# Exhibit 7

# Exhibit 7

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3	EIGHTH JUDICIAL D	
4	CIVIL/CRIMINA CLARK COUNT	
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6	X'ZAVION HAWKINS,	) CASE NO. A-15-717577
7	Plaintiff,	) DEPT. NO. XXXI
8	VS.	<i>)</i> )
9	GGP MEADOWS MALL, LLC, et al,	<i>)</i> )
10	Defendants.	<i>)</i> )
11	BEFORE THE HONORARI E JOANNA K	) ISHNER DISTRICT COURT HINGE
12	BEFORE THE HONORABLE JOANNA KISHNER, DISTRICT COURT JUDG TUESDAY, JANUARY 17, 2017	
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14	TRANSCR DEFENDANTS GGP MEADOWS MAL dba VALOR SECURITY SERVIC	L LLC, MYDATT SERVICES, INC.
15	MOTION TO STAY LITIGATION ON ORDER SHOP	N AND CONTINUE TRIAL
16	ON ORDER SHOP	CLEMING LIME
17	APPEARANCES:	
18	For the Plaintiff:	DAVID J. CHURCHILL, ESQ.
19	For Defendants GGP Meadows Mall, LLC, Mydatt Services, Inc., and Mark Warner:	CHARLENE RENWICK, ESQ.
20		CHARLENE KENWICK, ESQ.
21	For Defendants Mydatt Services, Inc. and Mark Warner:	EDGAR CARRANZA, ESQ.
22		
23		
24	RECORDED BY: Rachelle Hamilton, Court	Recorder

1	LAS VEGAS, NEVADA, TUESDAY, JANUARY 17, 2017, 10:45 A.M.
2	* * * *
3	THE COURT: Page 4 & 5, 717577, Hawkins versus GGP Meadows Mall.
4	Counsel, appearances.
5	MR. CHURCHILL: Good morning, Your Honor. David Churchill for the
6	plaintiff, X'Zavion Hawkins.
7	MS. RENWICK: Charlene Renwick on behalf of all defendants, GGP
8	Meadows Mall, Mydatt and Mark Warner, Your Honor.
9	MR. CARRANZA: Good morning, Your Honor. Edgar Carranza for Mydatt
10	and Mark Warner.
11	THE COURT: Okay. We've got a couple of different things. First off, we
12	have the motion to stay the litigation and continue the trial on OST. I have plaintiff's
13	partial joinder. And then I have a document disclosure statement that was also filed.
14	So that was just the disclosure statement
15	MS. RENWICK: Right.
16	THE COURT: as you know, pursuant to the rules. I just was looking
17	I saw that was late filed and I wanted to make sure it wasn't anything substantive
18	with regards to today.
19	MS. RENWICK: There is one other substantive document that was filed;
20	however, the timing of filing, Your Honor, I didn't see it come through on Wiznet.
21	We had filed it
22	THE COURT: I have no courtesy copy of anything else.
23	MS. RENWICK: I apologize, but just for the record prior to the partial
24	joinder, that afternoon we had also filed because we hadn't received any

opposition from plaintiff's counsel, I had also called and emailed over to counsel to see whether or not an opposition was going to be filed because per your scheduling order that was due on Wednesday, the 11th.

THE COURT: Right.

MS. RENWICK: And our reply was due on Friday. I received no response, so we went ahead and filed a notice of non-opposition and a proposed order, which obviously hasn't come through. And I do apologize, I courtesy copy was not sent down.

THE COURT: Okay.

MS. RENWICK: So when you see it come through, that's what it is.

THE COURT: Okay. So it can be taken care of today and moot for further purposes, is that right?

MS. RENWICK: It will.

THE COURT: Okay. And then I do realize I have a stip regarding motion in limine deadlines, which I can't get to until I deal with the first portion of this.

MS. RENWICK: Correct.

THE COURT: Okay. So, writ filed; not impacting either of the counsel standing before me today because it's only as to the counsel that's no longer in the case, and a response is required. Is that correct or incorrect? The fee -- the issue, I thought the sole issue was with regards to the disqualified counsel.

MR. CHURCHILL: I'm sorry, Your Honor?

THE COURT: The writ.

MR. CHURCHILL: Oh, on the writ.

THE COURT: The writ that you filed is just the disqualified counsel; correct?

1	MR. CHURCHILL: No. 1 would disagree with that, Your Honor.
2	THE COURT: Okay, then please enlighten me. Thank you so much.
3	MR. CHURCHILL: No, I think the breadth of the writ deals with more than
4	the fees to the disqualified counsel. It deals with the order itself. Your Honor, what
5	you had the last time we were in front of you what Your Honor had determined
6	THE COURT: I asked the same question then. Yeah.
7	MR. CHURCHILL: Yes. And what Your Honor determined was you wanted
8	to see all of the briefing, their you know, their responsive brief and then our reply
9	going forward. But, Your Honor, it's still our position that the writ is challenging the
10	order itself.
11	THE COURT: And nobody gave me any courtesy copies of that, did they?
12	I didn't see any your response.
13	MS. RENWICK: The writ, Your Honor?
14	THE COURT: Did you file your response
15	MR. CARRANZA: The answer to the writ will be filed this Friday.
16	THE COURT: This Friday? Okay, that's
17	MR. CARRANZA: Yes, this Friday.
18	MS. RENWICK: There was an extension that was filed, Your Honor.
19	MR. CARRANZA: We got yeah, we got a seven day extension, which
20	THE COURT: Okay.
21	MR. CARRANZA: that will not impact the February 17th deadline that
22	you had outlined for us at the last hearing.
23	If I can just really quickly address Mr. Churchill's statement. We spent

a considerable amount of time at the last hearing going over that very issue about

whether or not the substance of the writ was limited solely to the disqualified firm or the order in its entirety, including the fees awarded to both Ms. Renwick's law firm and my law firm, Your Honor. And I think you'll remember that during the discussion Mr. Churchill even offered to pay the attorney's fees both for Ms. Renwick's firm and my firm. I said something like, no, that ship has sailed. You put it a little more eloquently and said, well, no, if I allow you to do that then that moots the motion to dismiss, which we were there for.

We think that alone identifies the fact that Mr. Churchill's petition on that order had nothing to do with the other components of your sanctioning order. Just solely it was limited to the disqualified law firm's fees that were awarded as part of that order. And we're going to address that as part of our response. We will identify specifically the objections by Mr. Hawkins as part of his petition and how those are limited only to the proposed jury instruction and the fees for the disqualified law firm.

THE COURT: For today's purposes, though, it seems to be, despite each of your pleadings saying that the other side kind of wants their cake and eat it, too -- you said it differently. You know, one side wants me to stay a certain part and not stay other parts and the other side wants me to --

MR. CHURCHILL: Stay everything.

THE COURT: -- stay everything so they don't have to do everything, and I've still got a pending motion to dismiss. So it seems appropriate that either I stay everything or I don't stay everything, is really what it comes down to it because if I'm going to stay only a portion then -- I mean, I have to look at an equal playing field and I have to look at there's a writ. And since I don't -- since you're asking me

to rule on this motion today before -- the reason I was asking the same question, it's not like I didn't remember it from the last time, but since you all wanted this on an OST before my other deadlines, it seemed to me that something must have happened in the intervening time, and it appears I'm incorrect.

MS. RENWICK: Your Honor, the concern obviously was we have a March 13th trial date. To wait until February to file the motion to stay to address whether or not --

THE COURT: Yes, it make sense.

MS. RENWICK: It just -- we didn't want to get hit with why did you wait until a month before trial. Obviously we've got the issue of the writ specifically deals with the sanction you provided the defense, which was the jury instruction. How we can go forward on trial without that jury instruction issue decided --

THE COURT: Presents a challenge.

MS. RENWICK: -- presents a challenge. Your Honor, I would argue, however, the motion for summary judgment is entirely unrelated to the writ. It was timely brought in October. It was heard and argued and originally we were hoping to have that decision in December, but Your Honor had to defer. And so --

THE COURT: For a very good reason, because I still didn't have anything that tells me the scope of the writ and I can't rule on --

MR. CARRANZA: But --

THE COURT: I can't rule on something that I don't yet know what the --

MS. RENWICK: But the motion for summary judgment, Your Honor, is entirely unrelated to the writ. And I apologize, at the risk of sounding obtuse, I'm trying to get some clarification on --

THE COURT: Okay.

MS. RENWICK: -- why the summary judgment is tied to the writ.

MR. CARRANZA: And I think that was very well reasoned by this Court the last time we were here. You provided the court some cushion to allow you -- what I understood was that you were going to look at the filings, the writ, the answer and then the reply, if anything, once those were filed so that this Court could make a determination what the scope of that writ and those writ proceedings was ultimately going to be. I think we can still move forward with the schedule that you laid out, that February 17th date by which you were going to consider both the motion for summary judgment and the motion to dismiss that are currently pending before this Court, without affecting the other proceedings. In fact, we are already -- we, the parties are already moving forward with other facets, not trial related, including the deposition of our security expert out in Arizona in a couple of weeks.

And so to the extent that the parties are already moving forward on parts of the case that are not impacted by the trial, which is really the limited scope of the motion to stay and continue the proceedings, is just those deadlines and proceedings related to the trial. The rest of the case and the rest of the proceedings may move forward, including that expert deposition, including determination by this Court on the motion for summary judgment, including a review by this Court of the writ proceedings and ultimately a review and a determination by this Court on the motion to dismiss. We think that's why that's proper to do while at the same time staying the trial proceedings.

THE COURT: Okay. First off, with the extension that was granted, is that going to impact the prior scheduling agreed upon by the parties with the two

1	pending motions?
2	MR. CARRANZA: The motions in limine, the stipulation for motions in
3	limine?
4	THE COURT: The motion for summary judgment and the motion to dismiss
5	was based on what I then knew as being the response and reply dates that were
6	going to be triggered.
7	MR. CARRANZA: Correct. The extension for the answer will not affect
8	that.
9	THE COURT: Do you have a pending extension for your response?
10	MR. CHURCHILL: Yes. And I don't recall off the top of my head
11	MR. CARRANZA: That is February 10th. That's set for February 10th.
12	That's the extension we provided. The deadline you had given is February 17th,
13	so that's a week prior to the deadline.
14	THE COURT: So it just shortens the time that the Court has the opportunity
15	to review the underlying documents. And of course you'll give me courtesy copies;
16	right?
17	MR. CARRANZA: Absolutely.
18	MS. RENWICK: Yes, Your Honor.
19	THE COURT: The same day it's filed, please, particularly if you've done
20	extensions because now I've got a lot.
21	MR. CARRANZA: Sure.
22	THE COURT: I've got less time to get things read
23	MR. CARRANZA: Absolutely, Your Honor.
24	THE COURT: in comparison to the rest of the cases. Thank you so very

much. Okay. But when I was looking -- I'm looking at the conclusion sections on the two different motions. (Reading) "Based on the foregoing, defendants respectfully request the litigation be stayed and trial continued and no further allowance of discovery other than the outstanding deposition of Mr. Tatalovich, and the remaining trial deadlines be continued accordingly."

Okay. Plaintiff: "Based on the foregoing, plaintiff requests that the Court either stay the entirety of the October 17th order or stay the entirety of this matter pending writ before the Nevada Supreme Court."

So, Tatalovich is the security expert in Arizona. You just want that one depo to take place. What -- you don't want that depo to take place?

MR. CHURCHILL: Your Honor, we're fine with that. We're fine with going forward, taking that deposition. You know, I don't want to ask too much of the Court. I do agree with Ms. Renwick, however, that it would be nice to get some closure on, for example, the motion for summary judgment. But that being said, I'm more than happy to go forward with Mr. Tatalovich's deposition on the 27th.

Your Honor --

THE COURT: So what do you want stayed?

MR. CHURCHILL: What we would like --

THE COURT: Just the payment of the sanctions, or --

MR. CHURCHILL: The order itself. So, Your Honor, what I would present is this. There's -- I don't want to burden the Court too much, but here's the issue that ultimately Mr. -- that Mr. Hawkins has. He has been trying diligently to get a loan to pay these sanctions, okay. That's the -- but the lending companies will not do anything.

THE COURT: Remember, I can't hear anything with regards to any attorney-client communications.

MR. CHURCHILL: Yeah. The issue is this, Your Honor. These people won't give a loan as long as there's a pending motion for summary judgment. What we're asking, Your Honor, is this. At this point both parties agree that this case should be stayed pending resolution on the writ from the Nevada Supreme Court. There is no --

THE COURT: Is that correct, a stay pending? That's not -- that's not the way I read your --

MR. CARRANZA: No, it's not, Your Honor.

THE COURT: Okay. Well, let me just hear him finish, but okay.

MR. CHURCHILL: Well, they're saying that -- well, look at their title.

Defendants' motion to stay litigation and continue trial on an order shortening time.

They're asking that this Court stay the litigation and continue the trial. At this point, Your Honor, there's no prejudice whatsoever and both parties agree this matter should be stayed pending resolution on the writ. There would be no prejudice to either party to stay your Court's order. Your Honor can certainly give your decision on the motion for summary judgment. I think that's certainly appropriate and something that we've all been anxiously waiting for. But the parties --

THE COURT: I can't do it -- I mean, if you get extensions and the writ, the very things that I need the basis to make my ruling, then of course by definition I can't give you a ruling if you've extended your time to respond, right?

MR. CHURCHILL: I don't -- and I agree with Ms. Renwick on this. The motion for summary judgment -- the motion for summary judgment I think is

completely independent of the order from before. I mean, this is --

THE COURT: The motion to dismiss is, you're going to say?

MR. CHURCHILL: Not the motion to dismiss, the motion for summary judgment. The motion for summary judgment. What we are saying, Your Honor, and what we're proposing, Your Honor, is that the entire order be stayed. They're asking that a portion of it be stayed. We're asking, like Your Honor correctly pointed out, that the entire order be stayed pending resolution from the Nevada Supreme Court. You can't pick and choose what parts of the order to stay.

THE COURT: Well, but they're not asking me to stay the order. Okay, just so we're clear, the order I understand you're talking about is my order awarding sanctions to three separate law firms based on your client's conduct, okay. You have a writ on whether or not the disqualified firm can receive it. I parsed out the fees between the three different firms and the costs between the three different firms and did appropriate -- well, we'll see. I think I did appropriate judgments. Stay tuned. I'm more than glad -- whatever they tell me to do, I'm more than glad to do.

That -- the reason I was asking the scope of the writ is because if you were asserting that this Court can't move forward in any manner on this case because there is a pending writ is really the question. I thought you had answered in the affirmative, and you had answered in the negatory with regards to your pending motion for summary judgment, because if things were going to be pursuant to the summary judgment request, that if I had to hold up on everything because of the pending writ because it had broader implications, okay, then that's -- then the motion to dismiss obviously is the payment of the various things. It depends on

which one it was. So no one is disputing that one is tied in. So the Court -- it made sense to hear what you all are briefing because the way you argued it to this Court previously, it appeared like two very different interpretations of the scope of what was being handled on an appellate level. And this Court does not have the jurisdiction if something is being handled in an appellate level, subject to ancillary matters such as fees, costs, blah, blah, blah; fees, costs appropriate, the cost portion appropriate.

So if what you're saying is your writ has nothing to do with the MSJ and you want me to rule on it with what I currently have and what was currently submitted, I'm listening. If that's not what you're --

MR. CHURCHILL: Yeah.

THE COURT: If you're asking me to stay the entire case, then that's inconsistent with asking me to rule on an MSJ and to rule on a motion to dismiss.

That's the reason why I keep doing this chicken and egg with you all --

MR. CHURCHILL: Yeah.

THE COURT: -- is when you use the words stay the case, that means as of today nothing happens further in the district court. The only exclusion I saw in your conclusion section was one deposition.

MS. RENWICK: In addition to --

THE COURT: Now, the body of your motion is different, but remember,

I was reading from the conclusion section, okay. So, it's hard for the Court. Yes,
you can read the title, yes, you can read the body, yes, you can read the conclusion.

Obviously I read the entire thing, but the conclusion seemed more narrow than the
body did. So when somebody concludes, you look at the conclusion because that's

where the relief actually being requested is in that section; right? You're asking for a full stay of everything, which wouldn't allow me to rule on any pending motions, which is why I'm really just asking this clarification question.

MR. CHURCHILL: Yeah. So --

THE COURT: So, if you both want me to rule on the motion for summary judgment on what I currently have -- and you say it has no impact whatsoever on the stay?

MR. CHURCHILL: I do.

MS. RENWICK: Yes, Your Honor.

MR. CARRANZA: We agreed.

THE COURT: Okay. Then I'm going to look at that and we'll decide on a decision date. Motion to dismiss, do you want me to rule on that or do you want me to look at the underlying motions?

MR. CARRANZA: We think you have what you need to rule on that now, Your Honor.

MR. CHURCHILL: And, Your Honor, we think that you do need to look at the underlying -- all of the briefing on that. But, Your Honor, we would still submit that the parties are in agreement on staying the litigation, continuing the trial based on --

THE COURT: Staying what portion? Can you be more precise?

MR. CHURCHILL: With the exception of the --

THE COURT: Okay. What's your exceptions in your stay?

