations Structure":

The description of the proposed organizational structure of the proposed medical marijuana establishment and information concerning each owner, officer and board member of the proposed medical marijuana establishment, including, without limitation, the information provided pursuant to subsections 5 and 6 of NAC 453A.306.

NAC 453A.310(1)(d).

	32.	The	Division	ı issued	the ran	kings of	f the all	applica	nts on I	Novembe	r 3,	2014.	Only
the s	core of	those v	who had	opted	to allow	for pub	lication	of scor	ing wer	e release	d to	the ge	enera
publi	ic.												

- 33. The Division used a point system, assigning a maximum number of points to each of the criteria on which applications would be ranked.
- 34. The maximum number of points possible for the "Organizational Structure" criterion was 50.
- 35. In the "Organizational Structure" category, the average score received by an applicant for a Registration Certificate for a Cultivation MME was 33.37.
- 36. In the "Organizational Structure" category, the average score received by an applicant for a Registration Certificate for a Production MME was 35.69.
- 37. In the "Organizational Structure" category, the average score received by an applicant for a Registration Certificate for a Dispensary MME was 34.31.
- 38. Plaintiffs/Petitioners received their scores on January 9, 2014, in a personal meeting between representatives of petitioners and the Division's Medical Marijuana Program Supervisor, Richard Willis.
- 39. As relevant here, in their various applications, Petitioners received the following scores for the Organizational Structure category:

Acres Medical:	Acres Cultivation
C012 - 0	C013 - 0
P011 - 41.3	P012-41.3
D011-0	

As can be seen, the Plaintiffs/Petitioners' information regarding Organizational Structure, which was identical in all applications, received a score well above the average score for any type of MME in the Production applications, but was not credited to Plaintiffs/Petitioners Cultivation and Dispensary applications.

16

17

18

19

20

21

22

23

24

25

26

27

28

1

2

3

4

5

6

7

8

9

	40.	As a result of the omission the score for the Organizational Structure in Applications
C012,	C013, a	nd D011, Petitioners' overall scores in those three applications was unfairly reduced
by 41.	3 points.	

- 41. As a result of the omission of the Organizational Structure in Applications C012, C013, and D011, these applications were ranked lower than other applicants whose overall scores were lower than Petitioners' accurate scores for the applications.
- 42. As a result of the inaccurate lower rankings, Petitioners are placed at a disadvantage when applying for local jurisdiction approvals for their businesses.
- 43. In January 2015, in a personal meeting with Mr. Willis, Petitioner's representatives, Paris Balaouras and Jay Matos advised Mr. Willis of the apparent error in the scoring of Applications.
- 44. Mr. Willis advised Petitioners to write a letter to the Division to request the matter be corrected.
- 45. On January 20, 2015, Petitioner's, through counsel, sent a letter to the Division advising it of the apparent error in the score.
 - 46. The Division responded with inaccurate information.
- 47. On February 5, 2015, Paris Balaouras and Jay Matos again met personally with Mr. Willis and advised him that the Division's response to the January 20, 2015 letter was inaccurate. At that meeting, in the presence of Petitioners' representatives and another employee of the Division, Mr. Willis acknowledged that the 0 scores had been an error committed by the Division. Mr. Willis stated that he would advise the Division to correct the error, and that Petitioners would receive a copy of the correction.
 - 48, No such correction was received.
- 49. On February 25, 2015, Paris Balaouras and Jay Matos again met personally with Mr. Willis, who on this occasion promised that Petitioners would receive a correction by March 16, 2015.
 - 50. No such correction has been forthcoming.

	5
	6
	7
;	8
9	>
10)
11	i
12)
13	,
14	-
15	
16	
17	
18	-
19	
20	
21	
22	
23	
24	
25	
26	

2

3

51. The Division had a duty under NAC 453A.310 to accurately rank the applicants for MMEs.

- 52. The Division, through the Medical Marijuana Program Supervisor, acknowledged that Petitioners' rankings were inaccurate due to the omission of the score for Organizational Structure from the total scores in Applications C012, C013, and D011.
- 53. The Division has refused to take action to correct its error, and therefore, has refused to take an action it is required by law to perform, i.e., to accurately rank applicants for MMEs.

FIRST CAUSE OF ACTION DECLARATORY RELIEF

- 54. Plaintiffs/Petitioners re-allege and incorporate by reference the allegations contained in paragraphs 1-31.
- 55. Plaintiffs/Petitioners' rights are affected by the provisions of NRS 453A.24 010 et seq and NAC 453A.24 010, et seq.
- 56. The Division's actions have created a justiciable controversy with respect to the construction, interpretation, and application of NRS 453A.24 010 et seq and NAC 453A.24 010, et seq. to Plaintiffs/Petitioners.
- 57. Plaintiffs/Petitioners are entitled to a declaration from this Court that Plaintiffs/Petitioners are entitled to accurate scores and rankings for Applications C012, C013, and D011.

SECOND CAUSE OF ACTION WRIT OF CERTIORARI

- 58. Plaintiffs/Petitioners re-allege and incorporate by reference the allegations contained in paragraphs 1-35.
- 59. The Division, in refusing to correct its error, has exceeded its jurisdiction by issuing rankings of applications that do not reflect the actual scores properly attributed to the applicants.
- 60. No provision in NRS 453A or NAC 453A provides for judicial review of the Division's action, and accordingly, Petitioners have no plain, speedy and adequate remedy for the Division's improper actions.

LV 420451699v1

27

28

Page 9 of 11

- 61. Based on the declarations attached hereto as Exhibits A and B, Plaintiffs/Petitioners request a writ of certiorari regarding the Division's scoring and ranking of applicants for MMEs for local jurisdictions City of Las Vegas and Nye County.
- 62. Plaintiffs/Petitioners also request that the Court order the Division to provide the complete record of the Division's proceeding with respect to the Plaintiff/Petitioners' applications for Applications C012, C013, and D011.

THIRD CAUSE OF ACTION WRIT OF MANDAMUS

- 63. Plaintiffs/Petitioners re-allege and incorporate by reference the allegations contained in paragraphs 1-40.
- 64. The Division has failed to perform an act which the law compels it to perform, i.e., to issue accurate scores and rankings of applications for registration certificates.
- 65. Plaintiffs/Petitioners have no plain, speedy and adequate remedy for the Division failure to perform its duties.
- 66. Based on the declarations attached hereto as Exhibits A and B, Petitioners request a writ of mandamus regarding the Division's scoring and ranking of applicants for MMEs for local jurisdictions City of Las Vegas and Nye County such that Petitioners' scores are adjusted to account for the error and all applicants are ranked using accurate information.

PRAYER FOR RELIEF

Wherefore, Plaintiffs/Petitioners pray for relief as follows:

- 1. For declarations that:
- (a) Application C012 should have received a score of 41.3 out of 50 for the Organizational Structure criterion, and therefore, should have received a total score of 170.62, and should be ranked according to that score;
- (b) Application C013 should have received a score of 41.3 out of 50 for the Organizational Structure criterion, and therefore, should have received a total score of 166.28, and should be ranked according to that score; and

- (c) Application D012 should have received a score of 41.3 out of 50 for the Organizational Structure criterion, and therefore, should have received a total score of 167.3, and should be ranked according to that score.
- 2. For a writ of certiorari ordering review of the Division's, scoring, and ranking of applications for Dispensary and Cultivation Certificates in the City of Las Vegas and for Cultivation Certifications in Nye County.
- 3. For a writ of mandamus ordering the Division to comply with its obligation to score and rank Applications C012, C013, and D011 by correcting the erroneous omission of the Organizational Structure score, and re-ranking the Applications accordingly.
 - For such other and further relief as may be deemed just and proper by this Court. DATED this 9th day of June 2015.

GREENBERG TRAURIG

By:	/s/ Mark E. Ferrario
	MARK E. FERRARIO (NV Bar No. 1625)
	3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169
	Counsel for Plaintiffs/Petitioners Acres Medical LLC, and
	Acres Cultivation, LLC

EXHIBIT A

LV 419863888v1

MARK E. FERRARIO, ESO. 1 Nevada Bar No. 1625 GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway Suite 400 North 3 Las Vegas, Nevada 89169 Telephone: (702) 792-3773 4 Facsimile: (702) 792-9002 Emails: ferrariom@gtlaw.com 5 cowdent@gtlaw.com Counsel for Plaintiffs/Petitioners Acres 6 Medical LLC, and Acres Cultivation, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 ACRES MEDICAL, LLC, a Nevada limited Case No. liability company; ACRES CULTIVATION, 10 LLC, a Nevada limited liability company, Dept. No. 11 Plaintiffs/Petitioners. 12 - vs. -DECLARATION OF PARIS BALAOURAS 13 NEVADA DEPARTMENT OF HEALTH AND SERVICES, DIVISION OF PUBLIC 14 AND BEHAVIORAL HEALTH. 15 Defendant/ Respondent; 16 And 1.7 NLVG; NU LEAF CULTIVATION, LLCL THE MEDMEN OF NEVADA 2, LLC; 18 CANNABIS RENAISSANCE GROUP, LLC.; DOE ENTITIES 1-5; MM DEVELOPMENT, 19 LLC; NYE NATURAL MEDICINAL SOLUTIONS, LLC, GREENLIFE 20 PRODUCTIONS, LLC, GWGA, LLC NEVADA NATURAL MEDICINES, LLC, 21 WELLNESS ORCHARDS OF NEVADA, LLC, NCMN, LLLC, ACC INDUSTRIES, 22 INC,; SAMANTHA'S REMEDIES; NEVADA, CARES, LLC; THC NEVADA, 23 LLC, RED ROCK WELLNESS, LLC, QUALCAN OF LAS VEGAS, LLC, PHYSIS 24 ONE LLC; BUFFALO CENTER MEDICAL ADVOCATES; PRIMO DISPENSARY; DOE 25 ENTITIES 1-5; ROE ENTITIES 1-4, POE ENTITIES 1-16. 26 Defendants/ 27 Real Parties in Interest. 28

LV 420463122v1

I, Paris Balaouras, declare as follows:

- 1. I am the Vice President of Acres Medical, LLC and Acres Cultivation, LLC. (hereafter, "Petitioners") The facts stated herein are within my personal knowledge and if called upon to testify I can truthfully and competently do so as to all matters herein. This declaration is submitted in support of the Complaint for Declaratory Relief and Petition for Writs of Certiorari and/or Mandamus, as captioned above.
- 2. On or about August 14, 2014, I traveled to Carson City, Nevada in order to deliver the three applications by Acres Medical, LLC and two Applications by Acres Cultivation for medical marijuana registration certificates to own and operate medical marijuana facilities.
 - Applications by Acres Medical, LLC were as follows:
 - a) Application CO12, to own and operate a medical marijuana cultivation facility in Las Vega, NV;
 - b) Application PO11 -- to own and operate a medical marijuana production facility in Las Vegas, NV, and
 - c) Application DO11, to own and operate a medical marijuana dispensary facility in Las Vega, NV.
 - 4. Applications by Acres Cultivation, LLC were as follows:
 - a) Application CO13, to own and operate a medical marijuana cultivation facility in Amargosa Valley, NV;
 - b) Application PO12 to own and operate a medical marijuana production facility in Amargosa Valley, NV; and
- The information that concerned the organization structure for Petitioners was identical in each application.
- 6. At the time of delivery, Division personnel opened the box for each application and verified the required contents of such applications had been included.
- In January 2015, Petitioners discovered that the Division had awarded to
 Petitioners a score of 41.3 out of a possible 50 for "organizational structure for Applications"
 P011 and P012.

26

27

28

- At the same time, Petitions discovered that the Division had awarded Petitioners a score of 0 out of a possible 50 for "organizational structure" for Applications C011, C013, and D011.
- 9. In January 2015, Jay Matos and Tattended a meeting with the Division's Medical Marijuana Program Supervisor, Richard Willis, at which time Mr. Willis was informed of the the error in scoring.
- 10. Mr. Willis advised us to write a letter to the Division to request the matter be corrected.
- 11. On January 20, 2015, Petitioners, through counsel, sent a letter to the Division advising it of the apparent error in the score.
 - The Division responded to this request with inaccurate information.
- 13. On February 6, 2015, Jay Matos and I again met personally with Mr. Willis and advised him that the Division's response to the January 20, 2015 letter was inaccurate. At that meeting, in the presence of a Division employee named Cindy. Mr. Matos and I, Mr. Willis acknowledged that the 0 scores had been an error committed by the Division. Mr. Willis stated that he would advise the Division to correct the error, and that Petitioners would receive a copy of the correction.
- 14. Mr. Matos and I again met with Mr. Willis on February 25, 2015, and again were promised a response from the Division.
 - 15. The error has not been corrected.
- 16. As a result of the inaccurate lower rankings, Petitioners are placed at a disadvantage when applying for local jurisdiction approvals for their businesses.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed within the State of Nevada: June 6, 20

PARIS BALAOURAS



LV 419863888v1

MARK E. FERRARIO, ESQ. Nevada Bar No. 1625 GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway Suite 400 North Las Vegas, Nevada 89169 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 Emails: (27/2006) (2008) 6 Counsel for Plaintiffs/Petitioners Acres Medical LLC, and Acres Cultivation, LLC DISTRICT COURT 8 CLARK COUNTY, NEVADA Q ACRES MEDICAL, LLC, a Nevada limited Case No. liability company; ACRES CULTIVATION, LLC, a Nevada limited Dept. No. 11 liability company, 12 Plaintiffs/Petitioners, 13 -- 335, --**DECLARATION OF JAY MATOS** 14 NEVADA DEPARTMENT OF HEALTH AND SERVICES, DIVISION OF PUBLIC 15 AND BEHAVIORAL HEALTH. 16 Defendant/ Respondent; 17 And 18 NLYG: NU LEAF CULTIVATION, LLCL THE MEDMEN OF NEVADA 2, LLC; 19 CANNABIS RENAISSANCE GROUP. LLC.; DOE ENTITIES 1-5; MM 20 DEVELOPMENT, LLC; NYE NATURAL MEDICINAL SOLUTIONS, LLC 21 GREENLIFE PRODUCTIONS, LLC. GWGA, LLC, NEVADA NATURAL 22 MEDICINES, LLC, WELLNESS ORCHARDS OF NEVADA, LLC, NCMN, 23 LLLC, ACC INDUSTRIES, INC SAMANTHA'S REMEDIES; NEVADA 24 CARES, LLC; THC NEVADA, LLC, RED ROCK WELLNESS, LLC, QUALCAN OF LAS VEGAS, LLC, PHYSIS ONE LLC: 25 **BUFFALO CENTER MEDICAL** 26 ADVOCATES: PRIMO DISPENSARY; DOE ENTITIES 1-5; ROE ENTITIES 1-4, 27 POE ENTITIES 1-16. 28 Defendants/ Real Parties in Interest. 1

I. Jay Matos, declare as follows:

- 1. I am an employee of Acres Medical, LLC and Acres Cultivation. LLC. (hereafter. "Petitioners") The facts stated herein are within my personal knowledge and if called upon to testify I can truthfully and competently do so as to all matters herein. This declaration is submitted in support of the Complaint for Declaratory Relief and Petition for Writs of Certiorari and/or Mandamus, as captioned above.
- On August 14, 2014, Petitioners delivered three applications by Acres Medical, LLC and two Applications by Acres Cultivation for medical marijuana registration certificates to own and operate medical marijuana facilities.
 - 3. Applications by Acres Medical, LLC were as follows:
 - a) Application CO12, to own and operate a medical marijuana cultivation facility in Las Vega, NV;
 - b) Application PO11 --to own and operate a medical marijuana production facility in Las Vegas, NV, and
 - c) Application DO11, to own and operate a medical marijuana dispensary facility in Las Vega, NV.
 - 4. Applications by Acres Cultivation, LLC were as follows:
 - a) Application CO13, to own and operate a medical marijuana cultivation facility in Amargosa Valley, NV;
 - b) Application PO12 to own and operate a medical marijuana production facility in Amargosa Valley, NV, and
- The information that concerned the organization structure for Petitioners was identical in each application.
- 6. In January 2015, Petitioners discovered that the Division had awarded to Petitioners a score of 41.3 out of a possible 50 for "organizational structure for Applications P011 and P012.
- 7. At the same time, Petitions discovered that the Division had awarded Petitioners a score of 0 out of a possible 50 for "organizational structure" for Applications C011, C013, and D011.

4

5

6

7

8

9

- 8. In January 2015. Paris Balaouras and attended a meeting with the Division's Medical Marijuana Program Supervisor, Richard Willis, at which time Mr. Willis was informed of the the error in scoring.
- 9. Mr. Willis advised us to write a letter to the Division to request the matter be corrected.
- 10. On January 20, 2015, Petitioners, through counsel, sent a letter to the Division advising it of the apparent error in the score.
 - 11. The Division responded to this request with inaccurate information.
- 12. On February 6, 2015, Paris Balaouras and I again met personally with Mr. Willis and advised him that the Division's response to the January 20, 2015 letter was inaccurate. At that meeting, in the presence of a Division employee named Cindy, Mr. Matos and I, Mr. Willis acknowledged that the 0 scores had been an error committed by the Division. Mr. Willis stated that he would advise the Division to correct the error, and that Petitioners would receive a copy of the correction.
- 13. Mr. Balaouras and I again met with Mr. Willis on February 25, 2015, and again were promised a response from the Division.
 - 14. The error has not been corrected.
- 15. As a result of the inaccurate lower rankings, Petitioners are placed at a disadvantage when applying for local jurisdiction approvals for their businesses.

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

Executed within the State of Nevada: June $\underline{\mathcal{G}}$, 2015

	1 2 3 4 5 6 7	IAFD MARK E. FERRARIO, ESQ. Nevada Bar No. 1625 GRHENBERG TRAURIG, LLP 3773 Howard Hughes Parkway Suite 400 North Las Vegas, Nevada 89169 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 Emails: ferrariom@gtlaw.com	T COHOT	
	9	DISTRICT COURT		
	10	CLARK COUNTY, NEVADA		
	11	ACRES MEDICAL, LLC, a Nevada limited liability company; and ACRES	Case No. A-15-719637-W	
		CULTIVATION, LLC, a Nevada limited liability company,	Dept. No. VI	
LLP may 73 73	12	Plaintiffs/Petitioners,		
AURIG, nes Park, fort: nda 8916 792-377	13	- vs	INITIAL APPEARANCE FEE DISCLOSURE	
RG TR. Independent of the state	14	NEVADA DEPARTMENT OF HEALTH		
GREENBERG 3773 Howard 1 Suffe 45 Las Veges. N Telephono: (Feosimile: (15	AND SERVICES, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH,		
ō °	16	Defendant/Respondent;		
	17	And		
	18	NLVG, LLC; NU LEAF CULTIVATION,		
	19	LLC; THE MEDMEN OF NEVADA 2, LLC; CANNABIS RENAISSANCE GROUP, LLC;		
	20	MM DEVELOPMENT, LLC; NYE NATURAL MEDICINAL SOLUTIONS, LLC;		
	21	GREENLIFE PRODUCTIONS, LLC; GWGA, LLC; NEVADA NATURAL MEDICINES,		
	22	LLC; WELLNESS ORCHARDS OF NEVADA, LLC; NCMN, LLC; ACC		
	23	INDUSTRIES, INC.; SAMANTHA'S REMEDIES; NEVADA CARES, LLC; THC		
	24	NEVADA, LLC; RED ROCK WELLNESS, LLC; QUALCAN OF LAS VEGAS, LLC;		
	25	PHYSIS ONE LLC; BUFFALO CENTER MEDICAL ADVOCATES; PRIMO		
		DISPENSARY; DOE ENTITIES 1-5; ROE ENTITIES 1-4, POE ENTITIES 1-16.		
	27	Defendants/		
	28 _	Real Parties in Interest.		
		V 420468224v1		
			Page 1 of 2	

		Pursuant to NRS Chapter 19, as amer	ded by Assembly Bill 65, filing fees are submitted for
	:	2 the parties appearing in the above-entitled act	ion as indicated below:
		3 Plaintiff/Petitioner Acres Medical LLC	C; \$270.00
	é	4 Plaintiff/Petitioner Acres Cultivation,	LLC \$ 30.00
	4	TOTAL	\$300.00
	6	DATED this 9 th day of June 2015.	
	7	GREEN	BERG TRAURIG
	8	By; <u>/</u>	s/ Mark E. Ferrario
	9)	MARK E. FERRARIO (NV Bar No. 1625) 773 Howard Hughes Parkway, Suite 400 North as Vegas, Nevada 89169
	10		as Vegas, Nevada 89169 ounsel for Plaintiffs/Petitioners Acres Medical LLC
	11		ounsel for Plaintiffs/Petitioners Acres Medical LLC, nd Acres Cultivation, LLC
a 2	12		
TRAURIG, LLI Hughes Parimay 100 North Neysda 89169 (702) 792-3773 (702) 792-8002	13		
	14		
GREENBERG 1 3773 Howard H Suite 40 Las Vegres, N Telephone: (7 Flecomile: (7	15		
5.5	10		
	17		
•	18		
	19		
	20 21		
	22		
	23		
	24		
	25		
	26		
	27		
	28		
		LV 420468224v1	
		at 1601006TV-1	Page 2 of 2
			rage 2 01 Z

Electronically Filed 01/19/2016 03:34:19 PM

CLERK OF THE COURT

1 RIS MARK E. FERRARIO, ESQ. (NV Bar #1625) 2 MOOREA L. KATZ, ESQ. (NV Bar #12007) GREENBERG TRAURIG, LLP 3 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 4 Telephone: (702) 792-3773 5 Facsimile: (702) 792-9002 E-mail: ferrariom@gtlaw.com 6 katzmo@gtlaw.com

Counsel for Plaintiff in Intervention Acres Medical, LLC

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

v.