MR. CHURCHILL: The exception would be the summary judgment.

THE COURT: Plaintiff has stay with exception of MSJ?

1	MR. CHURCHILL: Correct.
2	MS. RENWICK: Correct, Your Honor.
3	MR. CHURCHILL: Correct. And then stay the order pending stay you
4	THE COURT: Which order? You've got to be clear. You've got three
5	potential ones out there and you've got a writ, so four.
6	MR. CHURCHILL: Yeah. The order granting sanctions against Mr.
7	Hawkins pending resolution from the Nevada Supreme Court.
8	THE COURT: So you don't wish to pay the other two firms. Your client
9	doesn't wish to pay the other two firms until the writ comes down. And you don't
10	wish the Court to look at the scope of the writ and make a determination before
11	making that ruling?
12	MR. CHURCHILL: We do wish for the Court to look at the scope of the
13	briefing before making that ruling. However, that may be moot, Your Honor, if
14	the order itself is stayed pending resolution from the Nevada Supreme Court.
15	THE COURT: That's what you're mooting their motion to dismiss.
16	MR. CHURCHILL: It would be moot.
17	THE COURT: Is that what you all want me to do?
18	MR. CARRANZA: No.
19	MS. RENWICK: No, Your Honor.
20	MR. CARRANZA: No. I mean, I think if I hear Mr. Churchill's argument
21	correctly, he's willing to agree to move forward on the Court making an order on
22	the pending motion for summary judgment. We agree with him on that.
23	With respect to what I'll call the sanctioning order, he's requesting

that you stay a determination on that until the supreme court resolves the issue.

We disagree with that. We think that you've got what you need to make a ruling on that now. But if you feel more comfortable sticking with the February 17th deadline to give the Court an opportunity to review the filings by both sides, then we think that is a very wise course of action as well. We don't think you need to stay the enforcement of that order. You can simply look at the scope of the arguments made by both sides as part of the supreme court briefs and may issue a ruling, as you had indicated, on February 17th. All the defense is asking is for a stay of all proceedings related to trial. So motions in limine, pretrial conferences, ultimately going to trial. Because I think, based on our discussion earlier, plaintiff's counsel also agrees to move forward with the expert deposition that's still out there. And so that's yet another exception to what he's asking for.

MS. RENWICK: So those pretrial dates are really all that's remaining, Your Honor, because as we stated in the motion discovery is closed, essentially, with the exception of Mr. Tatalovich's deposition, due to his health issues, which had to be continued.

THE COURT: Motions in limine, Tatalovich are the only things outstanding in this case?

MS. RENWICK: In addition to --

THE COURT: Other than the motion for summary judgment, motion to dismiss and pending writ?

MR. CARRANZA: Correct.

MS. RENWICK: Correct, Your Honor.

THE COURT: So you're fine with -- if the Court doesn't rule today -- see, if I grant your scope of stay, I've mooted their motion to dismiss, which I can't do.

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It's a pending motion before the Court; that they had a right to have it heard before even they filed their motion to dismiss. But because of the difference of opinion on the scope of the writ, this Court needed to review the pleadings themselves that you're filing in the writ, which you both specifically said the Court could do. And I'm not doing it for substantive purposes, it was only for scope to see if I had jurisdiction, because you each argued differently whether I have jurisdiction. Now you're saying you want me to rule on the MSJ, which is a change. Motion to dismiss you still want on the 17th, even though you've asked for an extension, so I'm going to have a lot less time to read that extensive briefing. And you want the trial continued and motions in limine continued, but the only thing -- and you agree on the motions in limine, you agree on the trial and you agree on the carve-out for the expert; right?

MR. CARRANZA: Correct.

MS. RENWICK: Correct, Your Honor.

MR. CHURCHILL: Correct.

THE COURT: Doesn't that moot your writ? Doesn't it moot your writ?

What's the emergency of the writ if I'm not going to trial? That's not my issue, that's the appellate court's, but whatever. That's not a statement, that was just more of a question. I'm just procedurally trying to get a handle on this moving target.

So, how long do you want the trial to be continued? I'm not going to do something for when the supreme court comes down with the writ because that can be a couple of years from now and that's not a feasible date. If you're saying that the writ is in no way tied to the trial because it's just sanction money, and then it's of course the -- it's the jury instruction --

MS. RENWICK: The jury instruction, Your Honor.

THE COURT: -- which is the challenge.

MS. RENWICK: It's the defense's position that that's central to the trial.

THE COURT: I'm going to give you -- here's what I'm inclined to do. I'm inclined to give you a six month continuance of the trial. Continue it for six months, okay. I'm inclined to trigger the motion in limine date only to the new trial six month date because that's consistent with what all of you all want, so that would be eight weeks before the continued trial date. You both agree that the Tatalovich is outstanding. Why do you need a stay?

MR. CARRANZA: I think we're all in agreement that that deposition can go ahead and move forward as scheduled.

THE COURT: But why do you need a stay if I grant you your trial continuance, I extend the motion in limine continuance with the new trial. You've already stipulated and agreed that the Tatalovich or however you pronounce the expert in Arizona's deposition goes forward. And you still want me to rule on the pending motions. That's inconsistent with a stay.

MR. CARRANZA: And maybe titling the motion as a motion to stay maybe was a little less artful than it could have been. It really is a motion to continue the trial.

THE COURT: From your end. That's just what I'm trying to ask. If you're asking me for a stay as well, I need to know what part you're asking to be stayed, because the very things you're asking me to rule on are the things that would be subject to a stay. That's why I keep asking this question.

MS. RENWICK: I apologize for the lack of being clear in the motion, Your Honor. The concern was that without a decision on the jury instruction, our concern

was how could trial go forward. So without knowing when the supreme court was going to issue a decision on that issue, again, the adverse jury instruction is something that the defense feels is crucial to moving forward with trial. We figured there was -- at that point then there was no choice but to stay the litigation because we wouldn't have a trial date. Your Honor has just stated that you aren't going to wait for that decision, given the time it could take.

THE COURT: I'm not saying I'm not -- I think a six month period to continue the trial gives everyone the certainty -- it gives each of your clients and each of your parties some date to work with. Historically, since you're asking a response, writs usually are within about six months anyway, so that seems like a doable date. And that allows -- because if I grant a stay, you're asking me to grant a stay but not stay anything that you're asking me to rule on, including dispositive motions, which I'm still not sure what portion you're asking to really stay. If you have a Rule 41 -- I mean, if you have a five year issue -- you've got a 2015 case, so I didn't see it from that standpoint.

MS. RENWICK: I think if we're continuing the trial for six months, Your Honor, I think at this point then the stay really isn't necessary.

THE COURT: It doesn't address all of your issues, I appreciate --

MR. CHURCHILL: Correct.

THE COURT: -- because you still want me to --

MR. CHURCHILL: To stay the order.

THE COURT: -- stay the enforcement. But I can't stay the enforcement because I've got a pending motion to dismiss that I'm going to be addressing that very issue on February 17th. Do you see what I'm saying? I can't moot their motion

to dismiss by giving you the relief you want right now when they have a pending motion to dismiss that's already been briefed.

MR. CHURCHILL: And that comes back to our previous hearing, Your Honor, as to whether or not you even have jurisdiction over that at this point because that exact order is up right now before the Nevada Supreme Court. So what I would argue again, Your Honor, is that at this point in time what they were asking for was that this matter be stayed in part related to that order. I mean, that's their motion. We agree with that and we're saying you can't just pick and choose what parts of the order you're going to rely on in asking for a stay or asking for a motion to continue. It's appropriate to stay the case right now and stay the execution of that order pending resolution from the Nevada Supreme Court.

THE COURT: Here's the Court's ruling. The Court is going to deny without prejudice the motion to stay portion of the motion. The Court is going to grant the alternative relief to continue the trial. So this is a motion to stay litigation and continue trial on OST, The Court is granting in part and denying in part. The Court is, like I said, denying the portion with regards to staying the litigation because based on the further explanation of the movants they don't wish to stay the rulings before the Court. Discovery is already over other than the specific agreed upon deposition of the expert in Arizona, Mr. Tatalovich or close thereto. And the only other request really of the parties is to have the motion in limine date, since the Court is granting the alternative or partial relief requested, the motion to continue trial, it addresses the parties' joint stipulation with regard to the motions in limine because I'm tying the motions in limine to the new trial date six months out. It's giving the parties the relief with regards to the portion of continuing the trial for

six months to allow -- to see if there's resolution of the writ.

Obviously if we're getting -- well, I'm going to set a status check on this anyway, and if we get to that status check that the Court needs to address further relief, the Court will do so, but I'm really inclined to set that status check after my February 17th hearing when we see what is -- I say hearing, but February 17th is a Friday so it's a chambers; still a hearing for my purposes but it's a chambers calendar hearing, no appearances necessary. So on February 17th, if not before, when you get the ruling on the summary judgment and/or the ruling on the motion on the motion to dismiss combined, in one of those two orders you're going to have a status check date placed on it, depending on how the Court rules on those two pending matters. And that will be a status check. I'll tell you the status check is going to be about -- well, do you want a status check date today? I'll give it to you today.

MS. RENWICK: Sure.

THE COURT: It will be 45 days before the six month date.

MR. CARRANZA: Okay.

THE COURT: So the six month date for trial would be when, Madame Clerk?

THE CLERK: Six months from today, Your Honor?

THE COURT: Six months from their prior date, is what I understood.

MR. CARRANZA: Right.

THE COURT: That was the Court's intention. That really meant I was doing September.

THE CLERK: September.

THE COURT: That means on the September 5th five week stack. So I moved you from the March 13th stack. Here, I'll just say it. That means you're on the September 5th five week stack, okay, which means you're going to -- your motion in limine dates will be eight weeks before that, triggered to that new five week stack. That means your pretrial conference is going to be August 3rd. That means your calendar call will be August 29th. That means -- that means I'm going to do a status check on June 29th. I'm just trying to avoid for you all's sake the 4th of July holiday, which was about the thirtieth day, so I might as well say June 29th will be a status check. We'll see where everything is.

And obviously that would be vacated depending on how the Court rules on any of the two pending motions before it, which I'm going to have to go back and look at the summary judgment because now you're asking me -- I may or may not be able to advance it from the February 17th date in light of the continuation of the trial. The Court may or may not do that because I have to look at the rest of my schedule and determine that, and I can't do that right now when I have everyone patiently waiting who really wants me to handle their cases as well. And then we have the motion to dismiss on February 17th as well. Okay?

That should address -- and I appreciate -- so I'm denying your countermotion to the extent it asks me to stay the enforcement of the sanction order only because I'm really deferring the ruling on that sanction order to my February 17th because of the pending motion to dismiss. Does that make sense?

MR. CHURCHILL: Yeah.

MS. RENWICK: Yes, Your Honor.

THE COURT: Okay.

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1	MS. RENWICK: We'll prepare an order and circulate.
2	THE COURT: Please do. And please do 7.21 because you realize it has
3	unfortunately real life problems when people don't do that. Okay?
4	Thank you so very much.
5	MS. RENWICK: We definitely got a taste of that, Your Honor, earlier in
6	your calendar. I made a note.
7	MR. CHURCHILL: Yes.
8	THE COURT: It's not just a silly rule. I mean, it does have it's reeking
9	havoc in more than one case, unfortunately.
10	MR. CARRANZA: Thank you, Your Honor.
11	MS. RENWICK: Thank you, Your Honor.
12	THE COURT: Thank you so very much.
13	(PROCEEDINGS CONCLUDED AT 11:15 A.M.)
14	* * * * *
15	
16	ATTEST: I do hereby certify that I have truly and correctly transcribed the audio/video proceedings in the above-entitled case to the best of my ability.
17	
18	Liz Sarcia
19	Liz Garcia, Transcriber LGM Transcription Service
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22	

## Exhibit 6

# Exhibit 6

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CLERK OF THE COURT

NOE 1 DAVID S. LEE, ESQ. Nevada Bar No.: 6033 2 CHARLENE N. RENWICK, ESQ. Nevada Bar No.: 010165 3 LEE, HERNANDEZ, LANDRUM, & GAROFALO 4 7575 Vegas Drive, Suite 150 Las Vegas, Nevada 89128 5 (702) 880-9750 Fax; (702) 314-1210 dlee@lee-lawfirm.com crenwick@lee-lawfirm.com 7 Attorneys for Defendants, GGP MEADOWS MALL LLC, MYDATT SERVICES, INC. dba VALOR 9

#### DISTRICT COURT CLARK COUNTY, NEVADA

#### X'ZAVION HAWKINS,

SECURITY SERVICES and

MARK WARNER

Plaintiff.

vs.

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GGP MEADOWS MALL LLC, a Delaware Limited Liability Company; MYDATT SERVICES, INC. dba VALOR SECURITY SERVICES, an Ohio Corporation; MARK WARNER, individually; DOES 1 through 10; DOE SECURITY GUARDS 11 through 20; and ROE ENTITIES 21 through 30, inclusive.

Defendants.

GGP MEADOWS MALL LLC, a Delaware Limited Liability Company; MYDATT SERVICES, INC. dba VALOR SECURITY SERVICES, an Ohio Corporation; MARK WARNER, individually.

Third Party Plaintiffs,

ASHLEY CHRISTMAS, individually; ZACCHAEUS BERRY, aka ZAK BERRY,

NOTICE OF ENTRY OF ORDER GRANTING IN PART AND DENYING IN PART DEFENDANTS GGP MEADOWS MALL LLC, MYDATT SERVICES, INC., DBA VALOR SECURITY SERVICES, AND MARK WARNER'S MOTION TO STAY LITIGATION AND CONTINUE TRIAL

AND DENYING PLAINTIFF'S

CASE NO.: A-15-717577-C

DEPT. NO.: XXXI

Date: January 17, 2017

COUNTERMOTION

Time: 9:30 a.m.

LEE, HERNANDEZ, LANDRUM 7575 Vegas Drive, Suite 150 & GAROFALO

as Vegas, NV 89128

aka ZACHARY BERRY, aka ZACHARIAS BERRY individually; DOES 1 through 10; and ROE ENTITIES 11 through 20, inclusive,

Third Party Defendants.

# NOTICE OF ENTRY OF ORDER GRANTING IN PART AND DENYING IN PART DEFENDANTS GGP MEADOWS MALL LLC, MYDATT SERVICES, INC., DBA VALOR SECURITY SERVICES, AND MARK WARNER'S MOTION TO STAY LITIGATION AND CONTINUE TRIAL AND DENYING PLAINTIFF'S COUNTERMOTION

TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that the ORDER GRANTING IN PART AND DENYING IN
PART DEFENDANTS GGP MEADOWS MALL LLC, MYDATT SERVICES, INC., DBA
VALOR SECURITY SERVICES, AND MARK WARNER'S MOTION TO STAY
LITIGATION AND CONTINUE TRIAL AND DENYING PLAINTIFF'S
COUNTERMOTION was entered on February 7, 2017 a true and correct copy

Dated: February 7, 2017.

which is attached hereto as Exhibit "A."

LEE, HERNANDEZ, LANDRUM & GAROFALO, APC

#### /s/ Charlene N. Renwick

By:

DAVID S. LEE, ESQ.

Nevada Bar No. 6033

CHARLENE N. RENWICK, ESQ.

Nevada Bar No. 010165

7575 Vegas Drive, Suite 150

Las Vegas, Nevada 89128

(702) 880-9750

Fax; (702) 314-1210

dlee@lee-lawfirm.com

crenwick@lee-lawfirm.com

Attorneys for Defendants

Exhibit "A"

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VS.

ORDR CLERK OF THE COURT DAVID S. LEE, ESQ. Nevada Bar No.: 6033 CHARLENE N. RENWICK, ESO. Nevada Bar No. 010165 LEE, HERNANDEZ, LANDRUM & GAROFALO 7575 Vegas Drive, Suite 150 Las Vegas, Nevada 89128 (702) 880-9750 Fax; (702) 314-1210 dice@lcc-lawfirm.com crenwick@lee-lawfirm.com

#### DISTRICT COURT CLARK COUNTY, NEVADA

#### X'ZAYION HAWKINS. CASE NO.: A-15-717577-C DEPT. NO.: XXXI Plaintiff,

GGP MEADOWS MALL LLC, a Delaware Limited Liability Company; MYDATT SERVICES, INC. dba VALOR SECURITY SERVICES, an Ohio Corporation; MARK WARNER, individually; DOES 1 through 10; DOE SECURITY GUARDS 11 through 20; and ROE ENTITIES 21 through 30, inclusive,

Attorneys for Defendants, GGP

SERVICES, INC. dba VALOR SECURITY SERVICES and

MARK WARNER

MEADÓWS MALL LLC, MYDATT

Defendants. GGP MEADOWS MALL LLC, a Delaware Limited Liability Company; MYDATT SERVICES, INC. dba VALOR SECURITY SERVICES, an Ohio Corporation; MARK WARNER, individually,

Third Party Plaintiffs,

ASHLEY CHRISTMAS, individually; ZACCHAEUS BERRY, aka ZAK BERRY, aka ZACHARY BERRY, aka ZACHARIAS

ORDER GRANTING IN PART AND DENYING IN PART DEFENDANTS GGP MEADOWS MALL LLC. MYDATT SERVICES, INC. DBA VALOR SECURITY SERVICES, AND MARK WARNER'S MOTION TO STAY LITIGATION AND CONTINUE TRIAL AND DENVING PLAINTIFF'S COUNTERMOTION

Date of Hearing: January 17, 2017 Time of Hearing: 9:30 a.m.

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BERRY individually; DOES 1 through 10; and ROE ENTITIES 11 through 20, inclusive.

#### Third Party Defendants.

#### ORDER GRANTING IN PART AND DENYING IN PART DEFENDANTS GGP MEADOWS MALL LLC, MYDATT SERVICES, INC. DBA VALOR SECURITY SERVICES, AND MARK WARNER'S MOTION TO STAY LITIGATION AND CONTINUE TRIAL AND DENYING PLAINTIFF'S COUNTERMOTION

This matter having come for hearing on the 17th day of January, 2017, at 9:30 a.m., the Honorable Joanna S. Kishner presiding; Charlene Renwick, Esq. appearing on behalf of Defendants GGP Meadows Mall LLC, Mydatt Services, Inc. dba Valor Security Services and Mark Warner (collectively "Defendants"), Edgar Carranza, Esq. appearing on behalf of Defendants Mydatt Services, Inc. dba Valor Security Services and Mark Warner, and David Churchill, Esq. appearing on behalf of Plaintiff X'Zavion Hawkins ("Plaintiff"); Defendants having filed a Motion to Stay Litigation and Continue Trial on an Order Shortening Time; this Court having granted the Order Shortening Time and set hearing on this matter in shortened course for January 17, 2017 at 9:30 a.m.; the Plaintiff having filed a Limited Joinder to Defendants' Motion to Stay the Litigation and Continue Trial, and a Renewed Countermotion to Stay Order Pending Writ Before Nevada Supreme Court; the Court having considered the Motion, Limited Joinder and Renewed Countermotion, and oral arguments presented at the hearing, and good cause appearing therefore:

#### IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

- Defendants' Motion to Stay Litigation is DENIED, without prejudice;
- 2. Defendants' Motion to Continue Trial is GRANTED;
- Plaintiff's Renewed Countermotion to Stay Order Pending Writ Before Nevada Supreme Court is DENIED;
- 4. The trial date in this matter shall be continued to September 5, 2017;
- Discovery in this matter is closed, with the sole exception of the deposition of defense expert Dwayne Tatalovich, which is currently scheduled for January 27, 2017;

1	Approved as to Form and Content:
2	
3	BACKUS, CAURANZA & BURDEN
4	By:
5	EDGAR CARRANZA, Esq. Nevada Bar No. 5902
6	3056 South Durango Drive
7	Las Vegas, Nevada 89117 Attorneys for Defendants
8	MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER
9	
10	INJURY LAWYERS OF NEVADA
11	
12	By: DAVID J. CHURCHILL, ESQ.
13	Nevada Bar No. 7308
14	JOLENE J. MANKE, ESQ. 6900 Westcliff Drive, Suite 707
15	Las Vegas, Nevada 89145 Attorneys for Plaintiff X'ZAVION HAWKINS
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1	Approved as to Form and Content:
2	
3	BACKUS, CARRANZA & BURDEN
4	Des
5	By: EDGAR CARRANZA, Esq.
6	Nevada Bar No. 5902 3050 South Durango Drive
7	Las Vegas, Nevada 89117 Attorneys for Defendants
8	MYDATT SERVICES, INC. d/b/a VALOR
9	SECURITY SERVICES and MARK WARNER
apriliage.	27 A Y A Y A Y A Y A Y A Y A Y A Y A Y A
10	INJURY LAWYERS OF NEVADA
11	By: XVIALX WANGE
12	BAVID I/CHURCHILL, ESQ.
13	JOLENE J. MANKE, ESQ. NV BAR. 74-36
14	6900 Westeliff Drive, Suite 207 Las Vegas, Nevada 89145
15	Attorneys for Plaintiff X'ZAVION HAWKINS
16	Principal Comments of the Comm
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### LEE, HERNANDEZ, LANDRIM & GAROPALO 7575 VEGAS, DRIVE, SUITE 150 LAS VEGAS, NV 89128 (702) 880-9750

I HEREBY CERTIFY that on the 7th day of February, 2017, I served a copy of
the above and foregoing NOTICE OF ENTRY OF ORDER GRANTING IN PART AND
DENYING IN PART DEFENDANTS GGP MEADOWS MALL LLC, MYDATT
SERVICES, INC., DBA VALOR SECURITY SERVICES, AND MARK WARNER'S
MOTION TO STAY LITIGATION AND COUNTINUE TRIAL AND DENYING
PLAINTIFF'S COUNTERMOTION by electronic filing service by transmitting via the
Court's electronic services to the following counsel/person(s):

Edgar Carranza, Esq.
BACKUS, CARRANZA & BURDEN
3050 S. Durango
Las Vegas, NV 89117
(702) 872-5555
Fax: (702) 872-5545
Email: ecarranza@backuslaw.com
Co-Counsel for Mydatt Services, Inc.
Dba Valor Security Services and
Mark Warner

s/ Diane Meeter

An employee of LEE, HERNANDEZ, LANDRUM & GAROFALO

By:

# Exhibit 5

# Exhibit 5

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1 **JOIN** DAVID J. CHURCHILL (SBN: 7308) **CLERK OF THE COURT** 2 **JOLENE J. MANKE (SBN: 7436)** INJURY LAWYERS OF NEVADA 3 6900 Westcliff Drive, Suite 707 Las Vegas, Nevada 89145 4 T: 702-868-8888 F: 702-868-8889 david@injurylawyersnv.com jolene@injurylawyersnv.com 6 Attorneys for Plaintiff DISTRICT COURT 7 CLARK COUNTY, NEVADA 8 X'ZAVION HAWKINS, CASE NO.: A-15-717577-C 9 DEPT. NO.: XXXI Plaintiff. 10 VS. PLAINTIFF'S LIMITED JOINDER TO 11 GGP MEADOWS MALL LLC, a Delaware **DEFENDANTS' MOTION TO STAY** Limited Liability Company; MYDATT LITIGATION AND CONTINUE TRIAL 12 SERVICES, INC. d/b/a VALOR SECURITY ON AN ORDER SHORTENING TIME SERVICES, an Ohio Corporation; MARK AND RENEWED COUNTERMOTION 13 WARNER, individually; DOES 1 through 10; TO STAY ORDER PENDING WRIT DOE SECURITY GUARDS 11 through 20; and **BEFORE NEVADA SUPREME COURT** 14 ROE ENTITIES 21 through 30, inclusive, Date of Hearing: 01/17/2017 15 Defendants. Time of Hearing: 9:30 a.m. 16 AND RELATED ACTIONS. 17 Plaintiff X'ZAVION HAWKINS by and through his attorneys INJURY LAWYERS OF 18 NEVADA, hereby presents his limited joinder to Defendants GGP MEADOWS MALL LLC, 19 MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER's motion 20 to stay litigation and continue trial on an order shortening time. Plaintiff is also moving this Court for 21 an Order staying enforcement of the October 17, 2016, court order pending Writ before the Nevada 22 Supreme Court. 23 111 24 /// 25 /// 26 ///

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This limited joinder and countermotion are made and based upon the points and authorities set forth herein, the pleadings and papers on file relating to this matter, and any oral argument that might be entertained at the time of the hearing.

DATED this \\\ \frac{3717}{3717} \text{day of January, 2017.}

INJURY LAWYERS OF NEVADA

DAYID J. CHURCHILL (SBN: 7038) JOLENE J. MANKE (SBN: 7436) 6900 Westcliff Drive, Suite 707 Las Vegas, NV 89145 Attorneys for Plaintiff

#### **POINTS AND AUTHORITIES**

#### I. STATEMENT OF FACTS

On or about August 17, 2013, Meadows Mall participated in the nationwide special event of releasing the Nike Air Jordan 4 "Green Glow" shoe launch. Meadows Mall held a special event specifically for this shoe launch. Despite the special event, Defendants GGP MEADOWS MALL LLC ("GGP"), MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES ("Mydatt") and MARK WARNER ("Warner") failed to provide security to monitor the restless crowd. Patrons of Meadows Mall participating in the shoe launch began "camping out" for the special event at approximately 11:00 p.m. on August 16, 2013, while waiting for Meadows Mall to open at 9:00 a.m. on August 17, 2013. Despite the special event taking place overnight, Meadows Mall and Mydatt would not employ security guards to monitor the line until 6:00 a.m. Plaintiff X'Zavion Hawkins was shot by follow mall patrols after a 5-10 argument and fight wherein security did nothing to intervene.

On October 7, 2016, this Court issued a minute order imposing a sanction of \$41,635.00 against Plaintiff for Defendants' attorney fees relating to Defendants' motion to dismiss Plaintiff's complaint and the subsequent evidentiary hearing. (Please see a true and correct copy of the minute order attached hereto as Ex. 1.) In so doing, this Court awarded \$19,846.00 to the conflicted law firm of Lewis Brisbois Bisgaard & Smith ("LBBS") relating to work the firm performed that was directly adverse to Plaintiff's Limited Joinder to and Renewed Countermotion to Stay Order Pending Writ - 2

Plaintiff. While this Court ultimately recognized the conflict of interest and disqualified LBBS, on October 17, 2016, this Court entered an order setting forth the sanction against Plaintiff, including the payment to LBBS for adverse work performed during the period of the conflict. (See Ex. 2.)

Plaintiff timely filed a Petition For Extraordinary Writ Relief with the Nevada Supreme Court on November 22, 2016. (See Ex. 3.) Importantly, Plaintiff's Writ seeks relief directly relating to LBBS' misconduct in performing work directly adverse to Plaintiff despite fully being aware of the direct conflict of interest. As this Court is aware, as a partner at LBBS previously represented Mr. Hawkins in this exact same action. Specifically, LBBS seeks an award of \$19,846.00 against Mr. Hawkins despite the fact that LBBS ethically NEVER should have agreed to defend Mydatt and Warner against Plaintiff.

When Defendants' filed their motion to strike Plaintiff's complaint for failure to comply with the Court's October 17, 2016, order relating to the sanction, Plaintiff opposed the motion and counter motioned this Court to stay the October 17, 2016, order pending a decision on the Extraordinary Writ by the Nevada Supreme Court. (See Ex. 4.) During the hearing on Defendants' motion to strike on December 20, 2016, defense counsel vehemently argued against staying this action and represented that they were ready for trial currently set for March 13, 2017. Now, Defendants' are moving to stay litigation and continue trial on order shortening time. Plaintiff both potentially agrees and disagrees with Defendants' current position as follows:

#### III. <u>LEGAL ARGUMENT</u>

It is Plaintiff's position that the entirety of the October 17, 2017, order must be stayed or the entirety of the action must be stayed, not just certain parts of the October 17, 2016, order. The Nevada Supreme Court has directed writ petitioners to first seek a stay with the District Court before seeking a stay from the Nevada Supreme Court. The Nevada Supreme Court directs the District Court as follows:

In deciding whether to issue a stay, this court generally considers the following factors:

(1) Whether the object of the appeal or writ petition will be defeated if the stay is denied;

- (2) Whether appellant/petitioner will suffer irreparable or serious injury if the stay is denied;
- (3) Whether respondent/real party in interest will suffer irreparable or serious injury if the stay is granted; and
- (4) Whether appellant/petitioner is likely to prevail on the merits in the appeal or writ petition. *Hansen v. Eighth Jud. Dist. Ct.*, 116 Nev. 650, 658, 6 P.3d 982, 986 (2000).

The Nevada Supreme Court determined, "we have not indicated that any one factor carries more weight than the others." *Id.* 

#### A. Whether Object Of Writ Will Be Defeated If Stay Is Denied

If this Court does not stay the entire October 17, 2016, order, or the entirety of the litigation, the object of Plaintiff's Writ will be defeated. The central issue revolves around LBBS' misconduct as a conflicted law firm seeking compensation for work performed during the period of the conflict. Most injurious is that LBBS seeks compensation from the aggrieved client against whom they were conflicted.

Plaintiff seeks extraordinary relief to prevent LBBS' from being compensated by the very person LBBS wronged. Additionally, Plaintiff is seeking relief to prevent Defendants from benefiting from the legal work LBBS performed that was directly adverse to Plaintiff. This is a matter of public interest and the integrity of the entire legal profession. The public cannot have faith in the legal system if the aggrieved client is required to pay a conflicted and disqualified law firm for work performed that was directly adverse to the client and the work performed by the law firm is allowed to stand against the aggrieved client.

#### B. Irreparable Injury If Stay Is Denied

If this Court does not stay the entirety of the October 17, 2016, order, or, alternatively, stay the entirety of the litigation, Plaintiff will be irreparably injured by potential dismissal of his action. As this Court is aware, Plaintiff became disabled and physically handicapped as a direct result of Defendants' negligence and wanton disregard for his safety during the shoe launch. He lives in government

subsidized housing and survives on modest disability benefits. Even if Plaintiff drastically modified his budget, he does not have reserves to satisfy this Court's October 17, 2,016.

#### C. Whether Defendants Will Suffer Irreparable Harm If Stay Is Granted

There is no irreparable harm to Defendants if this Court stays the entirety of the October 17, 2016, order, or stays the entire litigation. It is Plaintiff's first choice not to stay the entire case, but to stay the entirety of the October 17, 2016, order. This Court could enter a judgment for the award of attorney fees against Plaintiff. If Plaintiff prevails in his Writ, and the work LBBS performed against Plaintiff does not stand, the October 17, 2016, order would be moot and Defendants would not suffer irreparable harm as they were never entitled to the sanctions. Alternatively, the Nevada Supreme Court could allow the adverse work performed by LBBS to stand, but find that LBBs is not entitled to any compensation from if Plaintiff, or if Plaintiff does not prevail on his Writ whatsoever, Defendants would still not be prejudiced as they would be entitled to an offset of any judgment against them that they would owe Plaintiff for their negligent security.

#### D. Plaintiff Likely To Prevail On The Merits

The Nevada Supreme Court has not directly addressed the issue of whether a conflicted and disqualified law firm may seek compensation from the aggrieved client and whether or not the work performed to the detriment of the client should be allowed to stand However, California courts have addressed the issue of whether conflicted law firms may benefit from work performed relating to conflicted matters, and they have long determined that forfeiture and disgorgement of attorneys' fees is appropriate. In Sheppard Mullin Richter & Hampton LLP v. J-M Mfg. Co., Inc., 198 Cal.Rptr.3d 253 (Cal. App. 4<sup>th</sup> 2016), a California appellate court relied on California's long-standing precedent to

<sup>&</sup>lt;sup>1</sup> This Court stated, "This Decision sets forth the Court's intended dispotion on the subject but anticipates further Order of the Court to make such disposition effective as an Order or Judgment." Seemingly, this Court intended to have the attorney fee award reduced to judgment in its October 7, 2016 minute order. See Exhibit 1, page 3.

require a conflicted law firm to disgorge and forfeit millions of dollars in legal fees based on the firm's failure to disclose an actual conflict of interest.

In Sheppard, the law firm had billed over \$3.8 million defending its client J-M Manufacturing Co., Inc., the world's largest manufacturer of polyvinyl chloride (PVC) pipe in a large Qui Tam lawsuit involving numerous parties. *Id.* at 257. Prior to its engagement, the firm ran a standard conflicts check that indicated the firm had represented one of the adverse intervening parties in the Qui Tam action, South Tahoe Public Utility District, on certain unrelated employment matters. *Id.* Several weeks later the firm also undertook a new and minor unrelated matter for South Tahoe, but failed to disclose the existing conflict with J-M or obtain an informed waiver of the conflict from either of its clients. *Id.* at 258. Neither the court nor J-M disputed the limited scope of the work performed by the firm on behalf of South Tahoe. The most important fact was the firm's failure to give notice of its ongoing, adverse representation. *Id.* at 260.

South Tahoe brought a successful motion to disqualify the Sheppard Mullin firm in the Qui Tam action. *Id.* After Sheppard Mullin was disqualified, J-M refused to pay approximately \$1.3 million in outstanding legal fees. *Id.* Sheppard Mullin sued J-M to recover those outstanding fees and compel arbitration where the arbitration panel awarded the firm a majority of its attorneys' fees. *Id.* at 261. The arbitration panel found that "Sheppard Mullin's conduct was not so serious or egregious as to make disgorgement of fees appropriate" where the representation of the adverse client "was unrelated to the subject of the J-M representation, and therefore the conflict did not pervade the whole relationship with J-M ..." *Id.* A California trial court affirmed the arbitration award, but J-M appealed, arguing that the violation of CRPC 3-310 on conflicts of interest rendered the engagement contract illegal or void as a matter of public policy. *Id.* at 261.