DISTRICT COURT

CLARK COUNTY, NEVADA

GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Plaintiff,

STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; CITY OF LAS VEGAS, a municipal corporation and political subdivision of the State of Nevada; DESERT AIRE WELLNESS, LLC, a Nevada limited liability company; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; DOES 1 through 100; and ROE ENTITIES 1 through 100,

Defendants.

ACRES MEDICAL, LLC,

Plaintiff in Intervention,

STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES: CITY OF LAS VEGAS, a municipal corporation and political

LV 420612136v1 153342.010300

Page 1 of 11

Dept. No.: XX REPLY IN SUPPORT OF MOTION TO

Case No.: A710597

COUNTERCLAIM AGAINST ACRES MEDICAL, LLC

DISMISS GB SCIENCES NEVADA, LLC'S

Date of Hearing: Jan. 22, 2016 Time of Hearing: 9:00 a.m.

subdivision of the State of Nevada; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Defendants in Intervention

COMES NOW, Plaintiff in Intervention, Acres Medical, LLC ("Acres"), by and through its attorneys of record, the law firm of Greenberg Traurig, LLP, and hereby submits this Reply in Support of Motion to Dismiss GB Sciences Nevada, LLC's ("GB Sciences") Counterclaim Against Acres Medical, LLC for failure to state a claim upon which relief can be granted.

This Reply is based upon the attached memorandum of points and authorities, the papers, pleadings and records contained in this Court's file, and the evidence and argument of counsel to be presented at the hearing on the Motion.

DATED this 19th day of January, 2016.

GREENBERG TRAURIG, LLP

By: /s/ Moorea L. Katz

MARK E. FERRARIO (NV Bar No. 1625)

MOOREA L. KATZ (NV Bar No. 12007)
3773 Howard Hughes Parkway, Suite 400 North
Las Vegas, Nevada 89169

Counsel for Plaintiff in Intervention
Acres Medical, LLC

1

2

3

8 9

7

10

11 12

13

16 17

15

18 19

20

21 22

23

24 25

26

27

28

MEMORANDUM OF POINTS AND AUTHORITIES

INTRODUCTION AND BACKGROUND FACTS

GB Sciences' Opposition presents a litany of unconvincing reasons why it believes that it, over Acres, is the rightful holder of the provisional certificate improperly awarded to Nuleaf. However, none of the reasons offered by GB Sciences in any way challenges that on November 3, 2014. the date on which GB Sciences has argued is critical for determining the rightful certificate holder, Acres outranked GB Sciences and should have received a provisional certificate as one of the top twelve MME applicants in the City of Las Vegas. GB Sciences' arguments all ignore this critical fact and instead request the Court to exercise equitable discretion at odds with the exact same statutory mandates GB Sciences has already argued are not subject to discretion.² The equitable relief GB Sciences seeks against Acres is not appropriate or even available.

The majority of GB Sciences' arguments are directed at what it claims to be Acres' untimely intervention in this case. Yet, GB Sciences never opposed Acres' intervention even when Nuleaf was arguing the intervention was untimely for the very reasons that GB Sciences now asserts. Instead, GB Sciences acquiesced to Acres' intervention and now belatedly opposes it because it does not like that Acres received the same relief that GB Sciences was seeking. GB Sciences argues that Acres should have joined GB Sciences to the Acres Lawsuit and sought intervention in this Court at an earlier date. However, these arguments do not support the relief requested by GB Sciences, that is, to equitably leap over Acres' ranking by the Division.

All the while criticizing Acres for failing to join GB Sciences in the Acres Lawsuit, GB Sciences quietly ignores that GB Sciences was aware of the Acres' litigation and never attempted to name Acres as a defendant in this litigation, and by GB Sciences' standards, Acres is a necessary party. Nor does GB Sciences address that it was aware of the Acres Lawsuit, and knew it was an intended ROE defendant, and never sought to intervene in the Acres Lawsuit despite GB Sciences' counsel attending the hearing on Acres' petition for mandamus.³

See GB Sciences' Motion for Summary Judgment (filed Sept. 18, 2015) (on file herein) at 3, 15.

See Transcript of Proceedings (Nov. 9, 2015), at 19:25-20:1 (on file herein) (GB Sciences counsel arguing in support of summary judgment that the provisions of NRS 453A.322 were "not discretionary").

See Declaration of Mark Ferrario in Support of Order Shortening Time, submitted with Acres' Motion to Intervene as of Right Pursuant to NRCP 24(a) on Order Shortening Time (filed Oct. 19, 2015) (on file herein) at ¶ 6.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

Indeed, although GB Sciences argues that it was not one of the 21 defendants named in the Acres Lawsuit "for some unknown reason," the reason was simply that GB Sciences had not consented to the public release of its ranking by the Divisions and so Acres was unable to specifically name GB Sciences in its complaint. However, Acres did name numerous other MME applicants as real parties in interest and also named DOE and ROE defendants for those applicants it was unable to specifically identify. Clearly, Acres made more of an attempt to notify other MME applicants of the Acres Lawsuit than did GB Sciences here, even though Acres was requesting only the rescoring of its application whereas GB Sciences in this suit was seeking to obtain a certificate incorrectly awarded to another MME applicant. Accordingly, there is no basis on which to equitably estopp Acres from receiving the provisional certificate. GB Sciences could equally have sought intervention in the Acres Lawsuit when it was aware of the suit and also that it was a ROE defendant. GB Sciences has failed to state a claim for declaratory relief or equitable estoppel.

Furthermore, Acres' inclusion of other MME applicants as real parties in interest in the Acres Lawsuit was done pursuant to Nevada statutes governing claims for declaratory relief, which require that all persons having an interest that could be affected by the declaration to be joined as real parties in interest. See NRS 30.130. However, there is no similar requirement for petitions for writs of mandamus, which is ultimately the relief that Acres obtained in the Acres Lawsuit. For that reason, GB Sciences was never a necessary or indispensable party to the Acres Lawsuit, which simply sought the correction of a scoring discrepancy in Acres' application that was admitted by the Division. The relief obtained in the Acres Lawsuit was against the Division and the Division is fully complying with Judge Cadish's Order by ranking Acres as 13th.5

Finally, GB Sciences' proposed amended counterclaim that adds a claim for equitable estoppel is simply a stalling tactic and should not preclude dismissal of GB Sciences' claims

⁴ See Declaration of Mark Ferrario in Support of Order Shortening Time, submitted with Acres' Motion to Intervene as of Right Pursuant to NRCP 24(a) on Order Shortening Time (filed Oct. 19, 2015) (on file herein) at ¶ 6 ("In an effort to put on notice any party that might be affected by Acres' suit, Acres named as real parties in interest all applicants for medical marijuana registrations that were available publically. GB Sciences did not consent to its score being published. Therefore, GB Sciences was not named in the Acres Lawsuit. GB Sciences has been aware of the lawsuit, however, even sending its counsel to observe the mandamus hearing on September 29, 2015. Acres is informed that GB Sciences does not oppose the Motion or object to Acres intervening in this action.").

See, e.g., Transcript of Proceedings (Nov. 9, 2015), at 13:10 (on file herein) (with the Division's counsel noting that "Acres is the 13th, not GB Science[s].").

2

3

4

5

6

7

8

9

10

11

12

13

15

16

17

18

19

20

21

22

23

24

25

26

27

28

///

against Acres. In fact, GB Sciences is not really seeking to amend its counterclaim, which is still a claim for declaratory relief, but is rather identifying the legal theory behind its cause of action. Accordingly, even if allowed to amend, GB Sciences' claims against Acres are still subject to dismissal because GB Sciences has failed to state any facts upon which Acres should be equitably estopped from receiving a certificate, and none exist. Nor can GB Sciences seek equitable relief at direct odds with explicit statutory provisions. Indeed, GB Sciences brought this suit based on its contention that the statutory provisions in NRS 453A.322 are "not discretionary." It cannot now ask the Court to exercise its discretion to avoid the result of those statutes because it better suits GB Sciences' purposes.

The relief ordered by the Court in its December 2015 Order rightly restores the parties to the positions they should have occupied on November 3, 2014 had the Division fully complied with NRS Chapter 453A. GB Sciences' counterclaims request that the Court instead rank the parties based on Acres' alleged untimeliness to intervene in this litigation. The relief requested by GB Sciences is simply not appropriate or warranted relief and the Court should dismiss GB Sciences' claims against Acres in both GB Sciences' counterclaim and amended counterclaims.

II. LEGAL ARGUMENT

There are no facts that would entitle GB Sciences to declaratory or equitable relief against Acres and GB Sciences has failed to identify any. Even giving GB Sciences the benefit of all fair inferences, there is simply no basis to grant declaratory relief to GB Sciences where there is no legal relationship between GB Sciences and Acres, and more importantly, no basis upon which GB Sciences could outrank Acres on the critical date of November 3, 2014. Likewise, there are no possible inferences that would entitle GB Sciences to equitably estopp Acres from obtaining the provisional certificate; Acres intervened in this matter immediately upon obtaining the order in the Acres Lawsuit, Acres attempted to name any affected entities in the Acres' Lawsuit, Acres ultimately obtained writ relief in the Acres Lawsuit for which GB Sciences was not an indispensable party, and GB Sciences failed to intervene in the Acres Lawsuit or name Acres as a

⁶ See Transcript of Proceedings (Nov. 9, 2015), at 19:25-20:1 (on file herein).

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

defendant here. Accordingly, GB Sciences' proposed amendment would be futile and dismissal is warranted.

A. GB Sciences' Claim for Declaratory Relief Must Be Dismissed

None of GB Sciences' arguments supports that it has stated a valid claim for declaratory relief against Acres. Indeed, although GB Sciences purports to address each of the elements of a declaratory relief claim, GB Sciences repeatedly relies on faulty logic and inapposite analogies.

First, GB Sciences argues that "there is no question that a justiciable controversy exists" because in the Acres Lawsuit, Acres named "twenty-one different named Defendants, plus an additional 25 specific Doe, Roe and Poe entities . . . all of which Acres acknowledged had a right to appear in the Acres Lawsuit and all of which had a potential claim in the outcome of the Acres Lawsuit." Opposition at 8. However, while Acres did name numerous MME applicants as real parties in interest, that was done simply because Acres was asserting a claim for declaratory relief against the Division and NRS 30.130 requires all parties who have an interest that could potentially be affected by the declaration to be made parties. However, Acres ultimately prevailed not on its declaratory relief claim, but instead on its petition for writ of mandamus, and therefore, NRS 30.130 has no bearing on the issue. Furthermore, GB Sciences lacks standing to challenge the writ directing the Division to award Acres the score and ranking Acres was statutorily entitled to, which is the only relief Acres sought in the Acres Lawsuit. Accordingly, the fact that Acres named MME applicants as defendants in the Acres Lawsuit does not support GB Sciences' contention that a justiciable controversy exists between Acres and GB Sciences. Indeed, Acres has no control over GB Sciences' score, and GB Sciences must direct any complaints it has with its score to the Division, not in a counterclaim against Acres.

Next, GB Sciences presumptively contends that "absent Acres' intervention, this Court would have awarded the NuLeaf Provisional Certificate to GB Sciences, clearly demonstrating that GB Sciences has an interest in the NuLeaf Provisional Certificate." Opposition at 8.7 This circular reasoning is unconvincing on its face. It is also based on the improper assumption that the Court

⁷ GB Sciences asserts this fallacious argument in support of three of the four elements of its claim for declaratory relief. See Opposition at 8:23-25; 9:13-15; 9:22-24.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

would have awarded GB Sciences the provisional certificate if Acres had not intervened. However, that is not a given or even reasonable assumption. GB Sciences' Motion for Summary Judgment was based on the false contention that GB Sciences was ranked 13th by the Division within the City of Las Vegas. 8 However, at the hearing on the cross-motions for summary judgment, the Division acknowledged that it ranked Acres, not GB Sciences as 13th because the Division was subject to Judge Cadish's writ of mandamus requiring it to correct a clerical discrepancy in the scoring and ranking of Acres' MME applications. Accordingly, even had Acres not intervened in this case, there is no basis to assume that the Court would have ordered the Division to award GB Sciences the provisional certificate when GB Sciences was not ranked 13th MME applicant in the City of Las Vegas by the Division's own admission.

GB Sciences next argues that it is clear that GB Sciences had an "interest in the controversy" because "it was GB Sciences' Motion that Acres allegedly 'joined' in on the same day it was allowed to intervene." Opposition at 10. GB Sciences misses the point. Acres has not argued that GB Sciences did not have standing to seek the provisional certificate incorrectly awarded to Nuleaf. However, GB Sciences can only assert its claims for relief regarding the certificate against the Division, as Acres has no authority to issue a certificate or ranking to any applicant. GB Sciences' motion for summary judgment was premised on GB Sciences being ranked 13th. Yet GB Sciences never was actually ranked 13th. If GB Sciences has some claim to this ranking it must make that claim against the Division. It is not the appropriate subject matter of a declaratory relief claim against Acres.

GB Sciences next argues that it "is entitled to a declaration from the Court as to which entity (GB Sciences or Acres) has a right to [the] Certificate." Opposition at 11. But GB Sciences ignores that it initiated this action requesting the Court to award the certificate to the rightful holder as of November 3, 2014, the applicant that would have received the certificate had the Division fully complied with NRS Chapter 453A. The Court has granted that relief, just not to GB Sciences' benefit. It would be nonsensical for the Court to conclude that Acres was entitled to the Certificate on November 3, 2014, but, because of untimely intervention in this lawsuit, GB Sciences should

⁸ See GB Sciences' Motion for Summary Judgment (filed Sept. 18, 2015) (on file herein) at 7, 9, 15, 16.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

instead receive the certificate. Especially given that the Court has already determined that Acres' intervention was timely. Additionally, under GB Sciences' rationale, all MME applicants should be entitled to intervene and introduce evidence of conduct occurring after November 3, 2014 that equitably weighs for or against any particular applicant. However, it is not an appropriate role for the Court to ignore the statutory mandate directing the Division to score and rank applicants during the statutory period by conducting an equitable contest of the applicants after the fact. See In re Fontainebleau Las Vegas Holdings, LLC, 128 Nev. Adv. Op. 53 (Nev. Oct. 25, 2012) (holding that equitable principles cannot defeat explicit statutory directives). There is only one applicant that should have received the certificate improperly awarded to Nuleaf on November 3, 2014, and that is the only applicant entitled to the certificate now.

Finally, GB Sciences was not an indispensable party to the Acres mandamus proceedings. The Nevada Supreme Court has held that a party is not an indispensable party to mandamus proceeding requesting a government entity or officer to issue property in its possession even if the party can claim concern or interest as to who receives the property. See Lewis v. Smart, 96 Nev. 846, 849, 619 P.2d 1212, 1213 (1980). GB Sciences has failed to set forth any facts under which it would be an indispensable party to the Acres mandamus proceedings or any basis on which it could have challenged Judge Cadish's order directing the Division to correct the scoring discrepancy in Acres' application and give Acres the score to which it was originally entitled. Again, Acres is not seeking to "enforce" Judge Cadish's order against GB Sciences because Acres is not requesting that GB Sciences take or refrain from taking any action on the basis of Judge Cadish's order. The only party subject to Judge Cadish's order granting Acres' petition for writ of mandamus is the Division, and the Division has fully complied. Judge Cadish's order does not provide a basis for GB Sciences to seek declaratory relief against Acres and GB Sciences' counterclaim must be dismissed.

GB Sciences' Claim for Equitable Estoppel Must Be Dismissed b.

After Acres had filed the instant motion to dismiss, GB Sciences filed an amended counterclaim against Acres seeking to assert a claim for equitable estoppel against Acres. Critically, the "amended" counterclaim does not change the relief requested by GB Sciences, which is still a declaration that it is entitled to the provisional certificate over Acres. Accordingly, the amendment

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

However, GB Sciences' proposed amendment cannot save GB Sciences' counterclaims from dismissal because GB Sciences has failed to assert any basis upon which Acres would be equitably estopped from receiving the provisional certificate. Indeed, although GB Sciences contends that Acres should be estopped because Acres failed to join GB Sciences in the Acres Lawsuit, as mentioned, Acres did name MME applicants it was able to identify as well as DOE and ROE defendants. Moreover, GB Sciences cannot claim the benefit of equitable principles where it was aware of the Acres Lawsuit and did not intervene, nor did it name Acres in these proceedings. In fact, GB Sciences argued to this Court that it was entitled to Nuleaf's certificate as the 13th ranked applicant in the City of Las Vegas even though GB Sciences was admittedly aware of the pending Acres Lawsuit. GB Sciences has failed to allege any facts supporting a claim for equitable estoppel and what is more, the Court is unable to grant such relief in the face of the clear statutory directives to the Division here. Indeed, courts lack discretion to deviate from express statutory requirements. See In re Fontainebleau Las Vegas Holdings, LLC, 128 Nev. Adv. Op. 53 (Nev. Oct. 25, 2012); see also Pellegrini v. State, 117 Nev. 860, 878, 34 P.3d 519, 531 (2001) ("We have recognized that . . . equitable principles will not justify a court's disregard of statutory requirements."). Accordingly, GB Sciences has failed to state a claim against Acres upon which relief can be granted and the Court should dismiss GB Sciences' counterclaims.

III. CONCLUSION

No further delay of this action is necessary. The Court's December 2015 Order reached the correct result and placed the parties in the position that they would have been in had the Division complied with its statutory mandates under NRS Chapter 453A. GB Sciences has failed to state

|| /// |///

///

27 1/

28 ||/

	1	claims for declaratory relief or equitable estoppel against Acres, and the Court should grant Acres'		
	2	motion and allow the parties to seek appellate review of what will then be a final judgment. Acres		
	3	therefore respectfully requests the Court grant its motion to dismiss.		
	4	DATED this 19th day of January, 2016.		
	5	GREENBERG TRAURIG, LLP		
	6			
	7	By: <u>/s/ Moorea L. Katz</u> MARK E. FERRARIO (NV Bar No. 1625)		
	8	MOOREA L. KATZ (NV Bar No. 12007) 3773 Howard Hughes Parkway, Suite 400 North		
	9	Las Vegas, Nevada 89169		
	10	Counsel for Plaintiff in Intervention Acres Medical, LLC		
	11			
٠ ١	12			
GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway Sulte 400 North Las Vegas, Novada 83169 Telephone; (702) 792-3773 Fessimile: (702) 792-9002	13			
RG TRAINER IN THE 400 NG 15, Nevad 16; (702)	14			
T73 Howard Sulte / Sulte / Las Vegas, Telephone: Facsimile:	15			
9	16			
	17			
	18			
	19			
	20			
	21			
	22			
	23			
	24			
	25			
	26			
	27			
	28			

Page 10 of 11

RAPP000294

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b)(2)(D) and E.D.C.R. 8.05, I certify that on this 19th day of January, 2016, I caused a true and correct copy of the foregoing REPLY IN SUPPORT OF MOTION TO DISMISS GB SCIENCES NEVADA, LLC'S COUNTERCLAIM AGAINST ACRES MEDICAL, LLC to be filed and served via the Court's Wiznet E-Filing system. The date and time of the electronic proof of service is in place of the date and place of deposit in the mail.