Turning to the merits, the court held that Sheppard Mullin "[was] not entitled to its fees for the work it did for J-M while there was an actual conflict with [its other client]." *Id.* at 274. In reaching this

conclusion, the court relied primarily on two California appeals court cases from the 1970's. See, Id. at 272 (analyzing Goldstein v. Lees, 120 Cal.Rptr. 253 (Cal. App. 1975) and Jeffry v. Pounds, 136 Cal.Rptr.373 (Cal. App. 1977)). The Goldstein court found an engagement contract "void for reasons of public policy" where counsel represented a minority shareholder and director in a proxy fight to gain control of a company for which the attorney had served as in-house counsel several years prior to the proxy fight. 120 Cal.Rptr. at 254-255. Central to the decision was the fact that the attorney possessed "corporate secrets that [were] material to the proxy fight." Id. at 255. In Jeffry, a small law firm's lead partner represented both a husband in a personal injury action and his wife in her divorce proceeding against the husband. 67 Cal.App 3d at 374-375. There, the court denied any fees for work performed after the conflict arose even though the representations involved "unrelated matters" and the law firm did not have a "dishonest purpose" or engage in "deliberately unethical conduct." Id. at 377.

Besides arguing for all its fees, Sheppard Mullin also argued that despite its violation of CRPC 3-310, quantum meruit should be allowed for its representation of J-M in the Qui Tam action. *Id.* at 274. However, the court pointed out that the California Supreme Court had found that quantum meruit recovery must be denied in cases of ethical violations. *Id.* (citing *Huskinson & Brown v. Wolf,* 32 Cal.4<sup>th</sup> 453, 9 Cal. Rptr.3d 693, 84 P.3d 379 (2004).) The *Sheppard Mullin* court further found that "when a conflict of interest is asserted as a "[d]efense in the attorney's action to recover fees or the reasonable value of services[, a] violation of the fiduciary obligation will defeat recovery." *Id.* at 272. (citing 1 Witkin, Cal. Proc. 5<sup>th</sup> (2008) Attys, 104, p. 142.) The *Sheppard Mullin* court found that "Sheppard Mullin's violation of Rule 3-310 preclude[d] if from receiving compensation [whatsoever] for services provided to J-M in the Qui Tam Action." *Id.* Likewise, LBBS' violation of its fiduciary duty to X'Zavion created by its failure to provide notice of its employment of Mr. Shpirt must preclude it from looking to X'Zavion for any compensation for services provided defending Mydatt and Warner against X'Zavion.

The Sheppard Mullin court was swayed by the Fair decision, in which the court found disgorgement of attorney fees appropriate regardless of any proof of damages when a conflict of interest is involved, See, Fair, 125 Cal.Rptr.3d at 779. Besides precluding a conflicted firm from seeking recovery from the aggrieved client, the Sheppard Mullin decision arguably sets precedent for the automatic disgorgement of all attorneys' fees incurred while a conflict of interest violation exists.

If anything, the facts relating to X'Zavion and LBBS are more egregious than those relating to Sheppard Mullin. While the work Sheppard Mullin performed for South Tahoe was completely unrelated and quite minor, the work performed by LBBS defending Mydatt and Warner was directly related to X'Zavion and so adverse that LBBS filed a motion to dismiss X'Zavion's complaint.

Lastly, the Sheppard Mullin court found that Sheppard Mullin's breach of the duty of loyalty set forth in Rule 3-310 was a violation of public policy. A finding that Sheppard Mullin was nonetheless entitled to its attorney fees as if no breach had occurred would undermine the same public policy. We therefore follow the reasoning of Goldstein and Jeffry and hold that Sheppard Mullin is not entitled to its fees for the work it did for J-M while there was an actual conflict with South Tahoe. Id. at 274.

From the inception of LBBS' representation of Mydatt and Warner, it had a direct conflict of interest with X'Zavion pursuant to NRPC 1.9 and 1.10. No exception under the State Bar of Nevada's Formal Opinion from the Standing Committee on Ethics, No. 39 applied to LBBS' employment of Mr. Shpirt because LBBS never provided notice to X'Zavion that Mr. Shpirt was employed with LBBS. X'Zavion never had the opportunity to consent or withhold his consent for LBBS to represent Defendants Mydatt and Warner in this matter.

At the time LBBS filed the motion to dismiss against X'Zavion on behalf of Mydatt and Warner, the firm was actively violating its duty of loyalty to X'Zavion. Such action is against public policy.

LBBS seeking to recover attorneys' fees from X'Zavion for the very work it performed while it was acting contrary to his interests is also against public policy.

Plaintiff submits that both public policy and fundamental fairness require this Court to stay the October 17, 2016 order pending adjudication from the Nevada Supreme Court. Clearly, the legal standard is total disgorgement of funds for work performed while ethically conflicted. Total disgorgement means total disgorgement. The law does not recognize an exception for a "sanction." Lewis Brisbois is required to totally disgorge all funds for its unethical behavior. Any other result would encourage such behavior by unscrupulous attorneys in the future.

#### IV. CONCLUSION

Based upon the foregoing, Plaintiff respectfully requests that this Court either stay the entirety of the October 17, 2016, order or stay the entirety of this matter pending Writ before the Nevada Supreme Court.

DATED this \\day of January, 2017.

INJURY LAWYERS OF NEVADA

DAVID J. CHURCHILL (SBN: 7038 IOLENE J. MANKE (SBN: 7436) 6900 Westcliff Drive, Suite 707 Las Vegas, NV 89145 Attorneys for Plaintiff

-eway ewa

1	CERTIFICATE OF E-SERVICE		
2	Pursuant to NRCP 5(b)(2)(D) and EDCR 7.26(a)(4), I hereby certify that on the		
3	January, 2017, I served the foregoing PLAINTIFF'S LIMITED JOINDER TO DEFENDANTS'		
5	MOTION TO STAY LITIGATION AND CONTINUE TRIAL ON ORDER SHORTENING		
6	TIME AND RENEWED COUNTERMOTION TO STAY ORDER PENDING WRIT BEFORE		
7	NEVADA SUPREME COURT on the following parties via Electronic Service as follows:		
8			
9	DAVID S. LEE (SBN: 6033) EDGAR CARRANZA (SBN: 5902) CHARLENE N. RENWICK (SBN: 10165) BACKUS, CARRANZA & BURDEN		
10	LEE, HERNANDEZ, LANDRUM & 3050 S. Durango Drive GAROFALO Las Vegas, Nevada 89117		
11	7575 Vegas Drive, Suite 150 E-Mail: ecarranza@backuslaw.com   Las Vegas, Nevada 89128 Attorneys for Defendants		
12	E-Mail: dlee@leelawfirm.com MYDATT SERVICES, INC. d/b/a VALOR crenwick@lee-lawfirm.com SECURITY SERVICES and MARK WARNER		
13	Attorneys for Defendants GGP MEADOWS MALL LLC:		
14	MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES; and		
15	and MARK WARNER		
16	an employee of Injury Lawyers of Nevada		
17	an employee of figury Lawyers of Nevada		
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## Exhibit 4

## Exhibit 4

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1	MSTY	Electronically Filed
	DAVID S. LEE, ESQ. Nevada Bar No.: 6033	01/06/2017 10:03:31 AM
-2	CHARLENE N. RENWICK, ESQ.	•
3	Nevada Bar No. 010165	Alun to Chum
4	LEE, HERNANDEZ, LANDRUM & GAROFALO	CLERK OF THE COURT
_	7575 Vegas Drive, Suite 150	CLERKOT THE COOK!
5.	Las Vegas, Nevada 89128 (702) 880-9750	
6	Fax; (702) 314-1210	
7	dlee@lee-lawfirm.com   crenwick@lee-lawfirm.com	
8	Attorneys for Defendants, GGP MEADOWS MALL LLC, MYDATT	
9	SERVICES, INC. dba VALOR	
10	SECURITY SERVICES and MARK WARNER	
11	EDGAR CARRANZA, ESQ. Nevada State Bar No. 5902	
12	BACKUS, CARRANZA & BURDEN	
13	3050 S. Durango Drive Las Vegas, Nevada 89117	
	(702) 872-5555	
14	Fax: (702) 872-5545 ecarranza@backuslaw.com	
15		
16	Attorneys for Defendants, MYDATT SERVICES, INC. dba VALOR	
	SECURITY SERVICES and	
17	MARK WARNER	
18		T COURT
19		NTY, NEVADA
•	X'ZAVION HAWKINS,	CASE NO.: A-15-717577-C
20	Plaintiff,	DEPT, NO.: XXXI
21	j. idintin,	
22	vs.	
22	OCT LATE TO THE LATE I LEG - Delevering	DEFENDANTS GGP MEADOWS MALL
23	GGP MEADOWS MALL LLC, a Delaware Limited Liability Company; MYDATT	LLC, MYDATT SERVICES, INC. DBA VALOR SECURITY SERVICES, AND
24	SERVICES, INC. dba VALOR SECURITY	MARK WARNER'S MOTION TO STAY
25	SERVICES, an Ohio Corporation; MARK	LITIGATION AND CONTINUE TRIAL ON AN ORDER SHORTENING TIME
	WARNER, individually; DOES 1 through 10; DOE SECURITY GUARDS 11 through 20;	DEPARTMENT XXXI
26	and ROE ENTITIES 21 through 30,	NOTICE OF HEARING
27	inclusive,	DATE VIZIR THE 9:30 and
28	Defendants.	APPROVED BY YW
40		

GGP MEADOWS MALL LLC, a Delaware Limited Liability Company, MYDATT SERVICES, INC. dba VALOR SECURITY SERVICES, an Ohio Corporation; MARK WARNER, individually,

Third Party Plaintiffs,

ASHLEY CHRISTMAS, individually; ZACCHAEUS BERRY, aka ZAK BERRY, aka ZACHARY BERRY, aka ZACHARIAS BERRY individually; DOES 1 through 10; and ROE ENTITIES 11 through 20. inclusive.

Third Party Defendants.

DEFENDANTS GGP MEADOWS MALL LLC, MYDATT SERVICES, INC. DBA VALOR SECURITY SERVICES, AND MARK WARNER'S MOTION TO STAY LITIGATION AND CONTINUE TRIAL ON AN ORDER SHORTENING TIME.

COME NOW Defendants/Third Party Plaintiffs, GGP MEADOWS MALL LLC, MYDATT SERVICES, INC. dba VALOR SECURITY SERVICES and MARK WARNER, by and through its attorneys, LEE, HERNANDEZ, LANDRUM, GAROFALO, APC, and BACKUS, CARRANZA & BURDEN, on behalf of MYDATT SERVICES, INC. dba VALOR SECURITY SERVICES and MARK WARNER only, and pursuant to NRAP 8(a)(1) and EDCR 7.30 (a), hereby move this Honorable Court for an Order staying litigation, and continuing trial as outlined herein, on an Order Shortening Time.

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27 III

This Motion is based on the pleadings and papers herein, the affidavit of counsel, the 1 2 following points and authorities, and any oral argument that this Court may entertain at the time of hearing. 3 DATED this 30th day of December, 2016 4 LEE, HERNANDEZ, LANDRUM & 5 **GAROFALO** 6 7 By: DAVID S. LEE, ESQ. 8 Nevada Bar No. 6033 CHARLENE N. RENWICK, ESO. 9 Nevada Bar No. 010165 10 7575 Vegas Drive, Suite 150 Las Vegas, NV 89128 11 Attorneys for Defendants, GGP MEADOWS MALL LLC, MYDATT 12 SERVICES, INC. dba VALOR SECURITY SERVICES and MARK WARNER 13 14 ORDER SHORTENING TIME 15 Upon application, the supporting affidavit of Charlene N. Renwick, Esq., counsel for 16 Defendants GGP MEADOWS MALL LLC, MYDATT SERVICES, INC. dba VALOR 17 SECURITY SERVICES and MARK WARNER's ("Defendants"), and good cause appearing 18 therefor: 19 IT IS HEREBY ORDERED that the time for hearing on Defendants' Motion to Stay 20 Litigation and Continue Trial on an Order Shortening Time is hereby is shortened. Said Motion 21 day of January, 2017 at 170 A.m. in Department XXXI of the shall be heard on the 22 above-entitled Court. 23 day of January, 2017. DATED this Motior/must be filed/served by: JOANNA S. KISHNER position must be filed/served by:

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Replymust be filed/served by

Please provide courtesy copies to Chambers upon filing

ÐÍSTRICT COURT JUDGE

#### AFFIDAVIT OF CHARLENE N. RENWICK, ESQ. IN SUPPORT OF MOTION TO STAY LITIGATION AND CONTINUE TRIAL ON ORDER SHORTENING TIME.

STATE OF NEVADA	)
COUNTY OF CLARK	) ss )

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- I, CHARLENE N. RENWICK, ESQ., depose and state under oath as follows:
- I am an attorney duly licensed to practice law in the State of Nevada and am an Î. associate at the law firm of LEE, HERNANDEZ, LANDRUM & GAROFALO.
- 2. I am an attorney of record for Defendants GGP Meadows Mall, LLC, MYDATT SERVICES, INC. dba VALOR SECURITY SERVICES, and MARK WARNER, in the instant matter, and have personal knowledge of the facts set forth herein, except those stated upon information and belief, which are based upon my knowledge and belief of their veracity, and am competent to testify thereto.
  - 3. The current trial date in this matter is set for March 13, 2017.
- 4. On or about August 24, 2016, the Court entered an Order Denying in Part and Granting in Part Defendant's Motion to Dismiss Plaintiff's Complaint.
  - 5. The relief granted in said Order included,
    - ... a curative jury instruction(s) that seeks to address the harm caused by Plaintiff's discovery abuses by establishing inter alia that if Plaintiff had complied with his obligations under NRCP 16.1, NRCP 30, NRCP 33 and NRCP 36, evidence and testimony would have been discovered which would have more accurately reflected the circumstances involved in the altercation at issue between Plaintiff and the assailants as indicated in the voluntary statement provided to LVMPD. The applicable curative jury instruction(s) will be crafted by the parties and this Court contemporaneous with the submission of all jury instructions closer to the time of trial.
- 6. Further, said Order also granted, upon a showing of good cause and a timely request by Defendants, a trial continuance.
- 7. On November 22, 2016, Plaintiff filed a Petition for Extraordinary Writ Relief with the Nevada Supreme Court, specifically challenging: a) the court's allowance of the Motion to Dismiss based on the work of the disqualified law firm Lewis Brisbois Bisgaard and Smith; b),

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the Court's award of attorneys' fees and costs awarded to the disqualified law firm; and c) the Court's granting of a curative jury instruction.

- 8. On December 15, 2016, the Nevada Supreme Court entered an Order directing Defendants, as Real Parties in Interest, to file an Answering Brief to the Plaintiff's Writ by no later than January 16, 2017 (30 days from Order), specifically addressing whether attorney fees may be awarded as sanctions when the attorneys generating the fees were disqualified from the case under NRPC. Said Order also directed Plaintiff to file a Reply Brief within 15 days of service of Defendants' Answering Brief, which would be no later than February 1, 2017.
- 9. Based on the Nevada Supreme Court's historical timeline for issuing decisions on pending Writs, it is Defendants' reasonable belief that the Nevada Supreme Court will not issue a decision on the Plaintiff's pending Writ in advance of the March 13, 2017 trial date in this matter.
- 10. Given that Plaintiff's Writ challenges the curative jury instruction(s) that this Court awarded to Defendants, litigation in this matter must be stayed, and the trial date necessarily continued, as the allowance of such a jury instruction(s) is a central issue to the trial.
- 11. Given that the jury instruction(s) issue must be decided before trial commences in this matter, good cause exists to stay the litigation, and continue trial, and should be granted pursuant to the District Court's August 24, 2016 Order, NRAP 8 (a)(1) and EDCR 7.30 (a).

FURTHER THIS AFFIANT SAYETH NAUGHT.

DATED this 30th day of December, 2016.

CHARLENE N. RENWICK, ESQ.

SUBSCRIBED AND SWORN to before me this 30th day of December, 2016.

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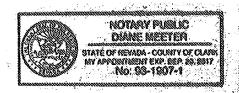
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county and state.

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## LEE, HERNANDEZ, LANDRUM & GAROFALO 7575 YEGAS DRIVE, SUITE 150 LAS VEGAS, NV 89128 (702):880-9750

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#### MEMORANDUM OF POINTS AND AUTHORITIES

I.

#### INTRODUCTION

As this Court will recall from the arguments raised in briefing by Defendants, Mydatt Services, Inc. and Mark Warner's (collectively "Mydatt") in their recent Motion to Strike Plaintiff's Complaint and Dismissal, the Plaintiff in this matter is seeking to avoid payment of the previously awarded sanctions for discovery abuses, while proceeding to trial with his claims, demonstrating blatant disrespect for the judicial system, and specifically the decisions and orders of this Court. The instant Motion seeks continuance of trial in this matter, as the Plaintiff's strategy of contesting this Court's August 24, 2016 Order Denying in Part and Granting in Part Defendants Motion to Dismiss Plaintiff's Complaint, along with the October 7, 2016 Order on fees and costs, by way of filing a Writ Petition with the Nevada Supreme Court, is a transparent attempt to cripple the judicial process in this matter, Specifically, this Court will note that Plaintiff is challenging this Court's award of a curative jury instruction to address Plaintiff's deceit and perjury during the discovery process, however, he has intentionally not sought a stay of the litigation pending the Nevada Supreme Court's decision on the same, as he is seeking to force trial in this matter while avoiding the attorney's fees and jury instruction sanctions, knowing full well that this Court cannot permit the awarded instruction while the same is being contested. As such, Defendants contend that until the Nevada Supreme Court rules on Plaintiff's pending Writ, which specifically challenges the curative jury instruction(s) awarded to the defense in this Court's August 24, 2016 Order, litigation must be stayed in this matter, and trial must be continued.

It should be noted that the requested stay and trial continuance will not impact discovery, which closed on September 16, 2016 (and will not be reopened), other than the deposition of defense expert Dwayne Tatalovich, which is outstanding due to the expert's medical issues. The only other deadlines which will be impacted by the requested stay and should be continued in relation to the same, are the deadlines for motions in limine, the pre-trial memorandum deadline,

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and the pre-trial conference and calendar call dates, which are the only trial related deadlines that remain in this case.

The Defendants timely filed their Motion for Summary Judgment on October 31, 2016. and as this Court will recall, the decision on the same has been deferred to February 17, 2017. Given that the pending Motion for Summary Judgment is entirely unrelated to Plaintiff's Writ-Petition, and cannot be impacted by any decision issued by the Nevada Supreme Court, this Court is not precluded from issuing its decision on said Motion, and Defendants request that the date for decision on the same not be continued or stayed. Further, as the Court also deferred its decision on Mydatt's pending Motion to Strike to February 17, 2017, Defendants request that the Court's decision on the same not be continued.

#### II.

#### PROCEDURAL BACKGROUND

This Court heard Defendants' Motion to Dismiss Plaintiff's Complaint on May 3, 2016, and held a subsequent evidentiary hearing on July 21, 2016. Following the evidentiary hearing, this Court denied dismissal of Plaintiff's Complaint, however, it granted sanctions against Plaintiff for his discovery abuses as follows: a) attorney's fees and costs; b) a curative jury instruction(s) to address the harm caused by Plaintiff's discovery abuses by establishing inter alia that if Plaintiff had complied with his obligations under NRCP 16.1, NRCP 30, NRCP 33 and NRCP 36, evidence and testimony would have been discovered which would have more accurately reflected the circumstances involved in the altercation at issue between Plaintiff and the assailants as indicated in the voluntary statement provided to LVMPD; and c) a continuation of the discovery period and trial, at the Defendants' timely request for the same.

Following the Court's Order on the Motion to Dismiss, Defendants filed a Motion for Attorney's Fees and Costs. On October 7, 2016, the Court issued an Order awarding the defense a total of \$196.66 in costs and \$41,635 in attorney's fees, which was broken down as follows: \$19,846 for the Lewis Brisbois firm; \$11,629.50 for the Lee Law Firm, and \$10,159.50 for the Backus Carranza firm. Plaintiff ignored this Court's Order, much like he completely disregarded the rules of discovery in this litigation which led to the original Motion to Dismiss, and refused to

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pay the ordered fees and costs. Instead, on November 22, 2016, Plaintiff filed a Petition for Extraordinary Writ Relief with the Nevada Supreme Court, specifically challenging: a) the court's allowance of the Motion to Dismiss based on the work of the disqualified law firm Lewis Brisbois; b), the Court's award of attorneys' fees and costs awarded to the disqualified law firm; and c) the Court's granting of a curative jury instruction to the defense. It should be noted that nowhere in the Writ does Plaintiff challenge the award of attorney's fees to the non-disqualified attorneys for the defense, however, he refused to timely pay the same in the hopes of proceeding with trial, while ignoring the sanctions ordered by this Court for his prior discovery abuses.

As this Court will also recall, trial in this matter was previously set to commence on November 14, 2016, however, the same was continued to March 13, 2017, as Defendants Mydatt and Mark Warner's expert, Dwayne Tatalovich, has a serious medical condition that precludes him from being deposed until January 2017. Based on the same, the parties entered into a Stipulation and Order, entered on October 13, 2016, which confirms the following: 1) discovery in this matter closed on September 16, 2016, with the sole exception of agreed upon expert depositions<sup>1</sup>; 2) the deadline for dispositive motions is October 31, 2016; 3) the deadline for motions in limine is December 9, 2016 (which was later changed to January 16, 2017, by the Court's October 17, 2016 Amended Order Setting Civil Jury Trial); 4) the deadline for motions in limine related to Mr. Tatalovich is January 27, 2017; 5) trial is continued to March 13, 2017 at 9:00 a.m.; 6) the Pre-Trial Conference is February 9, 2017 at 10:15 a.m.; and 7) Calendar Call is March 7, 2017 at 9:00 a.m.

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Plaintiff's expert, Anthony Niether was deposed on December 6, 2016, and defense expert Dwayne Tatalovich's deposition is the only remaining discovery to be completed.

# LEE, HERNANDEZ, LANDRUM & GARGFALO. 7575 VEGAS, DRIVE, SUITE 150 LAS VEGAS, NV 89128

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#### III.

#### LEGAL STANDARD

The Nevada Rules of Appellate Procedure require that:

A party must ordinarily move first in the district court for the following relief:

- (A) a stay of the judgment or order of, or proceedings in, a district court pending appeal or resolution of a petition to the Supreme Court or Court of Appeals for an extraordinary writ;
- (B) approval of a supersedeas bond; or
- (C) an order suspending, modifying, restoring or granting an injunction while an appeal or original writ petition is pending.

See NRAP 8 (a)(1) (emphasis added). The Nevada Supreme Court has held that NRAP 8 is not only applicable to matters on appeal, but should also apply to writ petitions when the order challenged by the petition is issued by a district court. Hansen v. Eight Judicial District Court, 116 Nev. 650, 657, 6 P.3d 982 (2000).

- (1) Whether the object of the appeal or writ petition will be defeated if the stay is denied;
- (2) Whether appellant/petitioner will suffer irreparable or serious injury if the stay is denied;
- (3) Whether respondent/real party in interest will suffer irreparable or serious injury if the stay is granted; and
- (4) Whether appellant/petitioner is likely to prevail on the merits in the appeal or writ petition.

Hansen v. Eighth Judicial Dist. Court ex rel. County of Clark, 116 Nev. 650, 657, 6 P.3d 982, 986 (2000) (citing NRAP 8 (c); Kress v. Corey, 65 Nev. 1, 189 P.2d 352 (1948)). As discussed in further detail below, the above factors weigh in favor of staying litigation in this matter, as the issue of the curative jury instruction is a crucial element of the trial, and without a final decision on Plaintiff's Writ which challenges the same, litigation must be stayed and trial must be continued.

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Further, pursuant to the Eighth Judicial District Court Rules,

Any party may, for good cause, move the court for an order continuing the day set for trial of any cause. A motion for continuance of a trial must be supported by affidavit except where it appears to the court that the moving party did not have the time to prepare an affidavit, in which case counsel for the moving party need only be sworn and orally testify to the same factual matters as required for an affidavit. Counter-affidavits may be used in opposition to the motion.

See EDCR 7.30 (a). In determining whether a trial continuance should be granted, "Je ach case turns on its own particular facts, and much weight is given to the reasons offered to the trial judge at the time the request for a continuance is made." Higgs v. State, 126 Nev. 1, 9, 222 P.3d 648. 653 (2010) (citing Zessman v. State, 94 Nev. 28, 31, 573 P.2d 1174, 1177 (1978)). Whether a motion to continue trial should be granted is within the sound discretion of the trial court, and its decision will not be disturbed on appeal absent an abuse of discretion. Batson v. State, 113 Nev. 669,941 P.2d 478 (1997); See also Southern Pacific Transportation Company v. Fitzgerald, 94 Ney. 241, 577 P.2d 1234 (1978) and Sheeketski v. Bortoli. 86 Nev. 704, 475 P.2d 675 (1970).

#### IV.

#### ARGUMENT

Defendants request that litigation in this matter be stayed, and trial continued until the Nevada Supreme Court issues its decision on Plaintiff's pending Writ as the same specifically challenges the curative jury instruction(s) that this Court awarded to the defense as a result of Plaintiff's grave discovery abuses in this case.

#### Litigation Should be Stayed Pursuant to NRAP 8.

#### i. Object of Writ Petition will be Defeated if Stay is Denied.

Based on the factors outlined in the Hansen case, litigation in this matter should be stayed pending the Nevada Supreme Court's decision on Plaintiff's pending Writ. To begin, one of the central issues of Plaintiff's Writ is whether or not the District Court improperly awarded Defendants a curative jury instruction. As this Court noted in its August 24, 2016 Order Denying in Part and Granting in Part Defendants Motion to Dismiss Plaintiff's Complaint, Plaintiff failed to provide Defendants with necessary information that was within his knowledge, oustody and control, related to the altercation which led to his shooting. Recognizing the severe prejudice to

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Defendants as a result of Plaintiff's intentional discovery abuses, this Court sought to balance the same by awarding the defense a curative jury instruction(s).

> ....that seeks to address the harm caused by Plaintiff's discovery abuses by establishing inter alia that if Plaintiff had complied with his obligations under NRCP 16.1, NRCP 30, NRCP 33 and NRCP 36, evidence and testimony would have been discovered which would have more accurately reflected the circumstances involved in the altercation at issue between Plaintiff and the assailants as indicated in the voluntary statement provided to LVMPD.<sup>2</sup>

Given that the jury instruction award is a central issue in Plaintiff's Writ Petition, procedurally, litigation and trial in this matter cannot go forward until said issue is decided by the Nevada Supreme Court. If litigation were to continue and this matter were to proceed to trial on March 13. 2017, Defendants will request that the Court provide the previously ordered curative jury instruction. This will clearly defeat the object of Plaintiff's Writ Petition. Alternatively, if litigation continues and this matter proceeds to trial, Defendants will be severely prejudiced if the curative jury instruction, which was awarded to address Plaintiff's grievous discovery abuses, is not provided to the defense at trial.

#### ii. Harm or Serious Injury to the Parties if the Stay is Granted.

Plaintiff will not suffer any harm or injury in this matter if the case is stayed and trial is continued, as he is the party challenging this Court's pre-trial orders in this case, specifically the curative jury instruction. If litigation continues and this matter proceeds to trial, Defendants will insist on the curative jury instruction(s) that this Court previously awarded to the defense, which would ultimately harm Plaintiff at the time of trial, as he is challenging the validity of such instruction. As such, the requested stay benefits Plaintiff. Defendants, on the other hand, would suffer irreparable harm and injury if they were forced to proceed to trial without having a decision on whether the jury instruction is permissible, given that said instruction seeks to correct the Plaintiff's acts of perjury and deceit during the discovery process, which have III

<sup>&</sup>lt;sup>2</sup> See Exhibit 1, District Court Order Denying in Part Granting in Part Mation to Dismiss, pages 6-7, lines 22-25; 1-6 (August 24, 2016).

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Defendants' from obtaining relevant evidence about the facts and circumstances surrounding his injuries and claims.

#### iii. Whether Plaintiff will Prevail on the Merits.

With respect to whether the Plaintiff will prevail on the Writ, and specifically the issue of the curative jury instruction, Defendants do not believe that Plaintiff will prevail on the merits. This is supported by the fact that the Nevada Supreme Court's Order directing real parties in interest to file an answering brief, specifically identified the issue of whether attorneys' fees may be awarded to disqualified attorneys. With that said, the defense cannot divine what the Nevada Supreme Court's ultimate decision on the Writ Petition will be. Moreover, the Nevada Supreme Court has "not indicated that any one factor carries more weight than the others, although . . [it] recognizes that if one or two factors are especially strong, they may counterbalance other weak factors." Mikohn Gaming Corp. v. McCrea, 120 Nev. 248, 251, 89 P.3d 36, 38 (2004) (internal citation omitted). Based on the same, whether or not the Plaintiff will prevail on the Writ is not a crucial factor for this Court's determination here. What this Court must take into consideration is the fact that a central issue of the Writ is determinative of a critical element of trial (i.e. whether or not a curative jury instruction is issued for Defendants), and this alone precludes litigation and trial from proceeding in this matter until the pending Writ is decided by the Nevada Supreme Court.

#### Good Cause Exists for Staying Litigation and Continuing Trial. В.

In light of the additional briefing ordered by the Nevada Supreme Court, and given the fact that the Court's historical timelines for issuing decisions on Writ Petitions are typically much longer than 30 days, stretching into a year if not longer, it is not reasonable to believe that the Court will issue a decision on Plaintiff's Writ in advance of the March 13, 2017 trial date, Again, without a decision on Plaintiff's Writ Petition, which challenges an element of proposed trial procedure in this case, good cause exists to stay the litigation and continue trial.

Further, this Court specifically made allowance for a trial continuance in its August 24. 2016 Order, as another sanction against Plaintiff for his discovery abuses, Pursuant to the same. upon timely request and good cause shown, the Order states that this Court "shall" grant an

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extension of trial.3 As discussed above, Defendants are not seeking to continue discovery in this matter, and the same should not be reopened, as discovery closed on September 16, 2016, other than the remaining deposition of defense expert Dwayne Tatalovich. The only dates which would be impacted by the requested trial continuance, and should be stayed in relation to the same, are the deadlines for motions in limine, the pre-trial memorandum deadline, and the pre-trial conference and calendar call dates, which are the only trial related deadlines that remain in this case. Further, Defendants request that the February 17, 2017 date that this Court provided for the issuance of its decisions on the pending Motions for Summary Judgment and to Strike Plaintiff's Complaint and Dismissal not be continued, as there is no reason for the same. None of the arguments raised in the Motion for Summary Judgment are at issue in the Writ, and cannot possibly be impacted by the same. As such, there is nothing precluding this Court from issuing its decision on the same. With respect to the pending Motion to Strike, as this Court noted during oral argument for the same, Plaintiff does not challenge the Court's award of attorney's fees to the two non-disqualified law firms, and the Court may rule on said Motion with respect to Plaintiff's violation of that part of its prior Order.

#### V.

#### CONCLUSION

Based on the foregoing, Defendants respectfully request that litigation be stayed and trial continued, with no further allowance of discovery other than the outstanding deposition of Mr. Tatalovich, and that the remaining trial deadlines be continued accordingly. This request will not result in any prejudice to Plaintiff, who himself has put this matter in the very path of a stay and trial continuance by challenging the Court's prior orders in this case, which are central to the determination of this case by a jury. On the other hand, failure to stay the litigation and continue the March 13, 2017 trial date will result in severe prejudice to the defense as Defendants require a decision on the curative jury instruction issue, which Plaintiff is seeking to preclude at the time of  $H\ell$ 

<sup>&</sup>lt;sup>3</sup> <u>Id.</u> at page 7, lines 9-14.

trial. As such, Defendants have demonstrated good cause, and the instant Motion should be granted.

DATED this 30th day of December, 2016

### LEE, HERNANDEZ, LANDRUM & GAROFALO

By:

DAVID S. LEE, ESQ.
Nevada Bar No. 6033
CHARLENE N. RENWICK, ESQ.
Nevada Bar No. 010165
7575 Vegas Drive, Suite 150
Las Vegas, NV 89128
Attorneys for Defendants, GGP
MEADOWS MALL LLC, MYDATT
SERVICES, INC. dba VALOR SECURITY
SERVICES and MARK WARNER

Exhibit "1"

#### DISTRICT COURT

#### **CLARK COUNTY, NEVADA**

Plaintiffs.

GGP MEADOW MALL LLC, a Delaware Limited Liability Company; MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES, an Ohio Corporation; MARK WARNER, individually; DOES I through 10; DOE SECURITY GUARDS 11 through 20; and ROE ENTITES 21 through 30, Inclusive,

Defendants.

Case No. A717577

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CLERK OF THE COURT

#### ORDER DENYING IN PART AND GRANITING IN PART MOTION TO DISMISS

Date of hearing:

07-21-16

Time of hearing:

9:30 a.m.

Defendants, MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER's (collectively referred to herein as "Mydatt") Motion to Dismiss, filed on March 23, 2016; Defendant, GGP MEADOW MALL LLC's (referred to herein as "GGP") Joinder, filed on April 1, 2016; Plaintiff, X'ZAVION HAWKINS' (hereinafter referred to as "Plaintiff") Opposition to the Motion to Dismiss and Countermotion for Sanctions, filed on March 8, 2016; and Mydatt's reply to Opposition and Countermotion, filed on April 26, 2016; came on for hearing before this Court on May 3, 2016, and an Evidentiary Hearing July 21.

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DETRUT ICCOE SCASTARAT XXXI VIDIAS, NEVADA 20150

2016. This honorable Court having reviewed the pleadings filed, the evidence admitted, witness testimony presented and oral arguments from the parties hereby grants and denies the Molion to Dismiss finding as follows:

- Nevada Rule of Civil Procedure ("NRCP") 37(a)(2)(8) allows the 1. Court to grant sanctions, upon motion by a party, for discovery abuses as follows:
  - (B) If a deponent fails to answer a question propounded or submitted under Rules 30 or 31, or a corporation or other entity fails to make a designation under Rule 30(b)(6) or 31(a), or a party fails to answer an interrogatory submitted under Rule 33, or if a party, in response to a request for inspection submitted under Rule 34, fails to respond that inspection will be permitted as requested or fails to permit inspection as requested, the discovering party may move for an order compelling an answer, or a designation, or an order compelling inspection in accordance with the request. The motion must include a certification that the movant has in good faith conferred or attempted to confer with the person or party failing to make the discovery in an effort to secure the information or material without court action. When taking a deposition on oral examination, the proponent of the question may complete or adjourn the examination before applying for an Order.