/s/ Joyce Heilich
An employee of GREENBERG TRAURIG, LLP

Electronically Filed 01/25/2016 05:35:47 PM

RAPP000296

then to bles **MDSM** 1 MARK E. FERRARIO, ESQ. (NV Bar #1625) CLERK OF THE COURT MOOREA L. KATZ, ESQ. (NV Bar #12007) 2 GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway, Suite 400 North 3 Las Vegas, Nevada 89169 4 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 5 E-mail: ferrariom@gtlaw.com katzmo@gtlaw.com 6 Counsel for Plaintiff in Intervention Acres Medical, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 10 GB SCIENCES NEVADA, LLC, a Nevada Case No.: A710597 limited liability company, Dept. No.: XX 11 Plaintiff, 12 MOTION TO DISMISS GB SCIENCES 13 NEVADA, LLC'S FIRST AMENDED **COUNTERCLAIM AGAINST ACRES** STATE OF NEVADA, DIVISION OF 14 MEDICAL, LLC PUBLIC AND BEHAVIORAL HEALTH OF 15 THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; CITY OF LAS VEGAS, 16 a municipal corporation and political subdivision of the State of Nevada; DESERT 17 AIRE WELLNESS, LLC, a Nevada limited 18 liability company; NULEAF CLV DISPENSARY, LLC, a Nevada limited 19 liability company; DOES 1 through 100; and ROE ENTITIES 1 through 100, 20 Defendants. 21 22 ACRES MEDICAL, LLC, 23 Plaintiff in Intervention, 24 v. 25 STATE OF NEVADA, DIVISION OF 26 PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND 27 HUMAN SERVICES; CITY OF LAS VEGAS, 28 a municipal corporation and political

Page 1 of 5

LV 420616335v1

]
	2
	3
	4
	2 3 4 5 6 7 8
	6
	7
	8
	9
	10
	11
7 2	12
GREENBERG I RAURIG, LL 3773 Howard Hughas Parkway Suite 400 North Las Vegas, Neveda 89189 Telephone: (702) 792-3773 Facsimile: (702) 792-9002	13
RG I RU rard Hugh uite 400 h pas, Neve one: (702)	14
REENBE 3773 How Su Las Veç Telepho Facsimí	
5 °	16
	17
	18
	19
	20
	21
	22
	23
	24
	25
	26
	27

2

3

4

5

6

7

8

9

28

subdivision of the State of Nevada; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Defendants in Intervention

COMES NOW, Plaintiff in Intervention, Acres Medical, LLC ("Acres"), by and through its attorneys of record, the law firm of Greenberg Traurig, LLP, hereby submits this Motion to Dismiss GB Sciences Nevada, LLC's First Amended Counterclaim Against Acres Medical, LLC for failure to state a claim upon which relief can be granted (the "Motion").

This Motion is based upon the attached memorandum of points and authorities, the papers, pleadings and records contained in this Court's file, and the evidence and argument of counsel to be presented at the hearing on the Motion.

DATED this 25th day of January, 2016.

GREENBERG TRAURIG, LLP

By: /s/ Moorea L. Katz MARK E. FERRARIO (NV Bar No. 1625) MOOREA L. KATZ (NV Bar No. 12007) 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 Counsel for Plaintiff in Intervention Acres Medical, LLC

2

345

6

7

9

10

11

12

006-252 13

15

16

17 18

19

20

21

2223

24

25

2627

27 28

NOTICE OF MOTION

TO: ALL PARTIES AND ATTORNEYS OF RECORD

YOU AND EACH OF YOU will please take notice that the undersigned will bring the foregoing MOTION TO DISMISS GB SCIENCES NEVADA, LLC'S COUNTERLCAIM AGAINST ACRES MEDICAL, LLC for hearing before the above-entitled Court in Department 28, on the 25 day of March , 2016, at 9:00 a.m./pxx., or as soon thereafter as counsel may be heard.

DATED this 25th day of January, 2016.

GREENBERG TRAURIG, LLP

By: /s/ Moorea L. Katz

MARK E. FERRARIO (NV Bar No. 1625) MOOREA L. KATZ (NV Bar No. 12007) 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 Counsel for Plaintiff in Intervention Acres Medical, LLC

MEMORANDUM OF POINTS AND AUTHORITIES

GB Sciences Nevada, LLC ("GB Sciences") filed a counterclaim against Acres Medical, LLC on December 3, 2015 for declaratory relief. After Acres filed a Motion to Dismiss GB Sciences' Counterclaim, GB Sciences, without seeking leave of court, filed an amended counterclaim to add a claim for equitable estoppel. However, as addressed in Acres' Reply in Support of Motion to Dismiss, GB Sciences' amendment is simply a stalling tactic and does not protect its counterclaim from dismissal.

Acres hereby incorporates by reference the arguments in its Motion to Dismiss GB Sciences Nevada, LLC's Counterclaim Against Acres Medical, LLC and its Reply in Support of the Motion to Dismiss. As argued by Acres in the Motion to Dismiss briefing, GB Sciences' "amended" counterclaim does not change the relief requested by GB Sciences, which is still a declaration that it is entitled to the provisional certificate over Acres. Accordingly, the amendment does not really add

LV 420616335v1

2

3

4

5

6

7

8

9

10

11

12

13

15

16

17

18

19

20

21

22

23

24

25

26

27 28 or change GB Sciences' claim but merely provides the legal authority purportedly supporting it.

However, GB Sciences' proposed amendment cannot save GB Sciences' counterclaims from dismissal because GB Sciences has failed to assert any basis upon which Acres would be equitably estopped from receiving the provisional certificate. Indeed, although GB Sciences contends that Acres should be estopped because Acres failed to join GB Sciences in the Acres Lawsuit, as mentioned, Acres did name the Medical Marijuana Establishment applicants it was able to identify as well as DOE and ROE defendants. Moreover, GB Sciences cannot claim the benefit of equitable principles where it was aware of the Acres Lawsuit and did not intervene, nor did it name Acres in these proceedings. In fact, GB Sciences argued to this Court that it was entitled to Nuleaf's certificate as the 13th ranked applicant in the City of Las Vegas even though GB Sciences was admittedly aware of the pending Acres Lawsuit. GB Sciences has failed to allege any facts supporting a claim for equitable estoppel and what is more, the Court is unable to grant such relief in the face of the clear statutory directives to the Division here. Indeed, courts lack discretion to deviate from express statutory requirements. See In re Fontainebleau Las Vegas Holdings, LLC, 128 Nev. Adv. Op. 53 (Nev. Oct. 25, 2012); see also Pellegrini v. State, 117 Nev. 860, 878, 34 P.3d 519, 531 (2001) ("We have recognized that . . . equitable principles will not justify a court's disregard of statutory requirements."). Accordingly, GB Sciences has failed to state a claim against Acres upon which relief can be granted and the Court should dismiss GB Sciences' First Amended Answer to Complaint in Intervention and Counterclaim.

DATED this 25th day of January, 2016. GREENBERG TRAURIG, LLP

By: /s/ Moorea L. Katz

MARK E. FERRARIO (NV Bar No. 1625) MOOREA L. KATZ (NV Bar No. 12007) 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 Counsel for Plaintiff in Intervention Acres Medical, LLC

LV 420616335v1

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b)(2)(D) and E.D.C.R. 8.05, I certify that on this 25th day of January, 2016, I caused a true and correct copy of the foregoing *Motion to Dismiss GB Sciences* Nevada, LLC'S First Amended Counterclaim Against Acres Medical, LLC to be filed and served via the Court's Wiznet E-Filing system. The date and time of the electronic proof of service is in place of the date and place of deposit in the mail.

/s/ Andrea Lee Rosehill

An employee of GREENBERG TRAURIG, LLP

LV 420616335v1

Page 5 of 5

RAPP000300

10/14/2016

Skip to Main Content Logout My Account Search Menu New District Civil/Criminal Search Refine Search Close

Location: District Court Givil/Criminal Help

REGISTER OF ACTIONS CASE No. A-14-710597-C

GB Sciences Nevada LLC, Plaintiff(s) vs. Nevada State Department of§ Health and Human Services, Defendant(s)

Case Type: **Other Civil Matters** Date Filed: 12/02/2014 Department 20 Location:

Cross-Reference Case Number: A710597 Supreme Court No.: 69909

Š ş

PARTY INFORMATION

Lead Attorneys

Defendant

Nevada State Department of Health and

Human Services

Linda Christine Anderson

Retained

702-486-3420(W)

Defendant

Nuleaf CLV Dispensary LLC

Todd L Bice Retained

702-214-2100(W)

Intervenor Defendant **GB Sciences Nevada LLC**

James E. Shapiro

Retained 702-796-4000(W)

Intervenor

Nevada State Department of Health and

Human Services Defendant

Linda Christine Anderson

Retained

702-486-3420(W)

Intervenor Defendant North Las Vegas, City of

intervenor Defendant **Nuleaf CLV Dispensary LLC**

Todd L Bice Retained

702-214-2100(W)

Intervenor **Plaintiff**

Acres Medical LLC

Mark E. Ferrario, ESQ

Retained 702-792-3773(W)

Plaintiff

GB Sciences Nevada LLC

James E. Shapiro

Retained 702-796-4000(W)

EVENTS & ORDERS OF THE COURT

01/26/2016 All Pending Motions (3:00 PM) (Judicial Officer Johnson, Eric)

Minutes

01/26/2016 3:00 PM

PLAINTIFF'S MOTION TO ALTER OR AMEND JUDGMENT OR IN THE ALTERNATIVE, MOTION FOR PARTIAL RECONSIDERATION...PLAINTIFF IN INTERVENTION ACRE'S MEDICAL, LLC'S MOTION TO DISMISS GB SCIENCES NEVADA, LLC'S COUNTERCLAIM AGAINST ACRES MEDICAL, LLC Mr. Shapiro advised the issues for trial were with Nuleaf, which have been resolved and would request the trial date be vacated as he is not prepared to go to trial against Acres and that it can be reset after the

handan kadan Hann Carabinan indirent the Carbinhan an abhadian

10/14/2016

https://www.clarkcountycourts.us/Anonymous/CaseDetail.aspx?CaseID=11558183&HearingID=189450717&SingleViewMode=Minutes

nearing today. Upon Court's inquiry, Mr. Smith had no objection. COURT ORDERED, calendar call and trial date VACATED. Arguments by Mr. Shapiro and Mr. Ferrario in support of their respective positions. Statements by Mr. Smith and Ms. Anderson. Following lengthy arguments, COURT ORDERED Plaintiff's Motion for Partial Reconsideration is DENIED and Plaintiff in Intervention Acre's Medical, LLC's Motion to Dismiss GB Sciences Nevada, LLC's Counterclaim Against Acres Medical is GRANTED. CASE CLOSED. Mr. Ferrario to prepare the Order.

Parties Present Return to Register of Actions

```
1
      TRAN
  2
                           DISTRICT COURT
  3
                        CLARK COUNTY, NEVADA
  4
      GB SCIENCES NEVADA, LLC, a
      Nevada limited liability
  5
      company,
  6
                      Plaintiff,
                                       CASE NO.: A-14-710597-C
                                       DEPT. NO.: XX
  7
      VS.
 8
      STATE OF NEVADA, DIVISION OF
      PUBLIC AND BEHAVIORAL HEALTH
 9
      OF THE DEPARTMENT OF HEALTH
      AND HUMAN SERVICES; NULEAF CLV)
     DISPENSARY, LLC, a Nevada
10
      limited liability company;
     DOES 1-10, and ROE ENTITIES
11
      1-100, inclusive,
12
                      Defendants.
13
14
     AND ALL RELATED CROSS-CLAIMS.
15
16
              REPORTER'S TRANSCRIPT OF PROCEEDINGS
17
18
             BEFORE THE HONORABLE JUDGE ERIC JOHNSON
                           DEPARTMENT XX
19
                     TUESDAY, JANUARY 26, 2016
20
                             3:07 P.M.
21
22
23
24
25
     REPORTED BY: AMBER M. RIGGIO, NV CCR No. 914
```

Amber M. Riggio, CCR No. 914 (702)927-1206 • amberriggio@gmail.com Pursuant to NRS 239.053, illegal to copy without RAPP000303

1	APPEARANCES:
2	For GB Sciences Nevada LLC:
3	BY: JAMES E. SHAPIRO, ESQ.
4	SMITH & SHAPIRO, PLLC
5	2520 St. Rose Parkway, Suite 220
6	Henderson, Nevada 89074
7	(702) 318–5033
8	jshapiro@smithshapiro.com
9	For Nuleaf CLV Dispensary LLC:
10	BY: JORDAN T. SMITH, ESQ.
11	PISANELLI BICE, LLC
12	400 South 7th Street, Suite 300
13	Las Vegas, Nevada 89101
14	(702) 214–2100
15	jts@pisanellibice.com
16	For Acres Medical LLC:
17	BY: MARK E. FERRARIO, ESQ.
18	BY: MORREA KATZ, ESQ.
19	GREENBERG TRAURIG
20	3773 Howard Hughes Parkway, Suite 400 North
21	Las Vegas, Nevada 89169
22	(702) 792–3773
23	ferrariom@gtlaw.com
24	
25	

1	APPEARANCES CONTINUED:
2	For the Nevada State Department of Health and Human
3	Services:
4	BY: LINDA CHRISTINE ANDERSON, ESQ.
5	ATTORNEY GENERAL'S OFFICE
6	555 East Washington Avenue, Suite 3900
7	Las Vegas, Nevada 89101
8	(702) 486–3420
9	landerson@ag.nv.gov
10	
11	* * * *
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

1	LAS VEGAS, NEVADA; TUESDAY, JANUARY 26, 2016
2	3:07 P.M. * * * *
3	PROCEEDINGS * * * * * *
4	THE MARSHAL: All rise. District Court 20's
5	in session. The Honorable Judge Eric Johnson
6	presiding.
7	THE COURT: Okay. Good afternoon, everybody.
8	MR. SHAPIRO: Good afternoon.
9	MR. FERRARIO: Good afternoon, Your Honor.
10	THE MARSHAL: Be seated.
11	THE COURT: Let's call GB Sciences Nevada,
12	LLC versus State — Nevada State Department of Health
13	and Human Services, Case No. A710597.
14	Counsel, please make your appearances for the
15	record.
16	MR. SHAPIRO: Jim Shapiro for GB Sciences
17	Nevada.
18	MR. FERRARIO: Mark Ferrario and Morrea Katz
19	for Acres, Your Honor.
20	MS. ANDERSON: Linda Anderson for the
21	Department of Health and Human Services.
22	MR. SMITH: Jordan Smith on behalf of Nuleaf.
23	THE COURT: I guess we should have pulled
24	over another table for you guys. You guys back there,
25	we can

1	MS. ANDERSON: We are fine right here in the
2	back.
3	THE COURT: Okay.
4	MR. SMITH: We had to separate Mr. Ferrario
5	from everybody.
6	MR. FERRARIO: I felt awkward sitting next to
7	Mr. Shapiro today.
8	THE COURT: All right. Which I've got us
9	looking at plaintiff's motion to alter or amend
10	judgment, or in the alternative, motion for partial
11	reconsideration, and Acres' motion to dismiss GB
12	Sciences' counterclaim.
13	What do we want to deal with first?
14	MR. SHAPIRO: I think there's one that you
15	didn't mention that we should deal with even before
16	those two, and that is that we've got a calendar call
17	tomorrow and that calendar call was originally
18	scheduled on the claims between NuLeaf and GB Sciences.
19	That issue's been resolved. If there's still claims
20	between Acres and GB Sciences, I don't think we're
21	going to be ready to go to trial on this stack. So I
22	guess I would request that the calendar call be
23	vacated, and let's figure out what to do at the end of
24	today.
25	THE COURT: Does NuLeaf have any issue with

1 that? 2 No objection, Your Honor. MR. SMITH: 3 THE COURT: All right. Why don't we go 4 ahead -- we'll go ahead and vacate the calendar call 5 and trial. MR. SHAPIRO: Okay. And then I think it 6 7 makes sense to do the motion to reconsider first. If that's denied, then the other one, I think, is rendered 8 9 moot because the decision's already been entered. 10 THE COURT: Okay. I — let me just tell you sort of where I'm looking at, and I looked at this in 11 12 the context that I made — the key finding of mine was that NuLeaf shouldn't have received the certificate in 13 14 view of it having not obtained the letter required by 15 statute from the City of Las Vegas, and, at that point, 16 I looked to see who was No. 13 -- my feeling was to look to see who was No. 13 on the list who should have 17 18 got it, and my understanding was pursuant to -- it wasn't that I was adopting and applying Judge Cadish's 19 20 order. It was that, pursuant to her order -- and, Ms. Anderson, I assume, pursuant to her order -- I 21 22 don't think it was appealed -- you adjusted -- Nevada Department of Health and Human Services adjusted 23 everything and Acres was No. 13. Right? 24

Correct, Your Honor.

MS. ANDERSON:

25

1 THE COURT: Okay. So I had contemplated, 2 when I was doing it, just saying NuLeaf shouldn't get 3 it and whoever was No. 13 should -- should get, but I 4 knew who was No. 13 because I had seen Judge Cadish's 5 order. So I thought, Well, I'm just going to cut 6 through the -- cut through the water here and -- and --7 and deal with it. So that's sort of where I'm coming -- I don't 8 see - I'll be honest, I don't see that as having any 9 real impact upon your due process rights, but I'll give 10 you a chance to -- to discuss that. 11 12 MR. SHAPIRO: Well, I appreciate that. Thank 13 you, Your Honor. The problem with the Judge Cadish order is 14 that when Acres filed their complaint, they listed 21 15 different defendants, all of whom they specifically 16 17 identified as real parties in interest. And then they 18 listed another 20-plus Doe, Roe, and Poe defendants, all of whom they likewise identified as real parties in 19 20 interest. Now, the reality is there was only one entity 21 that really had an interest in the outcome of that 22 case, and that was GB Sciences. Every other entity 23

that was ranked 12 or higher had no interest in the

outcome because, even if they get put in 13th position,

24

25

1	it doesn't affect them. And the entities that were
2	ranked 14th and lower really had no interest because
3	they didn't have any claim to any of the provisional
4	certificates either. So they name all of these
5	parties, they admit that they're real parties in
6	interest, but then they — they fail to name GB
7	Sciences who had filed this lawsuit a full six months
8	before their lawsuit was filed. They knew about GB
9	Sciences. They could have named GB Sciences. They
10	didn't. Why? They didn't because they didn't want us
11	coming in and ruining it.
12	Well, we have equitable claims. We
13	THE COURT: Are you saying you didn't know
14	anything about the lawsuit in front of Judge Cadish? I
15	mean
16	MR. SHAPIRO: I learned about the lawsuit
17	after I got into this one, which was after they had
18	filed already filed their motion.
19	THE COURT: To intervene in this one or
20	MR. SHAPIRO: No. The motion in the other
21	case.
22	So I came in if you recall, Your Honor, I
23	wasn't the attorney who filed this case.
24	THE COURT: Okay.
25	MR. SHAPIRO: And you weren't around at the

1 time either, so you probably don't recall that. 2 THE COURT: Yeah. MR. SHAPIRO: I came in to this case, I want 3 4 to say, September of this year. So it was after their 5 lawsuit had already been filed, and I believe -- and I 6 didn't know about the case when I first came in. was after I came in that I learned about their case. 7 8 Well, at that point, we've already got 9 motions for summary judgment pending and we're going 10 They had a duty to bring us in to the Judge forward. Cadish case; they didn't do it. We -- we're a real 11 12 party in interest, just like they admitted to the 40-plus defendants that they named, and, yet, we had no 13 14 opportunity to go in and contest that because they 15 didn't bring us in. Now, so then the question becomes: Okay, how 16 do you treat Judge Cadish's order? Well, you either 17 ignore it or you accept it under res judicata, but you 18 19 can't accept it under res judicata. You can't why? Because we were not a party to the case, and we 20 weren't -- nobody was in privity of -- in privy with us 21 in that case to defend our position. Fourteen and 22 lower didn't care. One through 12 didn't care. 23 Thirteen's the only one who really had an interest. 24 25 That order has no prejudicial effect, and so

the proper way for Your Honor to proceed is to ignore 1 2 the order. That was an order between the parties to It doesn't affect GB Sciences. We were not 3 that case. 4 a party. Now, if you ignore the order, then what do 5 6 you do? Well, you go back to what you should be doing 7 under the rules, which is they were allowed to 8 They filed a complaint in intervention intervene. which then put GB Sciences on notice of the claims that 9 10 they were asserting against GB Sciences. GB Sciences 11 filed an answer and a counterclaim and asserted 12 counterclaims against Acres. We then put Acres on 13 notice of the claims that we are asserting against Those claims need to be adjudicated. 14 them. problem with the order is that you granted the motion 15 to intervene on November 9th, which was the same day we 16 argued the motion for summary judgment. 17 There was no argument about the relationship vis-a-vis Acres and GB 18 19 In fact, the comment that I made to the Court is that will be decided with future pleadings 20 21 because we still didn't have a complaint in 22 intervention, we didn't have an answer and counterclaims. 23 So the order was entered - the minute order 24 was entered before the complaint in intervention was 25

```
The written order was entered a -- less than
 1
      filed.
 2
      two weeks after the complaint and intervention was
 3
     filed, and it's simply wholly inappropriate to
 4
     essentially decide Acres' claims and GB Sciences'
     counterclaims without ever holding a hearing on it.
 5
 6
     You — the order that you entered is holding me to
 7
     Judge Cadish's order and that's inappropriate.
               THE COURT: I'm not even sure -- I don't even
 8
 9
     know if Acres really even needed to include all the
     other parties that it included as parties in their —
10
     because, ultimately, the way I understand it -- and if
11
     I'm wrong, let me know -- but the way I ultimately
12
     understand it, this was essentially -- Ms. Anderson, my
13
     understanding is the suit with Acres in front of Judge
14
     Cadish was essentially the department had made a
15
16
     clerical or typo -- you know, essentially a
     typographical or clerical error relating to something
17
     and missed a score and they just wanted that score
18
19
     plugged in and — and retotaled. Am I wrong?
               MS. ANDERSON: That — that was their
20
     argument. I mean, my position in that hearing was to
21
     say I didn't think it was warranted for the type of
22
     relief that was sought because they didn't have an
23
     interest. I made all those arguments. Some parties
24
25
    did appear, but that was the gist of what our
```

```
discussion was before the Court.
  1
  2
                THE COURT: Okay. All right.
                I quess I — I just don't see this as — this
  3
      seems to be -- they say, You -- you should have scored
  4
     us this. Department of Health and Human Services said,
 5
     Oh, we didn't need to or it's moot for all practical
 6
     purposes, whatever the context is. They filed a suit,
 7
     but the issue seems to be between Acres and the
 8
     Department of -- not -- not anything in reference to --
 9
10
     to --
               MR. SHAPIRO: There is. And the reason that
11
     there is because Acres did not include GB Sciences in
12
13
     that case.
               THE COURT: Okay. What would -- what would
14
     have been your position in that case?
15
16
               MR. SHAPIRO: Our position in that case was
     that they waited too long. It was prejudicial to us
17
18
     and our client.
               Our position was that they were equitably
19
     estopped from -- from taking that six months down the
20
21
     road based upon the -- the failure to timely file a
22
     lawsuit.
23
               See, the problem is --
               THE COURT: I'm just not seeing the actual --
24
25
               MR. SHAPIRO: Let's reverse the role.
```

1 What you're saying is the -- the Acres 2 decision doesn't make a difference. Well, if that's 3 the case, why is Acres in this case? Why did they have 4 to intervene, and why was it granted? 5 If -- if -- if your logic is truly going to be held across the board, then there's no reason for 6 7 Acres to even be here because what happens over there, happens over there. The reality is -8 THE COURT: Well, and arguably - Acres 9 10 intervened but, arquably, once I found that NuLeaf shouldn't receive the certificate -- like I said, I 11 12 could have easily just said, Well, it should go to No. 13. Well, at the time I would have said it should 13 go to No. 13. That would have been -- would have been 14 15 Acres. So Acres, arguably, didn't even -- arguably, didn't even need to intervene. 16 MR. SHAPIRO: Well, they did intervene --17 THE COURT: They did. 18 MR. SHAPIRO: -- and it's our position that 19 20 they needed to intervene because they had to disrupt us because we were currently holding the 13th position and 21 we were the party that would be harmed by Judge 22 Cadish's ruling. You can't -- you can't harm us when 23 we -- we're not given an opportunity for -- for notice 24 25 and to be heard.

1	Now, where does that opportunity come? It
2	could have come in one of two places. They could have
3	named GB Sciences in the Acres case. If GB Sciences
4	had been a party to Acres' case and Judge Cadish had
5	issued a ruling that she ruled, then we wouldn't be
6	standing here today because that would have satisfied
7	due process as against GB Sciences, but that's not what
8	happened. Judge Cadish did not consider any of GB
9	Sciences' positions, interests, or arguments.
10	THE COURT: Well, I guess I'm going back,
11	what what would have been your position in front of
12	Judge Cadish other than the equitable I mean, is
13	that equitable —
14	MR. SHAPIRO: Your Honor, I wasn't in that
15	case so you're asking me to develop a full-fledged
16	argument when
17	THE COURT: Like I said
18	MR. SHAPIRO: I'm standing here today, and
19	I haven't done that.
20	My point is
21	THE COURT: I mean, I can see if this was a
22	situation where, you know, it was, like, you know, you
23	only scored us 15 but, really, we're better than 15;
24	you should have scored us, I don't know, 20, 25. I
25	don't know how this all works.

```
MR. FERRARIO: It was - you're getting to
 1
      the point, whether it was discretion. This wasn't
 2
 3
                  This was a math error.
      discretion.
 4
               THE COURT: Right. I --
 5
               MR. SHAPIRO:
                             It wasn't.
               THE COURT: I'll let you talk --
 6
               MR. SHAPIRO: It wasn't a math error --
 7
               MR. FERRARIO: It was.
 8
               MR. SHAPIRO: -- Your Honor. What --
 9
10
               THE COURT: All right.
               MR. SHAPIRO: There was a CD that was blank,
11
     and they didn't score a part of it. And they were
12
     under the duty to give them a good CD and they didn't
13
     give the State a good CD and so the State didn't score
14
15
     it.
               So the question is: Well, whose fault is
16
     that? Is it Acres fault? Is it the State's fault?
17
     Does the State have a duty to go back and ask them for
18
     a good CD when they said, You have to supply all of,
19
20
     you know, X, Y, and Z?
               That's the problem, is there's all kinds of
21
     arguments that we could have developed in the Acres
22
     case, but we weren't given an opportunity to because
23
    Acres didn't include us. They admitted we were a real
24
25
    party in interest, and they didn't include us.
```

```
1
      Therefore, the Acres decision has no res judicata
  2
      effect against us, and all of those issues still need
     to be resolved. And where should it be resolved?
  3
 4
      should be resolved here. Acres came in; GB Sciences is
 5
     already here. We had filed a motion for summary
     judgment. Those issues need to be resolved in this
 6
 7
     case.
 8
               THE COURT: Okay. And tell me again, why
     didn't you try to intervene in the Cadish case?
 9
               MR. SHAPIRO: Because by the --
10
               THE COURT: If you did find out about it
11
12
     before the ruling —
               When did the ruling come down in Cadish?
13
14
     mean --
               MR. SHAPIRO: I don't --
15
16
               THE COURT: -- in Judge Cadish's case.
               MR. FERRARIO: Your Honor, it was in October
17
18
     and Mr. --
                           Okay. That's all I want to know
               THE COURT:
19
     right now. Like I said, I'm going to give you a
20
     chance. All right? That's all I want to know right
21
22
     now.
               So, I mean, you said you found out -- and, I
23
    mean, and we haven't even gotten into the issue of
24
25
    whether your predecessor was aware of the litigation.
```

```
I mean, if you really felt that there was an issue here
  1
  2
      that you needed -- it seems to me that, you know, you
  3
      could have sought to intervene in the other — in the
  4
      other litigation.
  5
                MR. SHAPIRO: I think we're turning the rules
     on the head, though. Is it their obligation to ensure
  6
  7
     that we're in there, or is it our obligation to
 8
     intervene?
                I didn't find out about this until after I
 9
10
     got in this case, and I got in this case in September.
     I don't recall at what point. What I do recall is, by
11
     the time I learned about the Acres case, there was --
12
     everything was briefed and they had a hearing.
13
14
     when I found out about it.
               Now, does that mean my client loses its
15
     rights, or does it mean that GB Sciences should have
16
     named us? See, I think the burden's getting shifted to
17
     the wrong party. GB Sciences named 40 different
18
19
     defendants.
                  They went --
20
               THE COURT: And some were -- some were Does
21
     or Roes or whatever ---
22
               MR. SHAPIRO: Right. Right.
               THE COURT: Essentially, the Roes or Does and
23
     the number they name paralleled, in large part, the
24
25
     number of total applicants —
```

1 MR. SHAPIRO: Right. THE COURT: -- that were for the position. 2 3 MR. SHAPIRO: Mm-hmm. 4 THE COURT: So you implicitly knew that one 5 of the Roes or Does was GB Sciences. MR. SHAPIRO: When it was too late to do 6 7 anything about it. THE COURT: Well, I mean, why do you say it 8 was too late to do anything about it when you came on? 9 And, again, we're not looking at the issue of whether 10 your predecessor -- you know, what kind of notice he --11 opportunity he had to do something about it. 12 MR. SHAPIRO: Because, at that point, we had 13 already filed our motion for summary judgment in this 14 15 case, and we hadn't been named in that case. And so, from our perspective, it doesn't bind us. There's no 16 res judicata effect on that order. It doesn't affect 17 They can't push us out of thirteenth position 18 without giving us due process, which is notice and an 19 20 opportunity to be heard. THE COURT: See, I'm not convinced that, you 21 know -- litigation goes on that effects -- you know, 22 between two people that can result in something that 23 affects somebody else, and the litigation, in reality, 24 is between these two people and just because it has an 25

1 impact in some way on somebody else doesn't mean that 2 they should have necessarily sucked someone else in. And, again, if it's essentially a clerical or scoring 3 4 error and -- it just seems to me that -- I'm just 5 having a hard time --MR. SHAPIRO: Here's --6 7 THE COURT: -- seeing that this is -- that 8 you -- you're being denied any due process rights by not being specifically brought in to -- to the action. 9 10 MR. SHAPIRO: The reason that we're denied it is because the very -- the power by which Judge Cadish 11 ordered the State to re-work and re-rank Acres was 12 equitable, and under equity, all of the issues have to 13 be considered. And if GB Sciences is not a party to 14 15 that case where they have a notice and an opportunity 16 to give additional equitable considerations to the Court, then -- then the Court is not really truly doing 17 what equity should be done, and they're denying GB 18 Sciences their due process right to notice and an 19 20 opportunity to be heard. 21 THE COURT: Okay. MR. SHAPIRO: And I don't believe it's GB 22 Sciences' duty to run out and try and intervene in the 23 cases at the last minute. It's Acres who filed their 24 25 lawsuit six months after GB Sciences. It's their

1 obligation to name all of the parties, and if they 2 don't, then there's no res judicata effect of the order. And they intervene in this case; both parties 3 4 are here. It's the same powers by which Your Honor 5 ordered the State to revoke NuLeaf's. It's equitable 6 powers. And when you look at equity, you have to look 7 at all of the equities and all of the factors that 8 balance. And, in this case, the decision was made 9 without looking at all of those equities. Acres is 10 here, GB Sciences is here, and all we're asking for is 11 an opportunity to present the arguments and have the 12 Court make a decision.

THE COURT: Okay. Now --

13

14

15

16

17

18

19

20

21

22

23

24

25

MR. FERRARIO: Your Honor, I think you're spot on on this. I -- I appreciate the frustration of Mr. Shapiro, but frustration doesn't equate to a legal position. And his argument really stems from a false premise, and that his client would ever be harmed by the State simply doing what it was supposed to do in the first place, which is properly rank these applicants.

And when we went to court in front of Judge Cadish, what we obtained was a judgment on our writ of mandamus which requires the State to do what it should have done in the first place, and that's add the

1 numbers the right way. 2 So this isn't equity and -- you know, this 3 is -- it's simply that court doing what's right, and 4 then this Court doing what's right. And I think your 5 comment that you could have issued an order that said 6 simply that it went to the 13th ranked applicant would 7 have got us in the same position. And -- and I -- I 8 don't want to -- I hate arguing, like, procedural missteps and things like that, but the truth is 9 10 Mr. Shapiro was at the hearing when we argued the motion. He was there present at the hearing. He 11 12 didn't stand up and say to Judge Cadish, "Wait a while. I just got in this case, and I'm realizing for the 13 14 first time that, if you grant this, it's going to harm 15 my case that I've been litigating for six months or six years," or whatever. He didn't say anything to that 16 17 effect. He knew of that case. So I could say he should have done something. 18 And, Your Honor, asked that question. He didn't. He 19 sat on his hands. We didn't -- we told you why we 20 didn't name them. They didn't allow their score to be 21 published. We didn't know about them. 22 But the other thing that -- that I 23 think is - is troubling here is, when we intervened in 24

this case, NuLeaf objected saying it was going to stall

25

IN THE SUPREME COURT OF THE STATE OF NEVADA

NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company,

Appellant,

VS.

THE STATE OF NEVADA
DEPARTMENT OF HEALTH AND
HUMAN SERVICES, DIVISION OF
PUBLIC AND BEHAVIORAL
HEALTH; ACRES MEDICAL, LLC, a
Nevada limited liability company; and
GB SCIENCES NEVADA, LLC, a
Nevada limited liability company,

Respondents.

GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Cross-Appellant,

VS.

THE STATE OF NEVADA DEPT. OF HEALTH AND HUMAN SERVICES, DIV. OF PUBLIC AND BEHAVIORAL HEALTH; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; and ACRES MEDICAL, LLC, a Nevada limited liability company,

Cross-Respondents.

Supreme Court No. 69909

Electronically Filed
District Court Case Nov 9103916 03:43 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

RESPONDENT/CROSS-APPELLANT GB SCIENCES NEVADA, LLC'S APPENDIX VOLUME 2

[RESPONDING BRIEF ON APPEAL AND OPENING BRIEF ON CROSS-APPEAL]

RESPONDENT/CROSS-APPELLANT GB SCIENCES NEVADA, LLC'S APPENDIX VOLUME 2

[RESPONDING BRIEF ON APPEAL AND OPENING BRIEF ON CROSS-APPEAL]

On Appeal from Judgment Granted by the Eighth Judicial District Court of the State of Nevada, in and for Clark County Case No. A710597

James E. Shapiro, Esq.
Nevada Bar No: 7907
Sheldon A. Herbert, Esq.
Nevada Bar No: 5988
SMITH & SHAPIRO, PLLC
2520 St. Rose Pkwy, Suite 220
Henderson, NV 89074
(702) 318-5033
Attorneys for Respondent/Cross-Appellant,
GB SCIENCES NEVADA, LLC

TABLE OF CONTENTS

(BATES-STAMPED ORDER)

VOLUME 2

DOCUMENT	DATE	VOL.	PAGE
GB Sciences Nevada, LLC's Opposition to Motion to Dismiss Counterclaim; or, in the Alternative Motion for Leave to Amend	01/11/16	2	RAPP000208 – RAPP000242
Acres Medical, LLC's Opposition to Plaintiff's Motion to Alter or Amend Judgment; or, in the Alternative Motion for Partial Reconsideration	01/11/16	2	RAPP000243 – RAPP000251
Reply to Opposition to Plaintiff's Motion to Alter or Amend Judgment; or, in the Alternative Motion for Partial Reconsideration	01/18/16	2	RAPP000252 – RAPP000284
Acres Medical, LLC's Reply in Support of Motion to Dismiss GB Sciences Nevada, LLC's Counterclaim Against Acres Medical, LLC	01/19/16	2	RAPP000285 – RAPP000295
Acres Medical, LLC's Motion to Dismiss GB Sciences Nevada, LLC's First Amended Counterclaim Against Acres Medical, LLC	01/25/16	2	RAPP000296 RAPP000300
Minute Order	01/26/16	2	RAPP000301 – RAPP000302

Hearing Transcript – Plaintiff's	01/26/16	2	RAPP000303 -
Motion to Alter or Amend	01/20/10		RAPP000358
Judgment or, in the Alternative,			10111000330
Motion for Reconsideration			
and Acre's Medical, LLC's Motion to Dismiss GB			
Sciences, LLC's Counterclaim	00/02/16		D 4 DD000250
Order Granting Intervenor	03/03/16	2	RAPP000359 –
Acres Medical, LLC's Motion			RAPP000362
to Dismiss GB Sciences			
Nevada, LLC's Counterclaims			
Against Acres Medical, LLC			
Order Denying Plaintiff GB	03/03/16	2	RAPP000363 -
Sciences Nevada, LLC's			RAPP000366
Motion to Alter or Amend			
Judgment or, in the Alternative			
Motion for Reconsideration			
Notice of Entry of Order	03/04/16	2	RAPP000367 -
Denying Plaintiff GB Sciences			RAPP000373
Nevada, LLC's Motion to Alter			
or Amend Judgment or, in the			
Alternative Motion for			
Reconsideration			
GB Sciences Nevada, LLC's	03/30/16	2	RAPP000374 -
Notice of Cross-Appeal	30,23,23	_	RAPP000375
110000 of Cropp Tippedi			<u> </u>

TABLE OF CONTENTS

(ALPHABETICAL ORDER)

VOLUME 2

DOCUMENT	DATE	VOL.	PAGE
Acres Medical, LLC's Motion to Dismiss GB Sciences Nevada, LLC's First Amended Counterclaim Against Acres Medical, LLC	01/25/16	2	RAPP000296 – RAPP000300

Acres Medical, LLC's Opposition to Plaintiff's Motion to Alter or Amend Judgment; or, in the Alternative Motion for Partial Reconsideration	01/11/16	2	RAPP000243 RAPP000251
Acres Medical, LLC's Reply in Support of Motion to Dismiss GB Sciences Nevada, LLC's Counterclaim Against Acres Medical, LLC	01/19/16	2	RAPP000285 – RAPP000295
GB Sciences Nevada, LLC's Opposition to Motion to Dismiss Counterclaim; or, in the Alternative Motion for Leave to Amend	01/11/16	2	RAPP000208 – RAPP000242
GB Sciences Nevada, LLC's Notice of Cross-Appeal	03/30/16	2	RAPP000374 – RAPP000375
Hearing Transcript – Plaintiff's Motion to Alter or Amend Judgment or, in the Alternative, Motion for Reconsideration and Acre's Medical, LLC's Motion to Dismiss GB Sciences, LLC's Counterclaim	01/26/16	2	RAPP000303 - RAPP000358
Minute Order	01/26/16	2	RAPP000301 – RAPP000302
Notice of Entry of Order Denying Plaintiff GB Sciences Nevada, LLC's Motion to Alter or Amend Judgment or, in the Alternative Motion for Reconsideration	03/04/16	2	RAPP000367 – RAPP000373
Order Denying Plaintiff GB Sciences Nevada, LLC's Motion to Alter or Amend Judgment or, in the Alternative Motion for Reconsideration	03/03/16	2	RAPP000363 RAPP000366

Order Granting Intervenor	03/03/16	2	RAPP000359 -
Acres Medical, LLC's Motion			RAPP000362
to Dismiss GB Sciences			
Nevada, LLC's Counterclaims			
Against Acres Medical, LLC			
Reply to Opposition to	01/18/16	2	RAPP000252 -
Plaintiff's Motion to Alter or			RAPP000284
Amend Judgment; or, in the	:		
Alternative Motion for Partial			
Reconsideration			

Dated this 31st day of October, 2016.

SMITH & SHAPIRO, PLLC

/s/ James E. Shapiro, Esq.

James E. Shapiro, Esq.

Nevada Bar No: 7907

Sheldon A. Herbert, Esq.

Nevada Bar No: 5988

2520 St. Rose Pkwy, Suite 220

Henderson, NV 89074

Attorneys for Respondent/Cross-Appellant,

GB SCIENCES NEVADA, LLC

CERTIFICATE OF COMPLIANCE

1. I hereby certify that this brief complies with the formatting requirements of N.R.A.P. 32(a)(4), the typeface requirements of N.R.A.P. 32(a)(5) and the type style requirements of NRAP 32(a)(6) because: [X] This brief has been prepared in a proportionally spaced typeface using Word Perfect in 14 point font Times New Roman type style; or [] This brief has been prepared in a monospaced typeface using [state name and version of word-processing program] with [state number of characters per inch and name of type style]. I further certify that this brief complies with the page- or type-2. volume limitations of N.R.A.P. 32(a)(7) because, excluding the parts of the brief exempted by N.R.A.P. 32(a)(7)(C), it is either: [X] Proportionately spaced, has a typeface of 14 points or more, and contains 1233 words; or Monospaced, has 10.5 or fewer characters per inch, and contains words or ____ lines of text; or [X] Does not exceed 40 pages. Finally, I hereby certify that I have read this appellate brief, and 3. to the best of my knowledge, information, and belief, it is not frivolous or interposed for any improper purpose. I further certify that this brief complies with all applicable Nevada Rules of Appellate Procedure, in particular

N.R.A.P. 28(e)(1), which requires every assertion in the brief regarding matters in the record to be supported by a reference to the page and volume number, if any, of the transcript or appendix where the matter relied on is to be found. I understand that I may be subject to sanctions in the event that the accompanying brief is not in conformity with the requirements of the Nevada Rules of Appellate Procedure.