2. NRCP 37(a)(4) allows an award of fees and costs in response to a motion under Rule 37:

(A) If the motion is granted or if the disclosure or requested discovery is provided after the motion was filed, the court shalf, after affording an opportunity to be heard, require the party or deponent whose conduct necessitated the motion or the party or attorney advising such conduct or both of them to pay to the moving party the reasonable expenses incurred in making the motion, including attorney's fees, unless the court finds that the motion was filed without the movant's first making a good faith effort to obtain the disclosure or discovery without court action, or that the opposing party's nondisclosure, response or objection was substantially justified, or that other circumstances make an award of expenses unjust.

(C) If the motion is granted in part and denied in part, the court may enter any protective order authorized under Rule 26(c) and may, after affording an opportunity to be heard, apportion the reasonable expenses incurred in relation to the motion among the parties and persons in a just manner.

3. NRCP 37(b) allows for additional sanctions against a party as

#### follows:

- (2) Sanctions—Party. If a party or an officer, director, or managing agent of a party or a person designated under Pule 30(b)(6) or 31(a) to testify on behalf of a party fails to obey an order to provide or permit discovery, including an order made under subdivision (a) of this rule or Fule 35, or if a party fails to obey an order entered under Rules 16, 16.1, and 16.2, the court in which the action is pending may make such orders in regard to the failure as are just, and among others the following:
  - (A) An order that the matters regarding which the order was made or any other designated facts shall be taken to be established for the purposes of the action in accordance with the claim of the party obtaining the order;
  - (B) An order refusing to allow the disobedient party to support or oppose designated claims or defenses, or prohibiting that party from introducing designated matters in evidence;

- (C) An order striking out pleadings or parts thereof, or staying further proceedings until the order is obeyed, or dismissing the action or proceeding or any part thereof, or rendering a judgment by default against the disobedient party;
- (D) In lieu of any of the foregoing orders or in addition thereto, an order treating as a contempt of court the failure to obsy any orders except an order to submit to a physical or mental examination:
- (E) Where a party has failed to comply with an order under Rule 35(a) requiring that party to produce another for examination, such orders as are listed in subparagraphs (A), (B), and (C) of this subdivision, unless the party failing to comply shows that that party is unable to produce such person for examination.

In lieu of any of the foregoing orders or in addition thereto, the court shall require the party failing to obey the order or the attorney advising that party or both to pay the reasonable expenses, including attorney's fees, caused by the failure, unless the court finds that the failure was substantially justified or that other circumstances make an award of expenses unjust.

- 4. Courts are empowered, pursuant to the unclean hands doctrine, to close the doors to the courthouse to a littigant who is "tainted with inequitableness or bad faith relative to the matter in which he seeks relief."
- 5. NRCP 1 provides courts the inherent discretion to construe and administer the rules of civil procedure "to secure the just, speedy, and inexpensive determination of every action."
- 6. This Court finds that after a full evidentiary hearing where both parties were able to provide witness testimony and evidence. Plaintiff failed to provide information requested by Mydatt in the written discovery and by Mydatt

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See. Precision Instrument Manufacturing Co. v. Automotive Maintenance Mach. Co., 324 U.S. 804, 814-15 (1945).

and GGP at Plaintiff's deposition which was within Plaintiff's knowledge, custody and control. This includes, but is not limited to, the identity of the assailants involved in the August 17, 2013, altercation; descriptions of the assailants; the history between Plaintiff and the assailants; the facts involving the altercation; and Plaintiff's role in the altercation. And that such failure violated the spirit and intent of the discovery rules of this Court.

- 7. This Court further finds that Plaintiff failed to provide some of this information as part of his mandatory obligations pursuant to NRCP 16.1.
- 8. This Court further finds that the failure to provide the information, and denying knowledge of the information in response to the written discovery requests as required under NRCP 33 and 35 and during his deposition, is belied by evidence and testimony presented, including Plaintiff's voluntary statement provided to the Las Vegas Metropolitan Police Department as part of its investigation of the August 17, 2013, shooting, the testimony of Detective Majors (which this Court finds to be credible) and by Plaintiff's Complaint field with this Court on April 27, 2015.
- This Court further finds that Plaintiff's testimony and attempted explanation of memory lapses was not supported by credible evidence.
- 10. No prior Order has been issued by this Court related to the discovery requests, deposition testimony, NRCP 16.1 disclosures, or information at issue. Given there is not a prior Order relating to the above referenced violations, the Court finds that at this juncture the requested relief of terminating sanctions is not appropriate.

<sup>2</sup> 106 Nev. 88 (1990).

11. Given the extent and gravity of the conduct, however, this Court finds that, nonetheless, sanctions are warranted against Plaintiff based on both Nevada law, including *Young v. Johnny Ribeiro*<sup>2</sup> and its progeny; the evidence and testimony presented; and Plaintiff's conduct in litigating this case.

Accordingly, this honorable Court orders as follows:

IT IS HEREBY ORDERED, DECREED, AND ADJUDGED that Defendant,
Mydatt's Motion to Dismiss is hereby DENIED in part and GRANTED in part.

IT IS FURTHER ORDERED, DECREED, AND ADJUDGED that

Defendant Mydatt's request that Plaintiff's Complaint be dismissed based on the discovery abuses involved is hereby DENIED without prejudice.

IT IS FURTHER ORDERED, DECREED, AND ADJUDGED that sanctions are GRANTED against Plaintiff for the discovery and disclosure abuses involved as follows:

- A. Defendants, Mydatt and GGP, shall be awarded, and Plaintiff shall pay, reasonable attorney's fees and costs in an amount to be determined by this Court after proper submissions by all parties.

  The amount shall be paid by Plaintiff within 14 days of the entering of the Order setting forth the sanction amount;
- B. If requested by Defendant(s), the Court shall provide a curative jury instruction(s) that seeks to address the harm caused by Plaintiff's discovery abuses by establishing inter alia that if Plaintiff had complied with his obligations under NRCP 16.1, NRCP 30, NRCP

33 and NRCP 36, evidence and testimony would have been discovered which would have more accurately reflected the circumstances involved in the altercation at issue between Plaintiff and the assailants as indicated in the voluntary statement provided to LVMPD. The applicable curative jury instruction(s) will be crafted by the parties and this Court contemporaneous with the submission of all jury instructions closer to the time of trial;

C. If good cause is shown, the Court shall grant an extension of the discovery period, currently set for September 16, 2016, and trial, currently set for November 14, 2016, upon a timely request by Defendants Mydatt and GGP upon further consideration of the preparation required.

IT IS FURTHER ORDERED, DECREED, AND ADJUDGED that no settlement conference will be ordered at this time as the parties have broached settlement discussions informally and will continue to pursue on their own terms.

DATED this 18th day of August, 2016.

JOÃNNA S. KISHNER ÓDISTRICT COURT JUDGE

#### **CERTIFICATE OF SERVICE**

I hereby certify that on or about the date filed, a copy of this Order was

provided to all counsel, and/or parties listed below via one, or more, of the

following manners: via email, via facsimile, via US mail, via Electronic Service if

the Attorney/Party has signed up for Electronic Service, and/or a copy of this

Order was placed in the attorney's file located at the Regional Justice Center:

ALL PARTIES SERVIED VIA E-SERVICE

TRACY L. CORDOBA-WHEELE
Judicial Executive Assistant

28
JOANNA S. KISHNER
DISTRUT RINSE
DEPARTMENT XXXI
LAS YEGAS, NEYADA 39131

## Exhibit 3

## Exhibit 3

RTRAN

CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

X'ZAVION HAWKINS,

Plaintiff,

CASE NO. A-15-717577-C

v.

DEPT. XXXI

GGP MEADOWS MALL, LLC, ET AL.

Defendants.

BEFORE THE HONORABLE JOANNA S. KISHNER, DISTRICT COURT JUDGE

TUESDAY, DECEMBER 20, 2016

RECORDER'S TRANSCRIPT MOTIONS HEARING

APPEARANCES:

For the Plaintiff:

DAVID J. CHURCHILL

Law Office of David J. Churchill

For the Defendants:

EDGAR CARRANZA

Backus, Carranza & Burden

Attorneys at Law

CHARLENE RENWICK

Lee, Hernandez, Landrum, Garofalo,

& Blake

Attorneys at Law

RECORDED BY: RACHELLE HAMILTON



TUESDAY, DECEMBER 20, 2016 AT 9:58 A.M.

THE COURT: GGP Meadow Mall, LLC, et al., 717577.

Counsel, would you like to come forward and make your appearances?

MS. RENWICK: Good morning, Your Honor. Charlene Renwick on behalf of all Defendants, GGP, Mydatt, and Mark Warner.

MR. CARRANZA: Good morning, Your Honor. Edgar Carranza for Mydatt and Mark Warner.

MR. CHURCHILL: Good morning, Your Honor. David Churchill for the Plaintiff, X'Zavion Hawkins.

THE COURT: Okay. Thank you. Today we have teed up

Defendant Mydatt DBA Valor Security Services, Mark Warner's

motion to strike, Plaintiff's complaint and dismissal. We

have a status check on the trial order.

Plaintiff had filed a writ. It looks -- the Supreme Court requested a responsive briefing on the writ is the last medication that this court has. So in light of that, then it appears that this court may not be able to hear the motion to strike, because it's the very issue before the Supreme Court on the writ, because the payment of the sanction amount is tied to the writ. That's the Court's quick inclination.

Go ahead. It's your motion. I'm sure you wish to be heard, and I'm glad to hear it. But I'm just questioning my jurisdiction to hear the very essence of what they're

deciding.

MR. CARRANZA: Yeah, Your Honor. I mean rather than going to the merits of the motion, maybe we can discuss the appropriateness of whether or not --

THE COURT: Sure.

MR. CARRANZA: -- really there's a stay, in essence, a stay as to the enforcement of the order, which was really the -- as we pointed out in our papers, there wasn't an opposition to our motion to strike. And quite frankly, I wouldn't see how a substantive opposition could have been formed as to why or what justification Mr. Hawkins had for not complying with this court's order and paying the sanctions that this court determined were appropriate, which I remind everyone was in lieu of what we had asked for back in July, which was actually a dismissal of the case, given the egregiousness of the discovery abuses by Mr. Hawkins during the entire discovery proceedings.

THE COURT: Uh-huh.

MR. CARRANZA: There was no opposition to the motion to strike. What there was was a countermotion to stay the enforcement of the order, which sounds like what we need to discuss here today and whether or not a stay of the enforcement of the order versus a stay of the proceedings overall might be more appropriate, given what we've outlined in our papers are pretty transparent reasons of Mr. Hawkins'

behavior throughout the case.

2 I mean, throughout this case, he's tried to get to the finish line. He's tried to rush through everything and get to trial before the Defendants discovered that he was lying throughout discovery, before this court had an 5 opportunity to sanction him. And now after the sanctions have been ordered, he's trying to rush to trial before complying 7 with the Court's order on sanctions. And keep in mind that it's not just the monetary sanctions, the \$40,000 in fees. We're also talking the cost that were awarded to the 10 Defendants for having to go through the motion -- the original 11 motion to dismiss and the evidentiary hearing, the attorney's 12 fees that were ordered to be paid to the Lee Hernandez Firm, 13 the attorney's fees that were ordered to be paid to my law 15 firm, both of which aren't impacted by Mr. Hawkins' argument about the appropriateness of awarding fees as sanctions for a 16 disqualified law firm. 17

Fortunately, this court had the wisdom to delineate the different the different components.

THE COURT: To break them out.

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MR. CARRANZA: Yeah, to break them out. Exactly. To break them out by law firm, by component. And the other components that aren't subject to the petition for writ haven't been complied with either, Your Honor. And that's the -- and we pointed that out and out papers as another -- yet

another reason why this court should strike the complaint, because we don't see the merit of the petition for writ. I think it's pretty transparent and shows the true intent, which 3 is yet another attempt by Mr. Hawkins to get around and make 4 an end run around the rules of this court, the orders of this court to try to get to the finish line without complying with 7 any of those. THE COURT: Okay. A couple of quick questions. 8 MR. CARRANZA: Sure. 9 10 THE COURT: And I'm having my law clerk go and grab the Supreme Court -- my recollection, when I read it, it is it 11 just required a responsive briefing. It didn't have the 12 parsed-out delineation in this court's order. And it's not up 13 to a District Court to say what is intended by the Nevada 14 Supreme Court was the Nevada Court of Appeals. 16 MR. CARRANZA: Right. THE COURT: So therein lies my jurisdictional quandary --17 MR. CARRANZA: 18 THE COURT: -- is because it's -- you're representing the 19 same party that the prior firm was -- parties -- excuse 20 me -- in part. You have an overlap. You've been in this from 21 the get-go. Your -- you know what I mean? But I have an 22 23 overlap --

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Sure.

THE COURT: -- of parties --

MR. CARRANZA:

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MR. CARRANZA: Sure.

THE COURT: -- some of which are subject to a writ. The noncompliance in your underlying motion, in some respects, because once again it doesn't delineate in the answers -- you know what I mean -- fees and costs. And I still have parties specific. So I appreciate you asking me to look at counsel. I was saying I had to look at parties, don't I?

MR. CARRANZA: Sure. And just in anticipation of your clerk three in the order, my recollection of the order from the Supreme Court specified that they wanted an answer from the responding parties to help them ascertain --

THE MARSHAL: Turn your phones off.

MR. CARRANZA: -- to help them ascertain --

THE COURT: Just a second. Can you mind wetting for a second, because someone has kept their phone on despite the eight signs around the courtroom. And presumably, you'd like a clear record.

MR. CARRANZA: Sure.

19 THE COURT: Thank you very much.

MR. CARRANZA: My recollection is that the order from the Supreme Court asked for an answer from the responding parties to help them determine whether or not the sanctions in the context or in the matter of fees for the disqualified firm. I think that's specific in that order -- were appropriate. They didn't make any mention about the other components of your

order for sanctions, including the fees to our two law firms, the costs. And keep in mind that order also included a jury instruction that was to be crafted closer to trial and the potential for the continuance of discovery in the trial itself.

That didn't -- that wasn't mentioned at all in the Supreme Court's order. All they wanted briefing on was the appropriateness of the fees relative to that disqualified law firm.

THE COURT: Okay. Let me hear from somebody else real briefly. And I'm sure everyone is anxiously interested in this very novel topic of what this court says may be a first impression. Go ahead.

MS. RENWICK: The only thing I would add, Your Honor, is there is -- there was no opposition to the portion of your order which awarded the fees to our firm and Mr. Carranza's firm. That's not identified in the opposition. And it certainly wasn't identified in the writ.

THE COURT: Okay. Let me hear from Plaintiff.

MR. CHURCHILL: Actually, Your Honor, it was -- it's all part of the same order. It's all in the --

THE COURT: Well, wait a second. Their parsing out -does your writ --

24 MR. CHURCHILL: Yeah.

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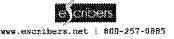
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THE COURT: -- contest the award of fees to the other two



firms or -- and does it contest --

MR. CHURCHILL: It does.

THE COURT: -- the cost.

MR. CHURCHILL: It contests the entire order, Your Honor.

5 And the reason being --

THE COURT: Do you have a copy of your writ by chance?

MR. CARRANZA: It's Exhibit 3.

MR. CHURCHILL: It's our exhibit. We attached it.

THE COURT: Right. Right, but --

MR. CHURCHILL: But we are -- no, Your Honor. We are challenging the entire order. There are certainly stronger arguments than others. And the contested firm in question that you've awarded literally tens of thousands of dollars to, Your Honor, is an issue of public trust. I mean, essentially, Your Honor, you've awarded, what was it, nearly \$20,000 to the firm, ordered by Mr. Hawkins to pay the conflicted firm for the work they did on the case that they should have never done. This is very much an issue of public trust, Your Honor.

But outside of that, outside of -- I mean I think that's a -- with all due respect, Your Honor, I think that is an issue of public concern. I think the Nevada Supreme Court or the Court of Appeals recognizes that that is an issue of public concern. But in addition to that, Your Honor, the entirety of the order itself is being challenged. They keep representing that the Plaintiff lied, the Plaintiff is a

perjurer. Your Honor, those types of issues are in the purview of the jury. Okay. Mr. Hawkins has recognized that he provided incorrect information in his deposition, in the 3 same deposition from the very beginning, he told everybody 5 because of the amount of narcotics that he's taking, he has difficulty --7 THE COURT: Counsel, we're not rearguing yours, the order. You've filed your writ. 9 MR. CHURCHILL: Well, it --10 THE COURT: What I'm trying -- mine was a very specific question just to focus in --11 MR. CHURCHILL: And, Your Honor, what I'm trying to 12 say --13 14 THE COURT: -- on what -- whether this court has jurisdiction to hear the pending motion --16 MR. CHURCHILL: -- we're challenging the entire --17 THE COURT: -- or I just need to move to the trial status 18 check. 19 MR. CHURCHILL: All I was saying is we're challenging the entirety of the order. Obviously, there are things that are, 20 21 in our opinion, more egregious than others, but we are challenging the entirety of the order. 23 THE COURT: Okay. And are you asserting that the Supreme 24 -- that the order by the appellate court --25 [Court and clerk confer]

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THE COURT: You all have a copy handy by chance. 1 2 MR. CHURCHILL: We do. THE COURT: Okay. We're just grabbing it. 3 Are you asserting that the appellate court's order 4 5 for an answer covers all your basis? Are you -- is that what you're saying? 7 MR. CHURCHILL: What I'm saying, Your Honor, is the writ itself --8 THE COURT: My question is on the response, on the Supreme Court's response --10 MR. CHURCHILL: Yeah. I don't have it in front of me, so 11 I don't --12 THE COURT: It seems to be to make the most sense, since 13 it's taking my staff to a few moments to get it, can I recall 14 you all in a few moments and call another case? MR. CARRANZA: Absolutely, Your Honor. 16 MS. RENWICK: Absolutely, Your Honor. 17 MR. CARRANZA: And if you -- would you like me to step 18 19 outside, maybe have my office fax it over or email it over? THE COURT: Well, it seemed to me that if I -- yeah. 20 was my subtle way of saying you all can step outside and 21 prepare your response on that by each checking with your 22 respective offices, right? 23 24 MR. CARRANZA: Yes, thank you. MS. RENWICK: Thank you, Your Honor. 25



THE COURT: Thank you. 1 2 [Recess at 10:09 a.m.] THE COURT: So we're going to recall -- thank you so 3 much, everyone, for your patience. We warn people when they 4 5 put on for day's hearing. Pages 18 and 19 on the 9:00, 717577. Since I called intervening cases, I need your 7 appearances again, please. MR. CHURCHILL: David Churchill for the Plaintiff. 8 9 MR. CARRANZA: Edgar Carranza for Mydatt and Mike Warner. MS. RENWICK: Charlene Renwick on behalf of GGP, Mydatt 10 11 and Mike Warner. THE COURT: Okay. So you all -- A, I've got a copy of 12 the order directing answer. If you all haven't had a chance 13 to see it, I can hand whoever wants to see my copy. Or B, you 14 probably have had a chance, since I've seen at least one 15 16 counsel looking at the phone --MR. CARRANZA: And I apologize for having my phone on. 17 THE COURT: It's on airplane mode, right? 18 19 MR. CARRANZA: Yes. THE COURT: Okay. As long as it's on --20 So you've had a chance to look as well, Plaintiff's 21 22 counsel? 23 MR. CHURCHILL: Yes. THE COURT: And other defense counsel, you have? 24 MS. RENWICK: Yes, Your Honor. 25

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THE COURT: Okay. What -- my question when we last left the Court was whether or not the order directing answer addressed the other aspects of your writ or whether or not it limited to the sanctions for the --

MR. CHURCHILL: Yeah.

of this matter now.

THE COURT: -- DQ'd counsel. And so, I wanted your perception on that.

MR. CHURCHILL: Yeah, Your Honor. I had -- your initial

I think was absolutely correct. I think that this now is with the jurisdiction of the Nevada Supreme Court. It's the entirety of the order that's being challenged.

The -- granted, the Nevada Supreme Court does say, in particular, they're interested in this one issue, but that's not to the exclusion of the other issues. In our issues presented, Your Honor, we presented three of them. That particular issue is -- they indicated, in particular, that one was of interest to them. But, Your Honor, it's the entirety of the order. And I -- it appears that they have jurisdiction

MR. CARRANZA: Your Honor, obviously, we disagree. We think that the Supreme Court's order is very clear, regardless of the litany of issues that Mr. Hawkins may or may not have raised in his petition for writ. The Supreme Court specifically directs the Respondents to the area of inquiry they want to address. And that is the -- whether attorney's

fees may be awarded as sanctions when the attorneys generating 1 the fees were disqualified based on violations of Nevada Rules of Professional conduct. It doesn't have anything to do with the remaining issues, including this court's order relative to the fees that were supposed to be paid to my firm, the fees that were supposed to be paid to the Lee Hernandez Firm, the costs and the other sanctions that were included in there, Your Honor.

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THE COURT: Do you wish to be heard as well, counsel? MS. RENWICK: Your Honor, I would just repeat again I would challenge counsel to point to anything in his opposition or in the writ which challenges the award for fees and costs to our firm and Mr. Carranza's firm. And the one thing I would also like to address, just for the record, Your Honor, is with respect to the earlier argument that the entire orders is at issue because the disqualified counsel should never have been able to have brought the motion to dismiss in the first place. Just to remind the Court that GGP --

THE COURT: The Court is aware of the chronology.

MS. RENWICK: Right. That GGP filed the joinder. the disqualification hearing, it was addressed the we would be going forward with the motion regardless of the disqualifications. So the challenge of that, of the hearing on the motion to dismiss, it has no merit.

THE COURT: The Court has already ruled. That's no



longer in my hands. That's upstairs unless everybody has started moving across the street. So --

Okay. Page 11. One moment, please. What I was trying to look at is --

See, counsel, the reason why I was asking these questions, I was looking at your underlying writ and I was re-going back, comparing page 11 of your underlying writ, the section 4, issues presented, right?

MR. CHURCHILL: Yes.

THE COURT: Because, presumably, that's the issues presented --

MR. CHURCHILL: Correct.

THE COURT: -- at least by your own viewpoint, right?

And under issues presented, I got District Court improperly allowed work performed by conflicted firm to stand against the aggrieved client when it undermines Petitioner's case to the point of possible dismissal. Dismissal is now being requested by the substituted law firm. Well -- based on work performed by the conflicted law firm. The Court is not going to take any position. My order is my order.

Did the District Court improperly make and award attorney's fees and costs against Petitioner in favor of the conflicted law firm, working completely against Petitioner.

And three, did the District Court improperly decide to craft a jury instruction as a sanction for alleged discovery abuse,

and the Petitioner had already produced an errata sheet correcting his deposition testimony before any motion was filed.

When I look at those three issues, I'm somewhat at a loss to see how it impacts the fees and costs, at least by your own issues presented in the writ, to the other -- when I say yeah, fees and costs as to the other parties. Now, once again, you're the master of your own pleading. I'm only reading your issues presented section. Okay. And I appreciate that's only part of 27 pages of your writ.

However, in the abundance of caution concept, when I read the order directing answer, the original petition and writ of mandamus challenging the District Court's sanctions order, having reviewed the petition, we conclude that an answer would assist the Court in resolving the petition.

Therefore, real party in interest on behalf of this order shall have 30 days from the date of this order within which to file and serve an answer including authorities against issuance of the requested writ. NRAP 21(b)(1).

In particular, real parties in interest should address whether attorney's fees may be awarded as sanctions when the attorneys generating the fees were disqualified based on violations in the matter of rules of professional conduct. Petitioner shall, from 15 days from service of the answer, to file and serve a reply. It is so ordered. And then

signed -- signature and cc's.

It's whether I read it in the conjunctiva the disjunctive, the first, the second sentence and the fourth sentence. And this court can't interpret what was in Acting Chief Justice's Cherry's mind when he signed that. So --

MR. CARRANZA: Your Honor, if I could address that. I mean --

THE COURT: You know, can I at least finish my sentence before you address it? You're correctly anticipating where I'm going, but for clarity of record.

MR. CARRANZA: Sure.

THE COURT: This court is -- you know, this is not something where I can underline. You're asking for underlying dismissal of the underlying case where at least a portion of the sanction award is having a order directing an answer. So this court doesn't feel it has the appropriate jurisdiction only to not address today the motion to strike the complaint in dismissal as sanctions for not paying the very -- at least -- well, part of the sanctions. And I appreciate that the order directing answer is -- may not viewed as consistent with what I read on the issues presented section. However, I have to go with what is the Supreme Court of the United States -- I mean Supreme Court of the State of Nevada order. You know what I mean? And if they want to expand the scope or narrow the scope, I don't know. That's really up to you all

to decide with whatever answer you choose to provide. But to
do a motion to strike a complaint and dismissal when that is
pending I think presents at least a question that this court
shouldn't do so. That's why I'm inclined not to do so today.
However, I am inclined that there's a request, in light of it,
to continue the trial date to grant such an oral motion. And
that's not an advisory opinion, which is because you already
raised it in your initial argument that it was rushing to
trial. And so, the Court finds that, you know, that was the
concern. So I think that's a balance of an equity, but I have
to hear if that's being requested.

Go ahead, counsel.

MR. CARRANZA: It's not being requested --

THE COURT: Okay.

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MR. CARRANZA: -- today, Your Honor, no.

MS. RENWICK: No, Your Honor.

THE COURT: Okay. So, counsel, would you like to respond to the Court's inclination?

MR. CARRANZA: Your Honor, my only response is that we've looked at both the -- Mr. Hawkins' petition for writ, and he listed his three issues that he was raising in that writ, none of which had to do with the fees that we've already talked about. And then we've looked at the order from the Nevada Supreme Court, which further limited those from the three issues that he raised. They really wanted to focus only on

the one issue, that is, the appropriateness of the fees for the disqualified law firm. I don't think there's another way to read that other than that's the issue that they're looking at.

They never were presented with the issue about the appropriateness of the fees and costs for the other two law firms. And they certainly haven't indicated in their order that that's what they're going to look at. All they want from the Respondents is the appropriateness is a writ relief in this situation and whether or not the fees for the disqualified law firm are appropriate. That's it.

And regardless of how that is ruled on or determined by the Nevada Supreme Court, Mr. Hawkins is still in contempt of this court's order on the other considerations, the other components of the sanctioning order that it issued following the July 21st evidentiary hearing. At the end of the day, even if the Nevada Supreme Court agrees with them that that one component of your order was inappropriate, they've still violated the other four components of the order. And that alone warrants the dismissal. It becomes almost an academic exercise for the Nevada Supreme Court. I understand that it may be a worthwhile exercise. But for purposes of this litigation, Mr. Hawkins can't get around the violation and failure to abide by the Court's order, at least for the other three components.

THE COURT: Anything else from your end? 1 MS. RENWICK: As outlined in the reply, Your Honor, it's 2 just Plaintiff, once again, thumbing his nose at the Court's 3 order and sanctions and just looking for a free ride to get to 4 trial. THE COURT: So you all want to go to trial in March, so 6 7 March -- five-week stack date currently set, which would precipitate you're all fine with that date. MS. RENWICK: Yes, Your Honor. 10 THE COURT: I mean is your -- Plaintiff's counsel, is your client asserting that it doesn't have to pay the sanction 11 award as to the other two firms when you didn't address that 12 13 in your writ? MR. CHURCHILL: Your Honor, we are challenging the order 14 15 in its entirety. 16 THE COURT: Can you point to me any aspect of your writ 17 where you're challenging the attorney's fees and costs from the Lee Hernandez Firms and Backus Carranza Firm --Sorry if I'm not naming all your partners. I'm just 19 20 trying to make it sure and easy. 21 MR. CHURCHILL: Well, in -- it's not -- that, 22 specifically, is not in the issues presented. THE COURT: Is it -- that's why I asked the general 23 question. Is it anywhere in the writ? 24 MR. CHURCHILL: I'd have to review the entire writ, Your 25



Honor. But off the top of my head, I simply don't recall.

But there are other issues. I mean let me put it this way.

THE COURT: But remember, the Court -- see, the Court did -- you know what I mean? Whether -- obviously, you don't agree with my order, which is perfectly fine. That's the right of anyone to do. It's perfectly fine. But the order did specifically parse out firm by firm, right?

MR. CHURCHILL: Right.

THE COURT: All parties will agree? Okay. And the Court did reduce all firms after it reviewed it. This court finds I did it appropriately, obviously, but that's up to appellate review. So if there's no challenge, okay, by parsing it out — and the only aspect of the challenge is whether or not the fees could be derived from a disqualified firm, right, and the jury instruction. But the jury instruction is not at issue right now, because the jury instruction was deferred to the time of trial. So by definition, it can't be at issue either in, A, their motion to dismiss or, B, in their response to motion to dismiss, because it hasn't come to fruition yet, because you don't have a trial date till March, right?

So the only aspects they're seeking enforcement of would be the cost and fees to Lee Hernandez and Backus

Carranza. That's the way I understood their motion.

Is that correct?

MR. CARRANZA: That's correct, Your Honor.



MS. RENWICK: Yes, Your Honor.

MR. CARRANZA: Yeah, failure to abide by any of the components in the order, including the specific ones and, most importantly, for the Lee Hernandez Firm, Backus Carranza Firm, the costs that weren't paid, those three components.

THE COURT: So is there any reason why your client did not pay those amounts that were due on or about November 17th?

I'm saying on or about because it was 30 days from notice of entry and order, and I'm within a few days.

MR. CHURCHILL: There are multiple reasons, reasons put

forth in my opposition. I mean this is a gentleman that lives on, you know, government assistance. I mean issue number one. But, Your Honor, the bigger point is, and Your Honor has already recognized it, the order itself is being challenged, and I don't know --

THE COURT: Only to the extent of your writ petition, right? You can't challenge -- right? There's only writ petition; is that correct?

MR. CHURCHILL: Well, Your Honor, the Nevada Supreme

Court could come back and say that the work that was done by

this -- let me give you an example, okay? Before I finish

that thought, let me give you an example. The prejudice

that -- from this disqualified firm continues right now.

If you look at Mr. Carranza's reply brief, what does he cite? What does he cite in support of his position? He