Dated this 31st day of October, 2016.

SMITH & SHAPIRO, PLLC

/s/ James E. Shapiro, Esq.
James E. Shapiro, Esq.
Nevada Bar No: 7907
Sheldon A. Herbert, Esq.
Nevada Bar No: 5988
2520 St. Rose Pkwy, Suite 220
Henderson, NV 89074
Attorneys for Respondent/Cross-Appellant, GB SCIENCES
NEVADA, LLC

CERTIFICATE OF SERVICE

I certify that on the 31st day of October, 2016, I served a copy of this

RESPONDENT/CROSS-APPELLANT GB SCIENCES NEVADA,

LLC'S APPENDIX VOLUME 2 upon all counsel of record:

- □ By personally serving it upon him/her; or
- By mailing it by first class mail with sufficient postage prepaid to the

following address(es):

Linda C. Anderson, Esq.
Chief Deputy Attorney General
555 E. Washington Ave., #3900
Las Vegas, NV 89101
Attorneys for Respondent/Cross-Respondent,
STATE OF NEVADA, DIVISION OF PUBLIC AND
BEHAVIORAL HEALTH OF THE DEPARTMENT OF
HEALTH AND HUMAN SERVICES

Todd L. Bice, Esq. PISANELLI BICE, PLLC 400 South 7th Street, Suite 300 Las Vegas, NV 89101 Attorneys for Appellant/Cross-Respondent, NULEAF CLV DISPENSARY, LLC

Mark E. Ferrario, Esq. GREENBERG TRAURIG, LLP 3773 Howard Hughes Pkwy., #400N Las Vegas, NV 89169 Attorneys for Respondent/Cross-Respondent, ACRES MEDICAL, LLC

/s/ Jill M. Berghammer
Jill M. Berghammer, an employee
of SMITH & SHAPIRO, PLLC

Electronically Filed 01/11/2016 03:48:43 PM

1 **OPPS** James E. Shapiro, Esq. Nevada Bar No. 7907 2 **CLERK OF THE COURT** Sheldon A. Herbert, Esa. Nevada Bar No. 5988 3 SMITH & SHAPIRO, PLLC 2520 St. Rose Parkway, Suite 220 Henderson, NV 89074 5 (702) 318-5033 Attorneys for Plaintiff, GB SCÍENCES NEVADA, LLC 6 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA GB SCIENCES NEVADA, LLC, a Nevada limited liability company, 10 Case No. A-14-710597-C Plaintiff, Dept. No. XX 11 VS. SMITH & SHAPIRO, PLLC 2520 St. Rase Parkway, Suite 220 Henderson, Nevada 89074 STATE OF NEVADA, DIVISION OF PUBLIC BEHAVIORAL HEALTH OF THE AND 13 DEPARTMENT OF HEALTH AND HUMAN 14 15 16-2033 SERVICES; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; DOES 1-10, and ROE ENTITIES 1-100, inclusive, OPPOSITION TO MOTION TO DISMISS COUNTERCLAIM; OR. Defendants. IN THE ALTERNATIVE MOTION 16 FOR LEAVE TO AMEND 17 ACRES MEDICAL, LLC, 18 Plaintiff in Intervention, VS. 19 STATE OF NEVADA, DIVISION OF PUBLIC 20 AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; CITY OF LAS VEGAS, a municipal corporation and political subdivision of the State of 22 Nevada; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; GB SCIENCES Date: February 3, 2016 23 NEVADA, LLC, a Nevada limited liability company, Time: 8:30am 24 Defendants in Intervention. 25 26 III27 111 28 111

2520 St. Rose Parkway, Suite 220 Henderson, Nevada 89074

27

28

GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Counterclaimant in Intervention,

vs.

1

ACRES MEDICAL, LLC, a Nevada limited liability company, and STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

Counterdefendants in Intervention.

OPPOSITION TO MOTION TO DISMISS COUNTERCLAIM; OR,

COMES NOW Plaintiff/Defendant in Intervention/Counterclaimant in Intervention, GB SCIENCES NEVADA, LLC, a Nevada limited liability company ("GB Sciences"), by and through its attorneys of record, SMITH & SHAPIRO, PLLC, and files its Opposition to Motion to Dismiss (the "MTD") GB Sciences Nevada, LLC's Counterclaim Against Acres Medical, LLC ("Acres"); or, in the Alternative, Motion for Leave to Amend.

This Opposition is made and based upon the papers and pleadings on file herein, the attached Memorandum of Points and Authorities, and any oral argument the Court may wish to entertain in the premises.

Dated this 11th day of January, 2016.

SMITH & SHAPIRO, PLLC

/s/ James E. Shapiro, Esq. James E. Shapiro, Esq. Nevada Bar Ño. 7907 Sheldon A. Herbert, Esq. Nevada Bar No. 5988 2520 St. Rose Parkway, Suite 220 Henderson, NV 89074 Attorneys for Plaintiff, GB Sciences Nevada, LLC

SMITH & SHAPIRO, PLLC 2520 St. Rose Parkway. Suite 220 Henderson, Nevada, 89074

14 (202) 318-2033

MEMORANDUM OF POINTS AND AUTHORITIES

Ĭ.

PREFATORY STATEMENT

By its present Motion, Acres seeks to dismiss GB Sciences' Counterclaims by arguing that there is no relationship between Acres and GB Sciences and no controversy to be resolved. However, Acres arguments are belied by their own actions. As is outlined below, Acres previously recognized that all parties ranked ahead of them were necessary parties to their initial lawsuit against State, which is why they named numerous other parties in their lawsuit. Likewise, in order to obtain complete relief, Acres had to intervene into GB Sciences' lawsuit against the State. If there is no justiciable controversy between Acres and GB Sciences, why did Acres intervene into this lawsuit? They could have proceeded forward in their own lawsuit. Clearly, there is a justiciable controversy which this Court needs to resolve.

II.

STATEMENT OF FACTS

A. <u>ENACTMENT OF MME STATUTES.</u>

In 2013, the Nevada Legislature passed Senate Bill 374, which, in part, provided for the registration of medical marijuana establishments ("<u>MMEs</u>") authorized to cultivate and dispense marijuana and marijuana infused products to those persons authorized to use medicinal marijuana. The Nevada Legislature codified Senate Bill 374 in NRS Chapter 453A, et seq.

The City of Las Vegas was allotted twelve (12) MME registration certificates (the "<u>Registration</u> <u>Certificates</u>") by the Division. When the STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (the "<u>Division</u>") issued its rankings, it ranked GB Sciences as the 13th ranked applicant, and Acres much lower than GB Sciences.

B. THE PRESENT LAWSUIT.

On December 2, 2014, GB Sciences filed the present lawsuit wherein it sought an order from this Court directing the Division to revoke the Registration Certificate issued to Nuleaf CLV Dispensary, LLC ("Nuleaf") and issue the same to GB Sciences.

Henderson, Nevada 89074

]

2

3

4

5

6

7

8

9

10

11

12

13

16

17

18

19

20

21

22

23

24

25

26

27

On September 18, 2015, GB Sciences filed its Motion for Summary Judgment (the "MSJ"). At the time the MSJ was filed, Acres was not a party to this lawsuit. In fact, the Acres Order upon which this Court relied had not yet been entered.

On October 5, 2015, NuLeaf filed its Opposition to the MSJ and Countermotion for Summary Judgment. Again, when NuLeaf filed its Opposition and Countermotion, Acres was not a party to this lawsuit and the Acres Order had not yet been entered.

On October 14, 2015, GB Sciences filed its Reply to NuLeaf's Opposition and Opposition to NuLeaf's Countermotion. By this point, the Acres Order had been entered (only six days prior), but Acres was still not a party to this lawsuit, nor had they filed their Motion to Intervene.

C. INTENTIONALLY SEPARATE ACRES LAWSUIT.

On or about June 9, 2015, more than six (6) months after GB Sciences filed the present lawsuit, Acres filed an action against the Division with the Eighth Judicial District Court, being Case No. A-15-719637-W, to have its MME application with the Division re-scored based upon a purported math error (the "Acres Lawsuit").

In its Complaint, Acres named a total of twenty-one (21) parties¹, plus plus DOE ENTITIES 1-5, ROE ENTITIES 1-4, and POE ENTITIES 1-16. A true and correct copy Acres' Complaint is attached hereto as Exhibit "1" and incorporated herein by this reference. In paragraphs 4 through 25, Acres identified twenty (20) of the Defendants as "Defendant/Real Party in Interest... whose ranking among all such applications might be affected by the relief sought herein." See Exhibit "1". In paragraph 25, Acres alleged:

On information and belief Defendants/Real Parties in Interest Poe Entities 1-14 are each applicants for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein. Because of the Division's anonymous scoring and ranking process, the identities of the real

Specifically, Acres named the following as Defendants: (1) NEVADA DEPARTMENT OF HEALTH AND SERVICES, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH; (2) NLVG, LLC; (3) NU LEAF CULTIVATION, LLC; (4) THE MEDMEN OF NEVADA 2, LLC; (5) CANNABIS RENAISSANCE GROUP, LLC; (6) MM DEVELOPMENT, LLC; (7) NYE NATURAL MEDICINAL SOLUTIONS, LLC; (8) GREENLIFE PRODUCTIONS, LLC; (9) GWGA, LLC; (10) NEVADA NATURAL MEDICINES, LLC; (11) WELLNESS ORCHARDS OF NEVADA. LLC; (12) NCMN, LLC; (13) ACC INDUSTRIES, INC.; (14) SAMANTHA'S REMEDIES; (15) NEVADA CARES, LLC; (16) THC NEVADA, LLC; (17) RED ROCK WELLNESS, LLC; (18) QUALCAN OF LAS VEGAS, LLC; (19) PHYSIS ONE LLC; (20) BUFF ALO CENTER MEDICAL ADVOCATES; and (21) PRIMO DISPENSARY.

2520 St. Rose Parkway, Suite 220 Henderson, Nevada 89074 I

2

3

4

5

6

7

8

10

1.1

12

13

£205-81£ (20L)

16

17

18

19

20

21

22

23

24

25

26

27

28

Parties in Interest Poe Entities 1-14 are unknown to Plaintiffs/Petitioners at this time. (See Exhibit "1" (emphasis added).)

Noticeably absent from the list of named Defendants was GB Sciences, although GB Sciences clearly fit the identification of one of the Poe Entities 1-14. See Exhibit "1".

Acres clearly recognized that there were numerous parties, all of whom had submitted applications for a Provisional Certificate, all of whom would potentially be affected by Acres Lawsuit, all of whom Acres acknowledged were "Real Parties in Interest," and all of whom Acres knew had an interest in the outcome of the Acres Lawsuit. See Exhibit "1". However, for some unknown reason, Acres did not include GB Sciences as a party to the Acres Lawsuit, even though the re-scoring which Acres sought would affect GB Sciences' own claim to an MME Registration Certificate. Likewise. Acres deliberately chose not to intervene in this case at that time.

On or about October 8, 2015, following a relatively uncontested series of events, the Court in the Acres Lawsuit granted Acres' Petition for Writ of Mandamus, compelling the Division to re-score Acres' application for a Provisional Registration Certificate by adding 41.3 to the score, thus raising Acres' score to 167.3 and making Acres' MME application rank number 13 for the 12 Registration Certificates allotted to the City of Las Vegas (the "Order").

D. ACRES' ENTRY INTO THIS CASE.

On or about November 9, 2015, the Court granted Acres' motion to intervene in this case. On or about November 13, 2015, the Court entered a minute order in this case revoking Nuleaf's Provisional Certificate, but granting it to Acres, applying the re-scoring set forth in the Order and moving Acres' MME application to #12 in rank (with the removal of Nuleaf), even though GB Sciences was never a party to the Acres Case or able to litigate the re-scoring of Acres' MME application.

On or about November 17, 2015, Acres filed its Complaint in Intervention, wherein it sought a declaration that Acres, instead of GB Sciences, should receive NuLeaf's Provisional Certificate. In essence, Acres intervened in this lawsuit seeking to impose the effect of the Order upon GB Sciences and jump ahead of GB Sciences in line for one of the 12 Registration Certificates allotted to the City of Las Vegas. Accordingly, on or about December 3, 2015, GB Sciences filed its Answer to the Complaint in Intervention and Counterclaim against Acres. In its Counterclaims, GB Sciences asserted

Henderson, Nevada 89074

1

2

3

4

5

6

7

8

9

10

11

12

13

£05-318-502)

16

17

18

19

20

21

22

23

24

25

26

the same relief sought by Acres (Declaratory Relief), seeking an order awarding the NuLeaf Provisional Certificate to GB Sciences instead of Acres.

Notwithstanding the foregoing, on or about December 28, 2015, Acres filed its Motion to Dismiss Counterclaim, claiming somehow with a straight face that there is no justiciable controversy between GB Sciences and Acres for this Court to consider.

E. GB SCIENCES AMENDED COUNTERCLAIM.

On January 5, 2016, GB Sciences filed its Amended Answer and Counterclaim, wherein it asserted an additional cause of action for Equitable Estoppel.

For the following reasons, the Motion to Dismiss should be denied.

III.

STATEMENT OF AUTHORITIES

A. STANDARD ON A MOTION TO DISMISS.

The Nevada Supreme Court has repeatedly warned:

a complaint will not be dismissed for failure to state a claim unless it appears beyond a doubt that the plaintiff could prove no set of facts which, if accepted by the trier of fact, would entitle him or her to relief.

Simpson v. Mars, Inc., 113 Nev. 188, 190, 929 P.2d 966 (1997) (emphasis added). When considering a motion to dismiss, the district court <u>must accept</u> all factual allegations contained in the complaint as true. <u>Lubin v. Kunin</u>, 117 Nev. 107, 110, 17 P.3d 422, 425 (2001).

The Nevada Supreme Court has further stated:

When considering a motion to dismiss made pursuant to NRCP 12(b)(5), a district court must construe the complaint liberally and draw every fair inference in favor of the plaintiff. A complaint should not be dismissed unless it appears to a certainty that the plaintiff could prove no set of facts that would entitle him or her to relief. Moreover, when a complaint can be amended to state claim for relief, leave to amend, rather than dismissal, is the preferred remedy. Leave to amend should be freely given when justice requires, and a request to amend should not be denied simply because it was made in open court rather than by formal motion.

Cohen v. Mirage Resort, Inc., 119 Nev. Adv. Rep. 1, 62 P.3d 720, 734 (February 7, 2003)(emphasis added); See also Hampe v. Foote, 118 Nev. 05, 47 P.3d 438 (2002).

27 | \\\

6

2

3

4

5

6

7

8

9

11

12

13

213-318-2033

16

17

18

19

20

21

22

23

24

25

26

27

Further, according to N.R.C.P. 8:

- (a) Claims for Relief. A pleading which sets forth a claim for relief, whether an original claim, counterclaim, cross-claim, or third-party claim, shall contain (1) a short and plain statement of the claim showing that the pleader is entitled to relief.
- (f) Construction of Pleadings. All pleadings shall be so construed as to do substantial justice.

N.R.C.P. 8 (in pertinent part)(emphasis added).

For the following reasons, the Counterclaim should not be dismissed with respect to Acres.

В. DECLARATORY RELIEF WAS PROPERLY PLED.

Contrary to the arguments of Acres, in the State of Nevada, the statutory remedy for declaratory relief is extremely broad. According to Nevada Revised Statutes § 30.030:

Courts of record within their respective jurisdictions shall have power to declare rights, status and other legal relations whether or not further relief is or could be claimed. No action or proceeding shall be open to objection on the ground that a declaratory judgment or decree is prayed for. The declaration may be either affirmative or negative in form and effect; and such declarations shall have the force and effect of a final judgment or decree.

N.R.S. § 30.030 (emphasis added). Further, Nevada Revised Statutes § 30.040 provides, more specifically, that:

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

N.R.S. § 30.040(1) (emphasis added). Nonetheless, "It he enumeration in NRS 30.040, 30.050 and 30.060 does not limit or restrict the exercise of the general powers conferred in NRS 30.030 in any proceeding where declaratory relief is sought, in which a judgment or decree will terminate the controversy or remove an uncertainty." N.R.S. § 30.070(emphasis added).

In Kress v. Corey, 65 Nev. 2, 189 P.2d 253 (1948), the Nevada Supreme Court established a four-pronged test in order to obtain declaratory relief: (1) there must exist a justiciable controversy; that is to say, a controversy in which a claim of right is asserted against one who has an interest in contesting it; (2) the controversy must be between persons whose interests are adverse; (3) the party seeking

Henderson, Nevada 89074

702) 318-5033 14 1

2

3

4

5

6

7

8

9

10

11

12

13

15

16

17

18

19

20

21

22

23

24

25

26

27

declaratory relief must have a legal interest in the controversy, that is to say, a legally protectable interest; and (4) the issue involved in the controversy must be ripe for judicial determination. Kress, 65 Nev. 2, 26, 189 P.2d 361. The Nevada Supreme Court has determined that a request for declaratory relief may be coupled with other request for relief as well. Nevada Mgt. Co. V. Jack, 75 Nev. 232, 338 P.2d 71 (1959).

In this case, contrary to the arguments of Acres, under the plain language of NRS Chapter 30 and the Nevada Supreme Court decision in Kress, there is a justiciable controversy between Acres and GB Sciences.

1. A Justiciable Controversy Exists.

The first element is there must exist a justiciable controversy; that is to say, a controversy in which a claim of right is asserted against one who has an interest in contesting it. Kress, 65 Nev. 2, 26, 189 P.2d 361.

In this instance, there is no question that a justiciable controversy exists. Acres sued twenty-one different named Defendants, plus an additional 25 specific Doe, Roe and Poe entities, all of which Acres acknowledged were real parties in interest, all of which Acres acknowledged had a right to appear in the Acres Lawsuit and all of which had a potential claim in the outcome of the Acres Lawsuit. GB Sciences clearly qualified as one of the Poe Entities, yet for reasons known only to Acres, Acres failed to name GB Sciences or include them in the Acres Lawsuit. Clearly, Acres knew that the Acres Lawsuit would potentially affect almost fifty (50) different parties, including GB Sciences. However, because GB Sciences was never brought in as a party to the Acres Lawsuit, the competing issues between GB Sciences and Acres has not yet been resolved.

Likewise, Acres felt the need to intervene in GB Sciences' lawsuit in order assert its rights against the NuLeaf Provisional Certificate. Absent Acres' intervention, this Court would have awarded the NuLeaf Provisional Certificate to GB Sciences, clearly demonstrating that GB Sciences has an interest in the NuLeaf Provisional Certificate. Since Acres was allowed to intervene, both Acres and GB Sciences are vying for the same Provisional Certificate. Both Acres and GB Sciences are arguing that under the equitable principles set forth in this Court's MSJ Order, as well as pursuant to Nevada Revised Statutes Chapter 465A, each of them are entitled to the NuLeaf Provisional Certificate.

2

3

4

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

This dispute is exactly what NRS Chapter 30 was enacted to resolve. NRS § 30.030 empowers this Court declare the rights of competing parties. Likewise, under N.R.S. § 30.040, both Acres and GB Sciences assert competing rights arising under statute (i.e. the MME laws set forth in N.R.S. Chapter 453A). Finally, NRS § 30.070 empowers this Court to issue a declaration "in any proceeding where declaratory relief is sought, in which a judgment or decree will terminate the controversy or remove an uncertainty." (Emphasis added.)

In this case, because Acres and GB Sciences are each claiming they should receive the NuLeaf Provisional Certificate, and because each of their claims are based upon the same statutes and equitable arguments, a justiciable controversey exists that is squarely contemplated to be resolved by N.R.S. Chapter 30.

2. Acres and GB Sciences Are Clearly Adverse.

The second element is the controversy must be between persons whose interests are adverse. Kress, 65 Nev. 2, 26, 189 P.2d 361. This element is clearly satisfied as absent Acres' intervention in this lawsuit, the Court would have ordered the Division to issue the NuLeaf Provisional Certificate to GB Sciences.

There is no question that GB Sciences and Acres are competing for the same Provisional Certificate, and that their interest are therefore adverse.

3. GB Sciences Has a Legal Interest in the Controversy.

The third element is "the party seeking declaratory relief must have a legal interest in the controversy." Kress, 65 Nev. 2, 26, 189 P.2d 361.

Interpreting N.R.S. Chapter 453A, and applying certain equitable principles, this Court ordered the Division to revoke NuLeaf's Provisional Certificate and issue it to Acres. Absent Acres' intervention, the Court would have ordered the Division to issue NuLeaf's Provisional Certificate to GB Sciences. However, under the same equitable principles upon which the Court ordered the Division to revoke NuLeaf's Provisional Certificate, the Court should award that Provisional Certificate to GB Sciences even after Acres intervened (which is the subject of GB Sciences' Motion for Partial Reconsideration).

28 111

2

3

4

5

6

7

8

9

10

11

12

13

16

17

18

19

20

21

22

23

24

25

26

27

28

(702) 318-5033

In exercising its equitable powers, the Court must balance all of the equities, not just some of them, and then do what equities demand should be done. It is disingenuous to allow Acres to intervene on the very day that the Court heard GB Sciences equitable arguments as to why the Division to revoke NuLeaf's Provisional Certificate, then argue that GB Sciences has no legal interest in the outcome. It was GB Sciences' Motion that Acres allegedly "joined" in on the same day it was allowed to intervene. Given the fact that Acres relied upon GB Sciences' motion and arguments, it is clear that GB Sciences has an interest in the controversy.

GB Sciences has just as much right under N.R.S. Chapter 453A to the Provisional Certificate as Acres, and clearly has a legal interest in the controversy.

4. The Issue is Ripe for Judicial Determination.

The fourth element is the issue involved in the controversy must be ripe for judicial determination. Kress. 65 Nev. 2, 26, 189 P.2d 361.

Clearly, the issue is ripe for a determination. There is nothing which would prevent this Court. from making a final determination of the competing issues between GB Sciences and Acres. This issue needs a final resolution and this Court reaching a final resolution is in everyone's best interest.

5. Acres' Other Arguments Are Without Merit.

In the Motion to Dismiss, Acres claims that declaratory relief claims cannot be brought against a party who is without power to enforce the "instrument" from which declaration is sought, citing Doe v. Bryan, 102 Nev. 523, 728 P.2d 443 (1986) for the stated proposition. See MTD at 6:23-24. However, Bryan is not analogous to this case and involved a much more narrow inquiry. Bryan involved the interpretation and constitutionality of a specific criminal statute, and the Governor of the State of Nevada was dismissed as an improper defendant because his duties did not encompass criminal prosecution. His ability to enforce or not enforce the statute was relevant only to a declaration with respect to the criminal statute. Declaratory relief under N.R.S. § 30.030, however, goes well beyond a determination regarding the meaning, application, or enforceability of a statute. It is available generally to declare any "rights, status, or legal relations" and in any proceeding "in which a judgment or decree will terminate the controversy or remove an uncertainty." See N.R.S. §§ 30.030 and 30.070. III

2

3

4

5

6

8

10

11

12

13

15

16

17

18

19

20

21

22

23

24

25

26

27

(702) 318-5033 14

Acres also contends that declaratory relief is unavailable because the Court in our case is unable to fashion "an acceptable" remedy. See MTD at 7:1-2. This is not true. The Court can make a declaration as sought by GB Sciences: that being that the re-ranking of Acres' MME licence application is not enforceable as against GB Sciences, and/or that other equitable principles require Acres to remain behind GB Sciences.

Under the extremely broad scope of N.R.S. § 30.030, the Court has the general power "to declare rights, status and other legal relations." As stated above, because there is only one revoked Provisional Registration Certificate at play, GB Sciences is entitled to a declaration from the Court as to which entity (GB Sciences or Acres) has a right to that Certificate. Contrary to the arguments of Acres, the Court has the ability, under N.R.S. § 30.030 to make such a declaration. The Order from the Acres Case which formed the basis for Acres' claim to the ranking change has no res judicata effect upon GB Sciences. The fact that the re-ranking of Acres' application is only represented in the Order and not based upon any previously asserted claims or admissible evidence yet presented in this case. means that GB Sciences is entitled to contest the re-ranking of Acres' application in this matter, as well as the issue of which entity is entitled to obtained the revoked Certificate. In any event, under the broad powers granted a court to make declarations regarding legal rights, GB Sciences has sufficiently pled its right to obtain such a declaration.2

€. GB SCIENCES' EQUITABLE ESTOPPEL CAUSE OF ACTION MUST STILL BE HEARD.

Notwithstanding the foregoing, Acres should not be dismissed as a party to the Counterclaim. On January 5, 2016, Counterclaimant filed an amended counterclaim that includes an additional cause of action against Acres for equitable estoppel. N.R.C.P. 15(a) provides that "[a] party may amend the party's pleading once as a matter of course at any time before a responsive pleading is served . . . "

² Acres also comments that "Itlellingly, GB Sciences offers no basis upon which it can have a higher ranking over Acres." See Motion at 7:7-8. Not only is this not true, but that is not the standard on a Motion to Dismiss. The standard is that "a complaint will not be dismissed for failure to state a claim unless it appears beyond a doubt that the plaintiff could prove no set of facts which, if accepted by the trier of fact, would entitle him or her to relief." Simpson v. Mars, Inc., 113 Nev. 188, 190, 929 P.2d 966 (1997). GB Sciences does not have to prevail on its claims at this point. So long as, taking all reasonable inference in favor of GB Sciences, the Court finds that there is a set of facts. which, if accepted as true, would entitle GB Sciences to relief, Acres' Motion to Dismiss must be denied.

N.R.C.P. 15(a)(in pertinent part). It is also fundamental that a motion to dismiss is not a responsive pleading and Acres has yet to file a responsive pleading to the Counterclaim. See Washoe Medical Center v. Second Jud. Dist. Ct., 148 P.3d 790 (Nev. 2006); Stubbs v. Strickland, 297 P.3d 326, Nev. Adv. Op. 15 (Mar. 14, 2013); Nolen v. Fitzharris, 450 F.2d 958 (9th Cir. 1971).

However, to the extent that leave is required, N.R.C.P. 15(a) governs those situations in which a party has a right to amend its pleading. N.R.C.P. 15(a) specifically states:

A party may amend the party's pleading once as a matter of course at any time before a responsive pleading is served or, if the pleading is one to which no responsive pleading is permitted and the action has not been placed upon the trial calendar, the party may so amend it at any time within 20 days after it is served. Otherwise a party may amend the party's pleading only by leave of court or by written consent of the adverse party; and leave shall be freely given when justice so requires.

As N.R.C.P. 15(a) states, "leave shall be freely given when justice so requires." A motion for leave to amend is clearly within the discretion of the trial court. Adamson v. Bowker, 85 Nev. 115, 120, 450 P.2d 796, 800 (1969); see also Connell v. Carl's Air Condition, 97 Nev. 436, 439, 634 P.2d 673, 675 (1981) (citing Adamson v. Bowker, 85 Nev. 115, 450 P.2d 796 (1969)) (A motion for leave to amend pursuant to NRCP 15(a) is addressed to the sound discretion of the trial court, and its action will not be held to be error in the absence of a showing of abuse of discretion).

The Nevada Supreme Court has held "that in the absence of any apparent or declared reason-such as undue delay, bad faith, or dilatory motive on the part of the movant—the leave sought should be freely given." Stephens v. Southern Nev. Music Co., 89 Nev. 104, 105-106 (1973) (citing Foman v. Davis, 371 U.S. 178 (1962)).

111 21

1

2

3

4

5

6

7

8

9

10

11

12

13

218-2033

16

17

18

19

20

22 111

23 111

24

25

26 III

27 111

111

2

3

4

5

6

7

8

9

IV.

CONCLUSION

For the foregoing reasons, Acres Motion to Dismiss should be denied. DATED this 11th day of January, 2016.

SMITH & SHAPIRO, PLLC

/s/ James E. Shapiro James E. Shapiro, Esq. Nevada Bar No. 7907 Sheldon A. Herbert, Esq. Nevada Bar No. 5988 2520 St. Rose Parkway, Suite 220 Henderson, NV 89074 Attorneys for Plaintiff/Defendant in Intervention/Counterclaimant in Intervention

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of SMITH & SHAPIRO, PLLC, and that on the 11th day of January, 2016, I served a true and correct copy of the forgoing OPPOSITION TO MOTION TO DISMISS COUNTERCLAIM; OR, IN THE ALTERNATIVE MOTION FOR LEAVE TO AMEND, by e-serving a copy on all parties registered and listed as Service Recipients in Wiznet, the Court's on-line, electronic filing website, pursuant to Administrative Order 14-2, entered by the Chief Judge, Jennifer Togliatti, on May 9, 2014.

> /s/ Jill M. Berghammer An employee of SMITH & SHAPIRO, PLLC

13

EXHIBIT 1

EXHIBIT 1

Electronically Filed 06/09/2015 04:12:21 PM

COMP 1 MARK E. FERRARIO, ESQ. 2 Nevada Bar No. 1625 CLERK OF THE COURT GREENBERG TRAURIG, LLP 3 3773 Howard Hughes Parkway Suite 400 North 4 Las Vegas, Nevada 89169 Telephone: (702) 792-3773 5 Facsimile: (702) 792-9002 Emails: ferrariom@gtlaw.com 6 cowdent@gtlaw.com Counsel for Plaintiffs/Petitioners Acres 7 Medical LLC, and Acres Cultivation, LLC 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA 10 ACRES MEDICAL, LLC, a Nevada limited Case No. A-15-719637-W liability company; and ACRES 11 CULTIVATION, LLC, a Nevada limited Dept. No. VI liability company. 12 Plaintiffs/Petitioners, 13 - vs. -COMPLAINT FOR DECLARATORY AND 14 INJUNCTIVE RELIEF AND/OR PETITION NEVADA DEPARTMENT OF HEALTH FOR WRIT OF CERTIORARI AND 15 AND SERVICES, DIVISION OF PUBLIC **MANDAMUS** AND BEHAVIORAL HEALTH, 16 Defendant/Respondent; 17 Exempt from Arbitration: Action for Declaratory Relief & Equitable And 18 Relief NLVG, LLC; NU LEAF CULTIVATION, 19 LLC; THE MEDMEN OF NEVADA 2, LLC; CANNABIS RENAISSANCE GROUP, LLC; 20 MM DEVELOPMENT, LLC; NYE NATURAL MEDICINAL SOLUTIONS, LLC; 21 GREENLIFE PRODUCTIONS, LLC; GWGA, LLC; NEVADA NATURAL MEDICINES, LLC; WELLNESS ORCHARDS OF 22 NEVADA, LLC; NCMN, LLC; ACC 23 INDUSTRIES, INC.; SAMANTHA'S REMEDIES; NEVADA CARES, LLC; THC 24 NEVADA, LLC; RED ROCK WELLNESS, LLC; QUALCAN OF LAS VEGAS, LLC; 25 PHYSIS ONE LLC; BUFFALO CENTER MEDICAL ADVOCATES; PRIMO 26 DISPENSARY; DOE ENTITIES 1-5; ROE **ENTITIES 1-4, POE ENTITIES 1-16.** 27 Defendants/ 28 Real Parties in Interest. LV 420451699v1

Page 1 of 11

2006-061 (201)

COME NOW, Acres Medical, LLC and Acres Cultivation, LLC, by and through their legal counsel, the law firm Greenberg Traurig, LLP, and as their Complaint for Declaratory Relief and Petition for Writs of Mandamus and/or Certiorari, allege as follows:

GENERAL ALLEGATIONS

THE PARTIES

- 1. Plaintiff/Petitioner Acres Medical, LLC ("Acres Medical") is a Nevada limited liability company, duly authorized to conduct business in the State of Nevada.
- 2. Plaintiff/Petitioner Acres Cultivation, LLC ("Acres Cultivation") is a Nevada limited liability company, duly authorized to conduct business in the State of Nevada.
- 3. Defendant/Respondent Nevada Department of Health and Services, Division of Public and Behavioral Health (the "Division") is an agency of the State of Nevada, and was the recipient of the applications submitted by Petitioners.
- 4. Defendant/Real Party in Interest NLVG, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation medical marijuana establishment ("MME") in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 5. Defendant/Real Party in Interest Nu Leaf Cultivation, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 6. Defendant/Real Party in Interest The MedMen of Nevada 2, LLC is a Nevada limited liability company, and was an applicant for medical marijuana registration certificate to own and operate a cultivation MME and a dispensary MME in the City of Las Vegas whose rankings among all such applications might be affected by the relief sought herein.
- Defendant/Real Party in Interest Cannabis Renaissance Group, LLC is a Nevada
 limited liability company, and was an applicant for medical marijuana registration certificate to own

- 8. On information and belief, Defendants/Real Parties in Interest Doe Entities 1-3 are each Nevada entities who submitted applications for medical marijuana registration certificates to own and operate cultivation MMEs in the City of Las Vegas, and whose ranking among such applicants may affected by the relief sought herein. Because of the Division's anonymous scoring and ranking process, the identities of the real parties in interest Doe Entities 1-3 are unknown to Plaintiffs/Petitioners at this time.
- 9. Defendant/Real Party in Interest MM Development, LLC, is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 10. Defendant/Real Party in Interest Nye Natural Medicinal Solutions, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 11. Defendant/Real Party in Interest GreenLife Production, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 12. Defendant/Real Party in Interest GWGA, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 13. Defendant/Real Party in Interest Nevada Natural Medicines, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.

2

3

4

5

6

7

8

9

10

1.1

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

- 14. Defendant/Real Party in Interest Wellness Orchards of Nevada, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 15. Defendant/Real Party in Interest NCMM, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a cultivation MME in Nye County whose ranking among all such applications might be affected by the relief sought herein.
- 16. On information and belief, Defendant/Real Party in Interest Roe Entities 1-4 were each Nevada entities who submitted applications for medical marijuana registration certificates to own and operate cultivation MMEs in Nyc County, and whose ranking among such applicants may affected by the relief sought herein. Because of the Division's anonymous scoring and ranking process, the identities of the Real Parties in Interest Roe Entities 1-4 is unknown to Plaintiffs/Petitioners at this time.
- 17. Defendant/Real Party in Interest Samantha's Remedies is a business entity of unknown type or origin, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 18. Defendant/Real Party in Interest Nevada, Cares, LLC is a Nevada limited liability company, was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 19. Defendant/Real Party in Interest THC Nevada, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 20. Defendant/Real Party in Interest Red Rock Wellness, LLC, is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and LV 420451699v1

operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.

- 21. Defendant/Real Party in Interest QualCan of Las Vegas, LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 22. Defendant/Real Party in Interest Physis One LLC is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 23. Defendant/Real Party in Interest Buffalo Center Medical Advocates is a Nevada limited liability company, and was an applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 24. Defendant/Real Party in Interest Primo Dispensary is a Nevada corporation, and an was applicant for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein.
- 25. On information and belief Defendants/Real Parties in Interest Poe Entities 1-14 are each applicants for a medical marijuana registration certificate to own and operate a dispensary MME in the City of Las Vegas whose ranking among all such applications might be affected by the relief sought herein. Because of the Division's anonymous scoring and ranking process, the identities of the real Parties in Interest Poe Entities 1-14 are unknown to Plaintiffs/Petitioners at this time.
- 26. Pursuant to NRS 453A.322(2), all prospective owners and operators of MMEs were required to submit an application for a registration certificate to the Division.

Las Vegas, NV, and

İ			
	27.	On or about August 14, 2014, Acres Medical submitted to the Division three	
applic	eations f	or medical marijuana registration certificates to own and operate medical marijuana	
facilit	ies as fo	llows:	
	a.	Application CO12, to own and operate a medical marijuana cultivation facility in L	
	Vega, NV;		
	b.	Application PO11 – to own and operate a medical marijuana production facility in	

- c. Application DOII, to own and operate a medical marijuana dispensary facility in Las Vega, NV.
- 28. On the same date, Acres Cultivation submitted to the Division two applications for medical marijuana registration certificates to own and operate medical marijuana facilities, as follows:
 - a. Application CO13, to own and operate a medical marijuana cultivation facility in Armargosa Valley, Nye County, NV;
 - b. Application PO12 to own and operate a medical marijuana production facility in Armargosa Valley, Nye County, NV.
- 29. At the time of these submittals, which were made by hand delivery by Petitioner's representative Paris Balaouras, the Division confirmed that all portions of each application were included in the submittals.
- 30. In reviewing applications, the Division is required to rank the applications based on, as relevant here, the contents of the application concerning specific areas of inquiry.
 - 31. Among such areas of inquiry is "Organizations Structure":

The description of the proposed organizational structure of the proposed medical marijuana establishment and information concerning each owner, officer and board member of the proposed medical marijuana establishment, including, without limitation, the information provided pursuant to subsections 5 and 6 of NAC 453A.306.

NAC 453A.310(1)(d).

	32.	The Division issued the rankings of the all applicants on November 3, 2014. Only
the sco	ore of th	nose who had opted to allow for publication of scoring were released to the general
public.		
	33.	The Division used a point system, assigning a maximum number of points to each of

- 33. The Division used a point system, assigning a maximum number of points to each of the criteria on which applications would be ranked.
- 34. The maximum number of points possible for the "Organizational Structure" criterion was 50.
- 35. In the "Organizational Structure" category, the average score received by an applicant for a Registration Certificate for a Cultivation MME was 33.37.
- 36. In the "Organizational Structure" category, the average score received by an applicant for a Registration Certificate for a Production MME was 35.69.
- 37. In the "Organizational Structure" category, the average score received by an applicant for a Registration Certificate for a Dispensary MME was 34.31.
- 38. Plaintiffs/Petitioners received their scores on January 9, 2014, in a personal meeting between representatives of petitioners and the Division's Medical Marijuana Program Supervisor, Richard Willis.
- 39. As relevant here, in their various applications, Petitioners received the following scores for the Organizational Structure category:

Acres Medical: Acres Cultivation C012 - 0 C013 - 0 P011 - 41.3 P012 - 41.3 D011 - 0

As can be seen, the Plaintiffs/Petitioners' information regarding Organizational Structure, which was identical in all applications, received a score well above the average score for any type of MME in the Production applications, but was not credited to Plaintiffs/Petitioners Cultivation and Dispensary applications.

1

2

3

4

5

6

Ż

8

9

10

11

12

13

14

18

19

20

21

22

23

24

25

26

27

28

	40.	As a result of the omission the score for the Organizational Structure in Applications
C012,	C013,	and D011, Petitioners' overall scores in those three applications was unfairly reduced
by 41.	3 point	S.

- 41. As a result of the omission of the Organizational Structure in Applications C012, C013, and D011, these applications were ranked lower than other applicants whose overall scores were lower than Petitioners' accurate scores for the applications.
- 42. As a result of the inaccurate lower rankings, Petitioners are placed at a disadvantage when applying for local jurisdiction approvals for their businesses.
- 43. In January 2015, in a personal meeting with Mr. Willis, Petitioner's representatives, Paris Balaouras and Jay Matos advised Mr. Willis of the apparent error in the scoring of Applications.
- 44. Mr. Willis advised Petitioners to write a letter to the Division to request the matter be corrected.
- 45. On January 20, 2015, Petitioner's, through counsel, sent a letter to the Division advising it of the apparent error in the score.
 - 46. The Division responded with inaccurate information.
- 47. On February 5, 2015, Paris Balaouras and Jay Matos again met personally with Mr. Willis and advised him that the Division's response to the January 20, 2015 letter was inaccurate. At that meeting, in the presence of Petitioners' representatives and another employee of the Division, Mr. Willis acknowledged that the 0 scores had been an error committed by the Division. Mr. Willis stated that he would advise the Division to correct the error, and that Petitioners would receive a copy of the correction.
 - 48. No such correction was received.
- 49. On February 25, 2015, Paris Balaouras and Jay Matos again met personally with Mr. Willis, who on this occasion promised that Petitioners would receive a correction by March 16, 2015.
 - 50. No such correction has been forthcoming.

б

51,	The Division had a duty under NAC 453A.310 to accurately rank the applicants for
MMEs.	

- 52. The Division, through the Medical Marijuana Program Supervisor, acknowledged that Petitioners' rankings were inaccurate due to the omission of the score for Organizational Structure from the total scores in Applications C012, C013, and D011.
- 53. The Division has refused to take action to correct its error, and therefore, has refused to take an action it is required by law to perform, i.e., to accurately rank applicants for MMEs.

FIRST CAUSE OF ACTION DECLARATORY RELIEF

- 54. Plaintiffs/Petitioners re-allege and incorporate by reference the allegations contained in paragraphs 1-31.
- 55. Plaintiffs/Petitioners' rights are affected by the provisions of NRS 453A.24 010 et seq and NAC 453A.24 010, et seq.
- 56. The Division's actions have created a justiciable controversy with respect to the construction, interpretation, and application of NRS 453A.24 010 et seq and NAC 453A.24 010, et seq. to Plaintiffs/Petitioners.
- 57. Plaintiffs/Petitioners are entitled to a declaration from this Court that Plaintiffs/Petitioners are entitled to accurate scores and rankings for Applications C012, C013, and D011.

SECOND CAUSE OF ACTION WRIT OF CERTIORARI

- 58. Plaintiffs/Petitioners re-allege and incorporate by reference the allegations contained in paragraphs 1-35.
- 59. The Division, in refusing to correct its error, has exceeded its jurisdiction by issuing rankings of applications that do not reflect the actual scores properly attributed to the applicants.
- 60. No provision in NRS 453A or NAC 453A provides for judicial review of the Division's action, and accordingly, Petitioners have no plain, speedy and adequate remedy for the Division's improper actions.

LV 420451699v1

Page 9 of 11

	61.	Based on the declarations attached hereto as Exhibits A and B, Plaintiffs/Petitioners
request	t a writ	of certiorari regarding the Division's scoring and ranking of applicants for MMEs for
ocal ju	risdicti	ons City of Las Vegas and Nye County.

62. Plaintiffs/Petitioners also request that the Court order the Division to provide the complete record of the Division's proceeding with respect to the Plaintiff/Petitioners' applications for Applications C012, C013, and D011.

THIRD CAUSE OF ACTION WRIT OF MANDAMUS

- 63. Plaintiffs/Petitioners re-allege and incorporate by reference the allegations contained in paragraphs 1-40.
- 64. The Division has failed to perform an act which the law compels it to perform, i.e., to issue accurate scores and rankings of applications for registration certificates.
- 65. Plaintiffs/Petitioners have no plain, speedy and adequate remedy for the Division failure to perform its duties.
- 66. Based on the declarations attached hereto as Exhibits A and B, Petitioners request a writ of mandamus regarding the Division's scoring and ranking of applicants for MMEs for local jurisdictions City of Las Vegas and Nye County such that Petitioners' scores are adjusted to account for the error and all applicants are ranked using accurate information.

PRAYER FOR RELIEF

Wherefore, Plaintiffs/Petitioners pray for relief as follows:

- 1. For declarations that:
- (a) Application C012 should have received a score of 41.3 out of 50 for the Organizational Structure criterion, and therefore, should have received a total score of 170.62, and should be ranked according to that score;
- (b) Application C013 should have received a score of 41.3 out of 50 for the Organizational Structure criterion, and therefore, should have received a total score of 166.28, and should be ranked according to that score; and

2

3

4

5

6

7

8

9

- (c) Application D012 should have received a score of 41.3 out of 50 for the Organizational Structure criterion, and therefore, should have received a total score of 167.3, and should be ranked according to that score.
- 2. For a writ of certiorari ordering review of the Division's, scoring, and ranking of applications for Dispensary and Cultivation Certificates in the City of Las Vegas and for Cultivation Certifications in Nye County.
- 3. For a writ of mandamus ordering the Division to comply with its obligation to score and rank Applications C012, C013, and D011 by correcting the erroneous omission of the Organizational Structure score, and re-ranking the Applications accordingly.
 - 4. For such other and further relief as may be deemed just and proper by this Court. DATED this 9th day of June 2015.

GREENBERG TRAURIG

By: /s/ Mark E. Ferrario MARK E. FERRARIO (NV Bar No. 1625) 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 Counsel for Plaintiffs/Petitioners Acres Medical LLC, and Acres Cultivation, LLC

EXHIBIT A

LV 419863888v1

MARK E. FERRARIO, ESQ. 1 Nevada Bar No. 1625 GREENBERG TRAURIG, LLP 2 3773 Howard Hughes Parkway Suite 400 North 3 Las Vegas, Nevada 89169 Telephone: (702) 792-3773 4 Facsimile: (702) 792-9002 Emails: ferrariom@gtlaw.com cowdent@gtlaw.com Counsel for Plaintiffs/Petitioners Acres 6 Medical LLC, and Acres Cultivation, LLC 7 DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 ACRES MEDICAL, LLC, a Nevada limited Case No. liability company; ACRES CULTIVATION, 10 LLC, a Nevada limited liability company, Dept. No. 11 Plaintiffs/Petitioners, 12 - vs. -DECLARATION OF PARIS BALAOURAS 13 NEVADA DEPARTMENT OF HEALTH AND SERVICES, DIVISION OF PUBLIC 14 AND BEHAVIORAL HEALTH, 15 Defendant/Respondent; 16 And 17 NLVG: NU LEAF CULTIVATION, LLCL THE MEDMEN OF NEVADA 2, LLC 18 CANNABIS RENAISSANCE GROUP, LLC.; DOE ENTITIES 1-5; MM DEVELOPMENT, 19 LLC; NYE NATURAL MEDICINAL SOLUTIONS, LLC, GREENLIFE 20 PRODUCTIONS, LLC, GWGA, LLC NEVADA NATURAL MEDICINES, LLC, 21 WELLNESS ORCHARDS OF NEVADA, LLC, NCMN, LLLC, ACC INDUSTRIES, INC., SAMANTHA'S REMEDIES; 22 NEVADA, CARES, LLC; THC NEVADA, LLC, RED ROCK WELLNESS, LLC, 23 QUALCAN OF LAS VEGAS, LLC, PHYSIS 24 ONE LLC; BUFFALO CENTER MEDICAL ADVOCATES: PRIMO DISPENSARY; DOE 25 **ENTITIES 1-5; ROE ENTITIES 1-4, POE** ENTITIES 1-16. 26 Defendants/ 27 Real Parties in Interest. 28

LV 420463122v1

I, Paris Balaouras, declare as follows:

- 1. I am the Vice President of Acres Medical, LLC and Acres Cultivation, LLC. (hereafter, "Petitioners") The facts stated herein are within my personal knowledge and if called upon to testify I can truthfully and competently do so as to all matters herein. This declaration is submitted in support of the Complaint for Declaratory Relief and Petition for Writs of Certiorari and/or Mandamus, as captioned above.
- 2. On or about August 14, 2014, I traveled to Carson City, Nevada in order to deliver the three applications by Acres Medical, LLC and two Applications by Acres Cultivation for medical marijuana registration certificates to own and operate medical marijuana facilities.
 - 3. Applications by Acres Medical, LLC were as follows:
 - a) Application CO12, to own and operate a medical marijuana cultivation facility in Las Vega, NV;
 - b) Application PO11 to own and operate a medical marijuana production facility in Las Vegas, NV, and
 - c) Application DO11, to own and operate a medical marijuana dispensary facility in Las Vega, NV.
 - Applications by Acres Cultivation, LLC were as follows:
 - a) Application CO13, to own and operate a medical marijuana cultivation facility in Amargosa Valley, NV;
 - b) Application PO12 to own and operate a medical marijuana production facility in Amargosa Valley, NV; and
- The information that concerned the organization structure for Petitioners was 5. identical in each application.
- 6. At the time of delivery, Division personnel opened the box for each application and verified the required contents of such applications had been included.
- 7. In January 2015, Petitioners discovered that the Division had awarded to Petitioners a score of 41.3 out of a possible 50 for "organizational structure for Applications P011 and P012.

27

28

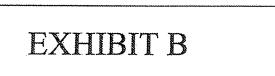
- At the same time, Petitions discovered that the Division had awarded Petitioners a score of 0 out of a possible 50 for "organizational structure" for Applications C011, C013, and D011.
- 9. In January 2015, Jay Matos and Tattended a meeting with the Division's Medical Marijuana Program Supervisor, Richard Willis, at which time Mr. Willis was informed of the the error in scoring.
- 10. Mr. Willis advised us to write a letter to the Division to request the matter be corrected.
- On January 20, 2015, Petitioners, through counsel, sent a letter to the Division advising it of the apparent error in the score.
 - The Division responded to this request with inaccurate information.
- 13. On February 6, 2015, Jay Matos and I again met personally with Mr. Willis and advised him that the Division's response to the January 20, 2015 letter was inaccurate. At that meeting, in the presence of a Division employee named Cindy, Mr. Matos and I, Mr. Willis acknowledged that the 0 scores had been an error committed by the Division. Mr. Willis stated that he would advise the Division to correct the error, and that Petitioners would receive a copy of the correction.
- 14. Mr. Matos and I again met with Mr. Willis on February 25, 2015, and again were promised a response from the Division.
 - The error has not been corrected.
- 16. As a result of the inaccurate lower rankings, Petitioners are placed at a disadvantage when applying for local jurisdiction approvals for their businesses.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed within the State of Nevada: June

7<u>.9</u>., 2013

PARIS BALAOURAS



LV 419863888v1

MARK E. FERRARIO, ESQ. Nevada Bar No. 1625 GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway Suite 400 North Las Vegas, Nevada 89169 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 Emails: Service Services Counsel for Plaintiffs/Petitioners Acres 6 Medical LLC, and Acres Cultivation, LLC DISTRICT COURT 8 CLARK COUNTY, NEVADA 9 ACRES MEDICAL, LLC, a Nevada limited Case No. liability company; ACRES CULTIVATION, LLC, a Nevada limited Dept. No. 11 liability company, 12 Plainuffs/Petitioners, 13 - VS. -**DECLARATION OF JAY MATOS** 14 NEVADA DEPARTMENT OF HEALTH AND SERVICES, DIVISION OF PUBLIC 15 AND BEHAVIORAL HEALTH. 16 Defendant/ Respondent; 17 And 18 NLVG; NU LEAF CULTIVATION, LLCL THE MEDMEN OF NEVADA 2, LLC; 19 CANNABIS RENAISSANCE GROUP. LLC.; DOE ENTITIES 1-5; MM 20 DEVELOPMENT, LLC; NYE NATURAL MEDICINAL SOLUTIONS, LLC. 21 GREENLIFE PRODUCTIONS, LLC. GWGA, LLC, NEVADA NATURAL 22 MEDICINES, LLC, WELLNESS ORCHARDS OF NEVADA, LLC, NCMN, 23 LLLC, ACC INDUSTRIES, INC.; SAMANTHA'S REMEDIES: NEVADA. 24 CARES, LLC: THC NEVADA, LLC, RED ROCK WELLNESS, LLC, QUALCAN OF 25 LAS VEGAS. LLC, PHYSIS ONE LLC: **BUFFALO CENTER MEDICAL** 26 ADVOCATES; PRIMO DISPENSARY; DOE ENTITIES 1-5; ROE ENTITIES 1-4. POE ENTITIES 1-16. 28 Defendants/ Real Parties in Interest. 1

4

I, Jay Matos, declare as follows:

- I am an employee of Acres Medical, LLC and Acres Cultivation, LLC. (hereafter, "Petitioners") The facts stated herein are within my personal knowledge and if called upon to testify I can truthfully and competently do so as to all matters herein. This declaration is submitted in support of the Complaint for Declaratory Relief and Petition for Writs of Certiorari and/or Mandamus, as captioned above.
- 2. On August 14, 2014, Petitioners delivered three applications by Acres Medical, LLC and two Applications by Acres Cultivation for medical marijuana registration certificates to own and operate medical marijuana facilities.
 - 3. Applications by Acres Medical, LLC were as follows:
 - a) Application CO12, to own and operate a medical marijuana cultivation facility in Las Vega, NV:
 - b) Application PO11 to own and operate a medical marijuana production facility in Las Vegas, NV, and
 - c) Application DO11, to own and operate a medical marijuana dispensary facility in Las Vega, NV.
 - Applications by Acres Cultivation, LLC were as follows:
 - a) Application CO13, to own and operate a medical marijuana cultivation facility in Amargosa Valley, NV;
 - b) Application PO12 to own and operate a medical marijuana production facility in Amargosa Valley, NV, and
- 5. The information that concerned the organization structure for Petitioners was identical in each application.
- 6. In January 2015. Petitioners discovered that the Division had awarded to Petitioners a score of 41.3 out of a possible 50 for "organizational structure for Applications P011 and P012.
- 7. At the same time, Petitions discovered that the Division had awarded Petitioners a score of 0 out of a possible 50 for "organizational structure" for Applications C011, C013, and D011.

4

5

6

7

- 8. In January 2015, Paris Balaouras and attended a meeting with the Division's Medical Marijuana Program Supervisor, Richard Willis, at which time Mr. Willis was informed of the the error in scoring.
- 9, Mr. Willis advised us to write a letter to the Division to request the matter be corrected.
- 10. On January 20, 2015, Petitioners, through counsel, sent a letter to the Division advising it of the apparent error in the score.
 - 11. The Division responded to this request with inaccurate information.
- 12. On February 6, 2015, Paris Balaouras and I again met personally with Mr. Willis and advised him that the Division's response to the January 20, 2015 letter was inaccurate. At that meeting, in the presence of a Division employee named Cindy, Mr. Matos and I, Mr. Willis acknowledged that the 0 scores had been an error committed by the Division. Mr. Willis stated that he would advise the Division to correct the error, and that Petitioners would receive a copy of the correction.
- 13. Mr. Balaouras and I again met with Mr. Willis on February 25, 2015, and again were promised a response from the Division.
 - 14. The error has not been corrected.
- 15. As a result of the inaccurate lower rankings, Petitioners are placed at a disadvantage when applying for local jurisdiction approvals for their businesses.

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

Executed within the State of Nevada: June 9, 2015



	1 2 3 4 5 6 7	MARK E. FERRARIO, ESQ. Nevada Bar No. 1625 GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway Suite 400 North Las Vegas, Nevada 89169 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 Emails: ferrariom@gtlaw.com			
	9				
	10	ACRES MEDICAL, LLC, a Nevada limited	Case No. A-15-719637-W		
	11	liability company; and ACRES CULTIVATION, LLC, a Nevada limited	Dept. No. VI.		
	12	liability company,			
RAURKS, LLP Lighes Parkway. D North wada 89169 02) 792-3773 02) 792-8002	13	Plaintiffs/Petitioners,	TATUTO A A A A A A A A A A A A A A A A A A A		
TRAUR Highes F 400 North Nevada (702) 792 (702) 792	14	NEVADA DEPARTMENT OF HEALTH	INITIAL APPEARANCE FEE DISCLOSURE		
GREENBERG T 3773 Howard BI Suite 40 Lee Vegas, Ne Telephone; (7) Facefinile; (7)	15	AND SERVICES, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH,			
37.	16	Defendant/Respondent,			
	17	And			
	18 19	NLVG, LLC; NU LEAF CULTIVATION, LLC; THE MEDMEN OF NEVADA 2, LLC;			
	20	CANNABIS RENAISSANCE GROUP, LLC; MM DEVELOPMENT, LLC; NYE			
	21	NATURAL MEDICINAL SOLUTIONS, LLC; GREENLIFE PRODUCTIONS, LLC; GWGA,			
	22	LLC; NEVADA NATURAL MEDICINES, LLC; WELLNESS ORCHARDS OF			
	23	NEVADA, LLC; NCMN, LLC; ACC INDUSTRIES, INC.; SAMANTHA'S			
	24	REMEDIES; NEVADA CARES, LLC; THC NEVADA, LLC; RED ROCK WELLNESS, LLC; QUALCAN OF LAS VEGAS, LLC;			
	25	PHYSIS ONE LLC; BUFFALO CENTER MEDICAL ADVOCATES; PRIMO			
	26	DISPENSARY; DOE ENTITIES 1-5; ROE ENTITIES 1-4, POE ENTITIES 1-16.			
	27	Defendants/			
	28 .	Real Parties in Interest.			
		V 420468224v1			
			Page 1 of 2		

	1 2	Pursuant to NRS Chapter 19, as amended by Assembly Bill 65, filing fees are submitted for the parties appearing in the above-entitled action as indicated below:			
	3				
	4				
	5	TOTAL	\$300.00		
	6	DATED this 9th day of June 2015.	<i>₩</i> ₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩		
	7	,	ENBERG TRAURIG		
	8				
	9	By:	/s/ Mark E. Ferrario MARK E. FERRARIO (NV Bar No. 1625)		
	10		3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169		
	11		Counsel for Plaintiffs/Petitioners Acres Medical LLC, and Acres Cultivation, LLC		
_	12				
G, LLP arkmy 9169 3773 3002	13				
GREENBERG TRAURIG, L.LP 3773 Howard Highes Perkway Sufe Julio North Las Vegas, Newels 88189 Telephone: (702) 792-3773 Facsimille: (702) 792-5002	14				
REENBERG TRAURIC, LL 3773 Howard Hughas Parkway Surla Julo North Las Vegus, Nervaca, 89189 Teksphone: (702) 792-3723 Facsimile: (702) 792-9002	15				
GREE 3773 1 Jel 1 Jel	16				
	17				
	18				
	19	ŧ			
	20				
	21				
	22				
	23				
	24				
	25				
	26				
	27				
:	28				
		LV 420468224v1			
			Page 2 of 2		

Electronically Filed 01/11/2016 06:23:13 PM

CLERK OF THE COURT

OPPOSITION TO PLAINTIFF'S MOTION

TO ALTER OR AMEND JUDGMENT; OR, IN THE ALTERNATIVE MOTION FOR

PARTIAL RECONSIDERATION

OPP

1

3

4

5

6

7

8

9

10

11

12

13

15 16

17

18

19

20

21

22

23 24

25

26

27 28

MARK E. FERRARIO, ESQ. (NV Bar #1625)

MOOREA L. KATZ, ESQ. (NV Bar #12007)

GREENBERG TRAURIG, LLP

3773 Howard Hughes Parkway, Suite 400 North

Las Vegas, Nevada 89169 Telephone: (702) 792-3773 Facsimile: (702) 792-9002 E-mail: ferrariom@gtlaw.com

katzmo@gtlaw.com

Counsel for Plaintiff in Intervention Acres Medical, LLC

DISTRICT COURT

CLARK COUNTY, NEVADA

Case No.: A710597 GB SCIENCES NEVADA, LLC, a Nevada Dept. No.: XX limited liability company,

Plaintiff.

v.

STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; CITY OF LAS VEGAS, a municipal corporation and political subdivision of the State of Nevada; DESERT AIRE WELLNESS, LLC, a Nevada limited liability company; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; DOES 1 through 100; and ROE ENTITIES 1 through 100,

Defendants.

ACRES MEDICAL, LLC,

Plaintiff in Intervention,

v.

STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES; CITY OF LAS VEGAS, a municipal corporation and political

Page 1 of 9

LV 420608254v1

RAPP000243

subdivision of the State of Nevada; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; GB SCIENCES NEVADA, LLC, a Nevada limited liability company,

Defendants in Intervention

COMES NOW, Plaintiff in Intervention, Acres Medical, LLC ("Acres"), by and through its attorneys of record, the law firm of Greenberg Traurig, LLP, and hereby submits this Opposition to Plaintiff's Motion to Alter or Amend Judgment; or, in the Alternative Motion for Partial Reconsideration.

This Opposition is based upon the attached memorandum of points and authorities, the papers, pleadings and records contained in this Court's file, and the evidence and argument of counsel to be presented at the hearing on the Motion.

DATED this 11th day of January, 2016.

GREENBERG TRAURIG, LLP

By: /s/ Moorea L. Katz

MARK E. FERRARIO (NV Bar No. 1625)

MOOREA L. KATZ (NV Bar No. 12007)

3773 Howard Hughes Parkway, Suite 400 North

Las Vegas, Nevada 89169

Counsel for Plaintiff in Intervention Acres Medical, LLC

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

GB Sciences Nevada, LLC ("GB Sciences") requests the Court reconsider its December 14, 2015 Order for three reasons: First, GB Sciences claims it was deprived of a fair opportunity to be heard when the Court ordered the Division to issue a provisional certificate to Acres. Second, GB Sciences claims that because it was not made a party to the Acres Lawsuit, it cannot be bound by Judge Cadish's Order. Finally, GB Sciences argues that Acres is equitably estopped from receiving the provisional certificate. As explained below, none of these arguments have merit and GB Sciences' Motion for Reconsideration should be denied.

GB Sciences has been afforded multiple opportunities to challenge Acres' intervention in this matter as well as Acres' entitlement to the provisional certificate incorrectly awarded to Nuleaf CLV Dispensary, LLC ("Nuleaf"). This opportunity was first available when Acres filed its Motion to Intervene, a motion GB Sciences did not oppose. Additionally, GB Sciences has filed a counterclaim against Acres and has been given the opportunity to brief and litigate any claims it has against Acres. It has thus received all process it is due.

Contrary to GB Sciences' assertions, Acres is not trying to "enforce" the Acres Order against GB Sciences. Instead, Acres enforced Judge Cadish's Order against the Division, a party to the Acres Lawsuit, when it requested the Division correct the ministerial error in the scoring of Acres' Medical Marijuana Establishment ("MME") application. The Division complied with Judge Cadish's Order and did not seek to challenge or appeal the ruling. Acres presents to this case not seeking to "enforce" Judge Cadish's Order, but as the rightful recipient of the relief that GB Sciences has sought against the Division. Indeed, the relief GB Sciences seeks by way of this lawsuit is relief it claims entitlement to as the thirteenth-ranked applicant in the City of Las Vegas. However, GB Sciences was never correctly ranked thirteenth applicant in the City of Las Vegas, which was clear by the time this Court was ruling on GB Sciences' Motion for Summary Judgment.

¹ The "Acres Lawsuit" refers to the proceedings in Acres Medical, LLC v. Department of Health and Human Services, division of Public and Behavioral Health, et al., Case No. A-15-719637-W. See Motion for Reconsideration at 3. The "Acres Order" or "Judge Cadish's Order" refers to the final order in the Acres Lawsuit, which is attached as Exhibit 1 to the Motion for Reconsideration.

GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway Sule 400 North Las Veges, Newada 89169 Telephone; (COZ) 782,3773 Telephone; (COZ) 782,3773

Vegas, Navada 89189 phone: (702) 792-3773 simile: (702) 792-9002 LV 420608254v1

The principles of claim and issue preclusion do not apply because Acres is not requesting that GB Sciences take or refrain from taking any action on the basis of Judge Cadish's Order and is therefore not seeking to enforce the Order against GB Sciences. GB Sciences' argument appears to be based on the ludicrous proposition that an applicant cannot seek relief from a state regulatory agency because other applicants have pending applications for the same type of license. Acres absolutely had the ability to seek relief from the Division when the Division admitted a discrepancy in its scoring of Acres' application.

Finally, it is disingenuous for GB Sciences to complain that Acres failed to join GB Sciences as a party to the Acres Lawsuit when GB Sciences similarly failed to join Acres to this action. That is especially true where the relief sought in the Acres Lawsuit was simply the reranking of Acres' application based on a ministerial error and the relief sought by GB Sciences in this litigation was the award of a provisional certificate based on GB Sciences' ranking. Moreover, GB Sciences has not disputed that it was aware of the Acres Lawsuit or that it attended the evidentiary hearing on Acres' Petition for Mandamus held on September 29, 2015.

GB Sciences has been given a full and fair opportunity to litigate its claims against Acres. Acres is the only party entitled to the provisional certificate because had the Division complied with its clear and unambiguous statutory duties, Acres is the party that should have been given the certificate on November 3, 2014. Despite Nuleaf and GB Sciences' attempts to distort the issues and convince the Court that there are numerous complex and novel issues to address, this Court reached the right result in its December 14, 2015 Order and GB Sciences' Motion for Reconsideration should be denied.

II. LEGAL ARGUMENT

The Court should deny GB Sciences' Motion for Reconsideration because GB Sciences has not demonstrated that the Court's December Order was clearly erroneous and has therefore not met the standard for reconsideration. See Motion for Reconsideration (citing Masonry and Tile Contrators Ass'n of S. Nevada v. Jolley, Urga & Wirth, Ltd., 941 P.2d 486, 113 Nev. 737 (1997)). Specifically, the Court should deny GB Sciences' Motion because (a) GB Sciences has not been deprived of due process where it has had a full and fair opportunity to be heard on its claims against

Page 4 of 9

2

3

4

5

6

7

8

9

10

11

12

13

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Acres; (b) issue and claim preclusion principles are inapplicable because Acres is not seeking to enforce Judge Cadish's Order against GB Sciences; and (c) Acres is not barred by the doctrine of equitable estoppel because it timely moved to intervene in these proceedings, as already determined by the Court.

a. GB Sciences Has Received Due Process

GB Sciences has not been deprived of due process where it was afforded the opportunity to brief and argue Acres' entitlement to the provisional certificate on multiple occasions.

GB Sciences claims it was deprived of due process when the Court awarded the provisional certificate to Acres even though Acres had not yet sought such relief and the parties had not briefed or argued Acres' entitlement to the certificate. Motion for Reconsideration at 4-5, 10. However, GB Sciences ignores that the parties had briefed Acres' entitlement to the provisional certificate in the briefing on Acres' Motion to Intervene, which was argued at the same time as the cross motions for summary judgment. Indeed, in the briefing on Acres' Motion to Intervene, Nuleaf argued that Acres' Motion was untimely and Acres should have moved to intervene earlier in the proceedings, an argument that the Court ultimately rejected when it allowed Acres' intervention. Moreover, at the hearing on the Motion to Intervene, the Division appeared to agree that Acres, not GB Sciences, was the thirteenth ranked applicant in the City of Las Vegas.

GB contends that Acres' Complaint in Intervention is where Acres "for the first time" asserted a senior position vis-à-vis GB Sciences. However, in the Motion to Intervene, Acres clearly asserted that it was ranked thirteenth and was entitled to the provisional certificate incorrectly awarded to Nuleaf. Specifically, Acres argued:

> [E]ven if GB Sciences opposed the Motion [to Intervene], it could not claim prejudice. The only prejudice GB Sciences could claim is that Acres is ranked ahead of GB Sciences and, therefore, will receive the Provisional License GB Sciences seeks. But that is hardly a reason to preclude Acres from intervening in this action. Indeed, Acres has always been ranked 13th and therefore ahead of GB Sciences.

> > Acres Medical, LLC's Motion to Intervene as a Matter of Right Pursuant to NRCP 24 on an Order Shortening Time (filed Oct. 19, 2015) ("Motion to Intervene"), at 8 (emphasis added).

LV 420608254v1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27 28

Acres' claim to the Provisional License that is the subject of this action is superior to GB Sciences'. To preclude Acres from intervening in this action to protect its rights would result in irreparable prejudice because Acres is next in line to obtain a Provisional License.

Motion to Intervene at 9 (emphasis added).

Acres is ranked 13th and, therefore next in line for a Provisional License should one become available. The crux of GB Sciences' argument is that it is ranked 13th and next in line. Therefore, the subject matter of this action is Acres' potential Provisional License, not GB Sciences'.

Motion to Intervene at 9 (emphasis added).

GB Sciences cannot claim ignorance of the purpose and intent behind Acres' intervention, an intervention that GB Sciences notably failed to oppose. GB Sciences had the opportunity to argue that Acres' intervention was untimely and inappropriate because Acres was not entitled to the vacant certificate—GB Sciences simply determined not to avail itself of the process afforded to it. That does not constitute a due process violation. See Koerber v. Mismash, 359 P.3d 701 (UT App. 2015) (declining to find due process violations where parties have an opportunity to be heard but "fail[] to take full advantage of it.").

Furthermore, even assuming GB Sciences was somehow deprived of process before entry of the summary judgment order, that error has been remedied by affording GB Sciences the opportunity for briefing and argument on this Motion for Reconsideration as well as on GB Sciences' counterclaim against Acres for declaratory relief. Indeed, GB Sciences will unquestionably have had the full and fair opportunity to present to the Court any argument and evidence supporting a claim to a higher ranking than Acres and entitlement to the provisional certificate by the time any order in this matter is final. GB Sciences has not been deprived of due process and its Motion for Reconsideration should be denied.

b. Issue and Claim Preclusion Doctrines Are Inapplicable Because Acres Is Not Seeking to Enforce Judge Cadish's Order Against GB Sciences

GB Sciences argues that because it was not a party the Acres Lawsuit, "the Acres Order has no res judicata and/or issue preclusion effect on GB Sciences." Motion for Reconsideration at 12 (citing University of Nevada v. Tarkanian, 110 Nev. 581, 598, 879 P.2d 1180, 1191 (1994)).

LV 420608254v1

GREENBERG TRAURIG, LLP 3773 Howard Undines Parkway Suite 400 North Las Vegas, Nevada 69169 Telephone, (COS) 792-3773 Facsimile, (702) 722-3002 However, Acres is not seeking to "enforce" the Acres Order against GB Sciences because Acres is not requesting that GB Sciences take or refrain from taking any action as a result of the order.

Indeed, the only party to these proceedings that Acres seeks to enforce Judge Cadish's Order against is the Division, who was undoubtedly a party to the Acres Lawsuit and subject to the ruling.

Critically, Acres has not sought to prevent GB Sciences from litigating any issues or claims on the basis of res judicata or claim preclusion. Although Acres has filed a motion to dismiss GB Sciences' counterclaim against Acres, the Motion to Dismiss is based on the unavailability of declaratory relief to adjudicate any claims between Acres and GB Sciences. Acres has *not* asserted that Judge Cadish's Order prevents GB Sciences from litigating any issues here.

The inapplicability of claim and issue preclusion principles is illustrated by the fact that the Court's December Order would have the exact same effect even if did not reference Judge Cadish's Order in the Acres Lawsuit. Indeed, had this Court's Order simply provided that Nuleaf was not entitled to the provisional certificate it received on November 4, 2013 and the certificate should have been given to the MME applicant ranked 13th in the City of Las Vegas, it is still Acres, not GB Sciences, that would be entitled to the certificate. Reference to Judge Cadish's Order does not change this analysis.

GB Sciences has failed to provide any basis to challenge Acres' ranking by the Division, regardless of whether that issue was previously litigated in the Acres Lawsuit. GB Sciences cannot claim prejudice by the correct scoring of Acres' application. Indeed, putting the applicants in the correct order simply accords them the status to which they were entitled. GB Sciences' Motion for Reconsideration should be denied.

c. Acres Is Not Equitably Estopped from Receiving the Provisional Certificate

Rather than provide any basis on which GB Sciences is entitled to the provisional certificate over Acres, GB Sciences instead claims that regardless of whether Acres was ranked higher than GB Sciences in the City of Las Vegas and was entitled on November 3, 2014 to the provisional certificate, Acres should be equitably estopped from obtaining this relief. Indeed, GB Sciences itself concedes that its counterclaim for declaratory relief against Acres is based on "equitable and other doctrines." Motion for Reconsideration at 6. Yet, the only doctrine, equitable or otherwise,

LV 420608254v1

Page 7 of 9

RAPP000249

2

3

4

5

6

7

8

9

10

11

12

13

15

16

17

18

19

20

21

22

23

24

25

26

27 28

advanced by GB Sciences is that Acres is equitably estopped from receiving the provisional certificate because "even though this matter was pending and was public information, Acres chose to sit on the sidelines, rather than intervene until the revocation of Nuleaf's Provisional Certificate was imminent." Motion for Reconsideration at 13-14. This argument was already unsuccessfully asserted by Nuleaf when Nuleaf opposed Acres' Motion to Intervene. Furthermore, while the timing of Acres' intervention might be a basis on which to challenge the propriety of intervention, it is not a basis to challenge the Court's awarded relief to Acres after Acres has already successfully intervened.

Finally, in the Acres Lawsuit, Acres named as real parties in interest all applicants for medical marijuana registrations that were publically available. GB Sciences originally had not consented to its score being published and therefore, GB Sciences was not named in Acres' lawsuit. However, GB Sciences was aware of the Acres Lawsuit, even sending its counsel to observe the mandamus hearing on September 29, 2015. By contrast, GB Sciences did not join to these proceedings any MME applicants save for those it was seeking to deprive of a provisional certificate. GB Sciences cannot claim that Acres should be equitably estopped from seeking a provisional certificate where GB Sciences has engaged in the same exact conduct of which it complains. Accordingly, GB Sciences' Motion for Reconsideration should be denied.

III. CONCLUSION

For the foregoing reasons, Acres respectfully requests that GB Sciences' Motion for Reconsideration be denied.

DATED this 11th day of January, 2016.

GREENBERG TRAURIG, LLP

/s/ Moorea L. Katz MARK E. FERRARIO (NV Bar No. 1625) MOOREA L. KATZ (NV Bar No. 12007) 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 Counsel for Plaintiff in Intervention Acres Medical, LLC

LV 420608254v1

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b)(2)(D) and E.D.C.R. 8.05, I certify that on this 11th day of January, 2016, I caused a true and correct copy of the foregoing OPPOSITION TO PLAINTIFF'S MOTION TO ALTER OR AMEND JUDGMENT; OR, IN THE ALTERNATIVE MOTION FOR PARTIAL RECONSIDERATION to be filed and served via the Court's Wiznet E-Filing system. The date and time of the electronic proof of service is in place of the date and place of deposit in the mail.

> /s/ Cynthia L. Ney An employee of GREENBERG TRAURIG, LLP

LV 420608254v1

Page 9 of 9

RAPP000251

RPLY 1 James E. Shapiro, Esq. Nevada Bar No. 7907 CLERK OF THE COURT Sheldon A. Herbert, Esq. 3 Nevada Bar No. 5988 SMITH & SHAPIRO, PLLC 2520 St. Rose Parkway, Suite 220 Henderson, NV 89074 5 (702) 318-5033 Attorneys for Plaintiff 6 DISTRICT COURT 7 CLARK COUNTY, NEVADA 8 GB SCIENCES NEVADA, LLC, a Nevada limited liability company, 9 Case No. A-14-710597-C Plaintiff, Dept. No. XX 10 vs. 1.1 STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL HEALTH 12 SMITH & SHAPIRO, PLLC DEPARTMENT OF HEALTH AND HUMAN 2520 St. Rose Parkway, Suite 220 SERVICES; CITY OF LAS VEGAS, a municipal Henderson, Nevada 89074 13 corporation and political subdivision of the State of 214-5033 15-50333 16-50233 Nevada; NULEAF CLV DISPENSARY, LLC, a Nevada limited liability company; DOES 1-10, and ROE ENTITIES 1-100, inclusive, Defendants. 16 17 18 REPLY TO OPPOSITION TO PLAINTIFF'S MOTION TO ALTER OR AMEND JUDGMENT: OR. IN THE ALTERNATIVE 19 MOTION FOR PARTIAL RECONSIDERATION 20 COMES NOW Plaintiff GB SCIENCES NEVADA, LLC, a Nevada limited liability company 21 ("GB Sciences"), by and through its attorneys of record, SMITH & SHAPIRO, PLLC, and files its Reply to Opposition to Motion to Alter or Amend Judgment; or, in the Alternative, Motion for Partial 22 Reconsideration of the Court's Order entered on December 14, 2015 (the "Reply"). 23 24 25 III26 27 IIIIII28

2520 St. Rose Parkway, Suite 220 Henderson, Nevada 89074 1

2

3

4

5

6

7

8

9

10

11

12

13

EE05-81E (201)

16

17

18

19

20

21

22

23

24

25

26

27

28

This Reply is made and based upon the pleadings and papers on file herein, the attached Exhibits, and the following points and authorities submitted in support hereof.

DATED this 18th day of January, 2016.

SMITH & SHAPIRO, PLLC

/s/ James E. Shapiro, Esq. James E. Shapiro, Esq. Nevada Bar No. 7907 Sheldon A. Herbert, Esq. Nevada Bar No. 5988 2520 St. Rose Parkway, Suite 220 Henderson, NV 89074 Attorneys for Plaintiff

MEMORANDUM OF POINTS AND AUTHORITIES

I.

PREFATORY STATEMENT

According to Acres Medical, LLC ("Acres"), due process is easily satisfied. If Acres is to be believed, the standard for satisfying due process is so low that objecting to Acres Motion to Intervene was all the due process that GB Sciences was entitled to receive. Once Acres Motion to Intervene was granted, GB Sciences no longer had any opportunity to oppose or be heard on the claims asserted by Acres in its Complaint in Intervention (which was not filed until after GB Sciences' Motion to Intervene was fully briefed and argued) and which was filed just days before this Court entered its Order entering final judgment in favor of Acres. How Acres can make this argument with a straight face is a mystery. but thankfully, this is not the due process standard ingrained in the Nevada Constitution,

As explained in the underlying Motion, the Court's ruling in the MSJ Order is a serious violation of GB Sciences due process rights as it deprived GB Sciences of its right to be heard and to present evidence and arguments in its behalf. Unless and until this Court provides GB Sciences with a full and fair opportunity to flush out its defenses and counterclaims against Acres and to make such arguments and present such evidence as GB Sciences feels is appropriate under the circumstances, it will be inappropriate for this Court to make any decision regarding the relative positions of GB Sciences and

2520 St. Rose Parkway, Suite 220

Jenderson, Nevada 89074

1

2

3

5

б

7

8

9

10

11

12

13

£605-81£ (202)

16

17

18

19

20

21

22

23

24

25

26

27

Acres. Thus, that portion of the MSJ Order that addresses the relative positions of GB Sciences and Acres should be stricken and removed.

II.

STATEMENT OF FACTS

GB Sciences refers to the statement of facts set forth in the underlying Motion and incorporates the same by this reference as if more fully set forth herein.

III.

MEMORANDUM OF POINTS AND AUTHORITIES

THE MSJ ORDER WAS CLEARLY ERRONEOUS.

As set forth in the Motion, a district court may reconsider a previously decided issue if substantially different evidence is subsequently introduced or the decision is clearly erroneous. Masonry and Tile Contractors Ass'n of Southern Nevada v. Jolley, Urga & Wirth, Ltd., 941 P.2d 486, 113 Nev. 737 (1997)(emphasis added).

₫. A Motion to Intervene Does Not Grant Nor Eliminate Any Substantive Rights.

In this case, the underlying Motion describes how GB Sciences was deprived of its due process rights. Nonetheless, Acres first argues that GB Sciences was afforded due process because GB Sciences had an opportunity to challenge but did not oppose its Motion to Intervene. See Opposition at 3:10-11. However, Acres fails to cite to any legal authority which stands for the proposition that if a motion to intervene is granted, that all opposing parties somehow lose their ability to defend against the intervener's claims.

A motion to intervene is nothing more than a request for permission to become a party to the lawsuit. See NRCP 24. Nothing in NRCP 24 or anywhere else states or stands for the proposition that if a party is allowed to intervene, that the remaining parties somehow lose their right to defend against the intervening parties claims. To the contrary, NRCP 24 clearly contemplates that even if a motion to intervene is granted, the intervening party must still meet its burden of proof on its claims, and the remaining parties still have the ability to defend against the underlying claims. See NRCP 24 ("Upon timely application anyone may be permitted to intervene in an action ... when an applicant's claim or defense and the main action have a question of law or fact in common."). Once a motion to intervene

2

3

4

5

6

7

8

9

10

11

1.2

13

15

16

17

18

19

20

21

22

23

24

25

26

27

28

702) 318-5033 14 is granted, the intervening party must still assert and prove their claims, just as they would if they had filed a separate lawsuit. Id.

Because intervention does not eliminate the due process requirements that otherwise exist in all lawsuits, it begs the question as to how the hearing on the motion to intervene and the motion for summary judgment against NuLeaf, in which the substantive claims and issues between GB Sciences and Acres had not yet been asserted, let alone vetted and argued, could somehow satisfy GB Sciences' due process rights. Because granting Acres' motion to intervene did not eliminate any due process requirements, and because Acres' claims and GB Sciences counterclaims were not yet asserted, let alone vetted and argued, at the hearing on GB Sciences' Motion for Summary Judgement against NuLeaf, the portion of the Court's MSJ Order which awarded the Provisional Certificate to Acres violated GB Sciences' due process rights and should therefore be stricken from the record.

2. GB Sciences Was Denied Due Process by Virtue of The MSJ Order.

As explained in the Motion, Acres did not file its Motion to Intervene, until after GB Sciences' Motion for Summary Judgment had been fully briefed1. Thus, none of arguments addressed in the briefs related to how Acres' proposed involvement affected the pending motions. Further, none of the arguments addressed the claims and defenses between Acres and GB Sciences.

Certainly, Acres' Motion to Intervene was not coupled with a motion for summary judgment of its own (nor could it have been as the Complaint in Intervention had not yet been filed). In fact, Acres did not even pray for such relief in its Motion to Intervene. Acres simply requested that it be allowed to intervene in this case "to protect its rights and pursue a Provisional License through this action." See Motion to Intervene at 10:4 (emphasis added). Pursuit of a Provisional License would then naturally involve: (1) the actual filing of pleadings (i.e. the Complaint in Intervention which was filed on November 17, 2015 after the November 9, 2015 hearing on the motion for summary judgment which led to the MSJ Order), (2) discovery related to the pursuit of a Provisional License (or Provisional

The only brief which had not been filed by the time that Acres filed its Motion to Intervene was NuLeaf's Reply in Support of its Countermotion for Summary Judgment, which was filed on November 3, 2015. However, Nul.eaf raises no arguments relating to Acres in that brief (outside of mentioning Acres in a footnote), nor would it have been appropriate for NuLeaf to do so due to the limitations of what can be included in reply briefs.