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cites a letter from Robert Eglet to the Plaintiff, indicating
   that he doesn't want to pursue this case because of issues on
   liability.
 3
             Now let me ask you a question, Your Honor. How does
 5
   Mr. Carranza have that letter?
        THE COURT: Counsel, I --
 6
 7
        MR. CHURCHILL: How does he have the letter?
 8
        THE COURT: Counsel.
        MR. CHURCHILL: The point is --
 9
        THE COURT: Short answer is didn't you provide it,
10
   honestly? You provided it. Remember, the Court specifically
11
12
   noted that in the order. You provided that letter.
        MR. CHURCHILL: But why?
13
        THE COURT: Well --
14
        MR. CHURCHILL: Because of the --
15
        THE COURT: They have it because you provided it.
16
        MR. CHURCHILL: -- disqualification.
17
        THE COURT: Isn't that the answer? I mean the Court
18
19
   can't go to each of your specifics. But if you provided it,
20
   then that's how they got it, right?
        MR. CHURCHILL: But why did we provide?
21
22
        THE COURT: Is that correct?
        MR. CHURCHILL: We provided it.
23
24
        THE COURT: Okay. So you knew the answer to your own
25
   question, counsel?
```



MR. CHURCHILL: Well, the -- but the real answer is because the Lewis Brisbois Firm, right, was doing work against the very client they had to protect, because of a conflict of interest. Okay.

THE COURT: But --

MR. CHURCHILL: We had to provide it. Your Honor, I don't know what the Nevada Supreme Court is going to do when they look at the totality of the circumstances regarding that particular firm. And that's the bigger issue, Your Honor. The entire proceeding is in question. It's tainted because of the involvement of that prior firm. And we don't know what the Nevada Supreme Court is going to do with it. Your Honor --

THE COURT: But, counsel, I don't think you've answered my specific question.

MR. CHURCHILL: Sure.

THE COURT: I do need to move on, because I have everyone patiently waiting in the -- you know, gave you time to go back and look at things. Okay. I'm going to have to conduct the status check portion. So let's get the status check portion, and I'll go back to this portion in just a second.

Status check. Complaint was filed on April 27,

2015. So what I'm hearing on the status check portion is that
all parties are requesting to stay on target with the March

3rd five-week stack. Is that correct or that is that

incorrect? 1 MR. CARRANZA: That's correct. 2 3 MS. RENWICK: That is correct, Your Honor. THE COURT: Okay. So nobody is requesting anything 4 5 different with regard to the status check? Anyone requesting a settlement conference or anything? I know you already went 7 to one, but --MR. CHURCHILL: No. And I think we have some pending 8 motions that I know the Court took under advisement that we were waiting on orders. That may change some --11 MS. RENWICK: That's the motion for summary, Your Honor. 12 THE COURT: Right, because I had this issue of a writ, 13 remember? 14 MS. RENWICK: However, again, Your Honor, the motion for 15 summary judgment is -- it's not tied to the writ. The writ 16 isn't challenging any of the arguments raised in the summary 17 judgment order. THE COURT: Okay. That's not what Plaintiff's counsel 18 19 told me. 20 MR. CARRANZA: I think we've outlined pretty clearly, 21 Your Honor, that his intent and his goal is to get that finish 22 line. And so, I can tell you he's wanting to avoid every 23 obstacle and every hurdle to get there, including summary judgment, including failure to pay the -- any of the law firms 24 25 involved, anything -- including tell the truth at the



beginning of this case, which is why we're all here to -- this
is a year-long effort that was brought up simply by Mr.

Hawkins failing to abide by the simplest requirement of any litigant any case, and that is to tell the truth.

MS. RENWICK: Your Honor, if I also may point out, at the onset of the motion for summary judgment, you did address to all parties whether or not the writ impacted your ability to hear that motion that day. And there was no objection raised by Plaintiff at that point. There is no reason why you cannot rule on the motion for summary judgment.

THE COURT: Well, you remember, at that juncture, we didn't have an order directing an answer. I only had a writ, and no one knew whether or not an order directing answer would issue or not. So I have a little bit of a different procedural posture, but that's for the Court to determine.

Well, here's what I currently have. The

Court -- have I given you all an opportunity -- do you want to

argue it substantively? If not, I'm going to have to call a

couple other cases, because here's where my inclination really

is. My inclination is that the Court does have concerns to

address any portion of the motion that, in any way, impacts

the writ. However, and the Court not addressing the motion

today, the Court, in no way, is saying that those underlying

amounts aren't due and owing to the Lee Hernandez Firm and the

Backus Firm and the costs that don't have to do with the Lewis

Brisbois Firm. 1 So at this juncture, I don't have a stay request 2 with regard to this motion. I mean I don't have a stay of the 3 underlying proceedings. 5 MR. CHURCHILL: We did request a stay, Your Honor, of the order. 6 MR. CARRANZA: Only of the enforcement of the order, Your Honor. THE COURT: And the Court denied that. 9 MR. CHURCHILL: I don't know if Your Honor denied that. 10 That was part -- that was our countermotion today. 11 12 THE COURT: I'm going back to the summary judgment. You orally said it at the time of the summary judgment. 13 14 MR. CARRANZA: He had no objection to that, correct. But as part of -- yeah, his -- there was no opposition to this motion, but there was a countermotion where he requested a 16 stay of the enforcement of this order. 17 MR. CHURCHILL: Correct. 18 THE COURT: Right. And that's the pending summary 19 20 judgment. THE COURT: Okay. Well, it seems to me what I'm going to 21 do is follows. Your trigger date was 30 days from December 22 15th, okay? Right? 23 24 MR. CHURCHILL: To file the answer to the Supreme Court, 25 yes.



1 THE COURT: Yes, the Supreme Court. Yes. I'm going to do for my ruling to the Chambers calendar immediately after your 30 day date. Excuse me. Excuse me. What to do after 3 the 45-day date. So I'm going to do your 30-day date and I'm going to do Plaintiff's counsel 15-day date. 5 I'm going to trigger a chambers decision both on the 6 7 summary judgment and this motion to dismiss for, basically -- it's going to be a week after that 45-day, 9 because I'm going to see what's teed up, what you all are saying is teed up. And if no one -- does anyone object to the 10 Court saying what your pleadings are going to say to the 11 Supreme Court, scope of the issue? 12 13 MR. CARRANZA: Not at all, Your Honor. MS. RENWICK: No, Your Honor. 14 MR. CHURCHILL: I -- Your Honor, let me ask you this 15 question. Would it be fair if Plaintiff decides to pay those 16 17 two firms -- I mean if that's your court's -- if that's Your Honor's inclination, he may be willing to pay those 18 19 undisputed, or less disputed I guess is the proper way to put 20 it, prior to that time. Is --21 THE COURT: Well, I'm going to have to deal with what I 22 have at the time that I'm going to make a ruling. I can't 23 make any advisory opinions, because if you say that then they're going to say well, if these other factors happen, blah-blah. All things not before me --25



MR. CARRANZA: Your Honor, that ship has -- yeah, that ship has sailed. He's had 60 days to pay out the components related to our law firms.

THE COURT: The Court is --

MR. CARRANZA: He's in violation of that order.

THE COURT: Right. Currently, your client is in violation of the order is where it's at. I mean -- so, but for the pending motions, just so we're clear, what I'm going to do -- and do you have it triggered from when you have the date in which your reply brief is due? Because I don't -- do you have your 30 day date?

MR. CARRANZA: If I could turn that back on?

THE COURT: Sure, service of the answer. Because I'm not exactly sure when you're going to file your -- you know what I mean? You have within 30 days, and your 15 is triggered from whenever they do it. So it seems to me if I put the 60 days from today, then I've covered that, right?

MR. CARRANZA: Very likely, Your Honor. I mean in light of the holidays, I can't anticipate that we're going to file any sooner than the 30-day limit.

THE COURT: Okay. So if I put this decision on the chambers calendar, next available chambers calendar after 60-day date, what I've done is I've taken care of the broadest scope of when you're going to file things subject to any request that you make before the Supreme Court to the

extension of briefs. But if you do that, then you created your own procedural quandary here.

So that means -- taking December 19th, that means February 17th, chambers calendar for decision on both the pending motion for stay, the motion for summary judgment, the motion to dismiss. In so putting it through my chambers decision, this court is taking no position as to the underlying noncompliance. Okay. There is nothing currently in effect, so the status is what the status is, okay?

In so doing, please do not quote that this court is continuing a chambers calendar for any -- I'm just going to read your briefs, so that I know what you all are saying you're teed up, because you're arguing different here on what you say you're going to tee up there. I'm not going to take into account -- just so we're clear, I'm not going to take into account what you say in those briefs for purposes of ruling. I'm just going to do that for purposes -- if there's any clarification as to the scope of the writ. Does either party object to the Court doing it for that limited purpose?

MR. CARRANZA: Not at all, Your Honor.

MS. RENWICK: Not at all, Your Honor.

MR. CHURCHILL: No, Your Honor. But may I make a request?

24 THE COURT: Sure. I can hear it. I don't know if I'm 25 going to agree with it --



MR. CHURCHILL: 1 Yeah. 2 THE COURT: -- but go ahead. Give Plaintiff 30 days to pay the less 3 MR. CHURCHILL: 4 disputed amounts. 5 THE COURT: But then I've mooted their pending --6 MR. CARRANZA: Correct. 7 MS. RENWICK: Exactly, Your Honor. THE COURT: -- without giving -- and they're objecting to 8 me mooting their pending motion. Whether you do or don't and 10 whether or not I have that before me, the Court takes no 11 position, okay? So I can't. You understand why can't? 12 MR. CHURCHILL: Not really, no. MS. RENWICK: Again, Your Honor, they're trying to get a 13 14 free ride. 15 MR. CHURCHILL: Oh. We're --16 MR. CARRANZA: Nothing --MR. CHURCHILL: -- saying we'll pay, and that's a free 17 18 ride? Okay. 19 THE COURT: Okay. Counsel, you all have a difference of opinion, okay? But what I'm saying is please do not quote the 20 21 fact that I'm moving that -- I'm doing that purely just from a 22 jurisdictional standpoint. I'm not saying I don't have jurisdiction. I just think that that is the most clear way to 23 24 allow that clarity. And since both -- all parties are in agreement that the Court can only look at those briefs just to 25

see if there's anything that gives a clarity as to what you 2 all intend to scope of the issue before the Supreme Court is -- and you all have said that I can do that, right? 3 MS. RENWICK: Yes, Your Honor. 4 5 MR. CARRANZA: Yes, Your Honor. 6 THE COURT: Was it a yes or was it a yes but, or was it a 7 no? MR. CHURCHILL: Well --8 9 THE COURT: I'm just making it clear. Because if you object, I'm not going to do it and I'm still going to put it 10 11 off 60 days, and I'm not going to look at the briefs. 12 MR. CHURCHILL: Then we would object. THE COURT: Since there's an objection, then the Court is 13 going to have to take the record as I currently have it. 14 then instead of 60 days, do you want a decision in chambers 16 calendar earlier than 60 days? 17 MR. CHURCHILL: I -- Your Honor, I guess I don't understand --18 THE COURT: What would you like Plaintiff's counsel? 19 20 Sure. MR. CHURCHILL: -- exactly what Your Honor is proposing. 21 22 THE COURT: What I was trying to do is you were saying that the writ had a broader scope than what counsel at the 23 defense table is saying the writ has. Okay. So there's two 24 ways to do that. One, I rule on what I think the scope of the 25

writ is in the sling just your oral argument. The second choice was since you all would be arguing the scope of the writ is if -- that's why was asking if all parties were in agreement -- if you wished the Court to look at the briefs you filed before the Supreme Court or if it gets transferred to the Court of Appeals -- it doesn't matter for purposes of my statement. If you all are requesting that I look at those briefs merely for the purpose to see what you're arguing the scope is, okay, not --

MR. CHURCHILL: Okay.

THE COURT: -- for any affirmative assertions that you may make in those briefs that would be different or the same that you made here, but just for that sole purpose, then the Court was willing to do so. I've got other things to do than to read additional briefs that aren't even before me. But if that would have assisted the parties, this court was willing to take the extra time and effort to do that if you all wanted me to do that. However, if one party doesn't want me to do it, then I'm not going to do it. I'm only going to take the record I currently have. So I was trying to give you all the opportunity if you wanted it. If you don't want it, you're not requesting me to do it, then I'm not going to do it.

MR. CHURCHILL: Okay. I understand better now what Your Honor is indicating, and we would agree to that. We would agree to allowing Your Honor to review the writ, the reply, et

cetera, before issuing a decision. 2 THE COURT: Okay. For the limited purpose that the Court outlined? 3 MR. CHURCHILL: Correct. 4 5 THE COURT: What's the position since they --MR. CARRANZA: We're still in agreement, Your Honor. 6 7 MS. RENWICK: In agreement, Your Honor. THE COURT: Okay. Then chambers calendar for decision on 8 both the pending motion for summary judgment, motion for stay, 10 in today's motion for -- to dismiss February 17th. Only -- the Court would potentially change that date if there 11 was some request by the parties either, A, to issue a decision 12 sooner or some joint request to issue it later, okay? 13 14 MR. CARRANZA: Okay. 15 MS. RENWICK: Thank you, Your Honor. 16 THE COURT: Does that work for all parties? Thank you so 17 very much for your time. MR. CARRANZA: Thank you. 18 THE COURT: Thank you, everyone else, for your patience. 19 20 Okay. MS. RENWICK: Happy Holidays, Your Honor. 21 22 THE COURT: Happy Holidays. And thank you. mean to say Happy Holidays. Appreciate it. 23 [Proceedings concluded] 24



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ATTEST: I do hereby certify that I have truly and correctly transcribed the audio/video recording in the above entitled case to the best of my ability.

ANTOINETTE M. FRANKS, CET-683

Transcriber

CERTIFIED COPY DOCUMENT ATTACHED IS A TRUE AND CORRECT COPY OF THE ORIGINAL ON FILE

CLERK OF THE COURT

FEB 0 7 2017



## Exhibit 2

# Exhibit 2

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1 OPPS
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**DISTRICT COURT** 

CLARK COUNTY, NEVADA

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X'ZAVION HAWKINS,

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GGP MEADOWS MALL LLC, a Delaware Limited Liability Company; MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES, an Ohio Corporation; MARK WARNER, individually; DOES 1 through 10; DOE SECURITY GUARDS 11 through 20; and ROE ENTITIES 21 through 30, inclusive,

Defendants.

Plaintiff,

CASE NO.: A-15-717577-C DEPT. NO.: XXXI

PLAINTIFF'S OPPOSITION TO DEFENDANTS MYDATT SERVICES, INC. D/B/A VALOR SECURITY SERVICES AND MARK WARNER'S MOTION TO STRIKE PLAINTIFF'S COMPLAINT AND DISMISSAL AND COUNTER MOTION TO STAY ORDER PENDING WRIT BEFORE NEVADA SUPREME COURT

Date of Hearing: 12/20/2016 Time of Hearing: 9:00 a.m.

AND RELATED ACTIONS.

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Plaintiff X'ZAVION HAWKINS by and through his attorneys INJURY LAWYERS OF NEVADA, hereby opposes Defendants MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER's motion to strike and dismiss and moves this Court for an Order staying enforcement of court order pending writ before the Nevada Supreme Court. This opposition and counter motion are made and based upon the points and authorities set forth herein, the pleadings and papers on file relating to this matter, and any oral argument that might be entertained at the time of the hearing.

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#### POINTS AND AUTHORITIES

#### I. STATEMENT OF FACTS

On or about August 17, 2013, Meadows Mall participated in the nationwide special event of releasing the Nike Air Jordan 4 "Green Glow" shoe launch. Meadows Mall held a special event specifically for this shoe launch. Despite the special event, Defendants GGP MEADOWS MALL LLC ("GGP"), MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES ("Mydatt") and MARK WARNER ("Warner") failed to provide security to monitor the restless crowd. Patrons of Meadows Mall participating in the shoe launch began "camping out" for the special event at approximately 11:00 p.m. on August 16, 2013, while waiting for Meadows Mall to open at 9:00 a.m. on August 17, 2013. Despite the special event taking place overnight, Meadows Mall and Mydatt would not employ security guards to monitor the line until 6:00 a.m. Plaintiff X'Zavion Hawkins was shot by follow mall patrols after a 5-10 argument and fight wherein security did nothing to intervene.

On October 7, 2016, this Court issued a minute order imposing a \$41,635.00 saction against X'Zavion Hawkins for Defendants' attorney fees relating to Defendant's motion to dismiss and subsequent evidentiary hearing. Attached hereto as **Exhibit 1**. In so doing, this Court awarded \$19,846.00 to Lewis Brisbois law firm despite the fact that Lewis Brisbois maintained a conflict of interest with X'Zavion Hawkins while it performed work against Mr. Hawkins. Ultimately, this Court recognized the conflict of interest and disqualified Lewis Brisbois. On October 17, 2016, this Court entered an order setting forth the sanction against Mr. Hawkins. See **Exhibit 2**.

Mr. Hawkins timely filed a Petition For Extraordinary Writ Relief with the Nevada Supreme

Court on November 22, 2016. See Exhibit 3. Importantly, the Writ seeks relief that deals with the

misconduct of Lewis Brisbois that continued to work against Mr. Hawkins despite fully being aware of a

direct conflict of interest with Mr. Hawkins as a partner at Lewis Brisbois previously represented Mr.

Hawkins in this same action. Specifically, Lewis Brisbois seeks an award of \$19,846.00 against Mr.

Hawkins despite the fact that Lewis Brisbois ethically NEVER should have taken the case against Mr.

Hawkins. As this matter deals with the misconduct of disqualified attorney and their seeking of payment from the very person against whom they had a direct conflict of interest in the same matter, the integrity of legal profession is at issue. As such, Plaintiff submits that this Court's October 17, 2016 order be stayed pending a decision on the Extraordinary Writ by the Nevada Supreme Court.

#### III. LEGAL ARGUMENT

The Nevada Supreme Court has directed writ petitioners to first seek a stay with the District Court before seeking a stay from the Nevada Supreme Court. The Nevada Supreme Court directs the District Court as follows:

In deciding whether to issue a stay, this court generally considers the following factors:

- (1) Whether the object of the appeal or writ petition will be defeated if the stay is denied;
- (2) Whether appellant/petitioner will suffer irreparable or serious injury if the stay is denied;
- (3) Whether respondent/real party in interest will suffer irreparable or serious injury if the stay is granted; and
- (4) Whether appellant/petitioner is likely to prevail on the merits in the appeal or writ petition. *Hansen v. Eighth Jud. Dist. Ct.*, 116 Nev. 650, 658, 6 P.3d 982, 986 (2000).

The Nevada Supreme Court determined, "we have not indicated that any one factor carries more weight than the others." *Id.* 

#### A. Whether Object Of Writ Will Be Defeated If Stay Is Denied

Here, Plaintiff maintains that the object of the writ will be defeated if the stay is denied. First and foremost, at issue is the misconduct of a disqualified law firm which seeks monetary remuneration for work they performed while conflicted. Even worse, Lewis Brisbois seeks remuneration from the very person against whom they were conflicted.

Plaintiff seeks extraordinary relief to prevent the injustice of Lewis Brisbois from being paid by the very person Lewis Brisbois wronged. Importantly, this is a matter of public interest and the integrity of the entire legal profession. Surely, the public will lose faith in the legal system if a disqualified law

firm is permitted to be remunerated for work performed while conflicted by the person it was conflicted against.

#### B. Irreparable Injury If Stay Is Denied

Here, X'Zavion Hawkins is disabled and physically handicapped. Importantly, Mr. Hawkins is disabled related directly to negligence and wanton disregard for his safety by the Defendants in this case. Mr. Hawkins lives in government housing and survives on meager disability benefits. Mr. Hawkins cannot spare any resources to satisfy this Court's order, especially under these circumstances. Mr. Hawkins would be irreparably harmed because Mr. Hawkins necessitates all his resources for medical care related to his disability.

#### C. Whether Defendants Will Suffer Irreparable Harm If Stay Is Granted

Here, there is absolutely no irreparable harm to Defendants is the stay is granted. To be clear, Plaintiff is not seeking to stay the entire case. Rather, Plaintiff merely seeks to stay this Court's October 17, 2016 order. In other words, this Court could enter a judgment for the award of attorney fees against Mr. Hawkins. If Plaintiff prevails in his writ, obviously, the Court order would be moot and defendant would not suffer irreparably harm as they were never entitled to their attorney fees. Even if Plaintiff does not prevail on his writ, Defendants still would not be prejudiced as they would be entitled to an offset of any Judgment against them that they would owe Mr. Hawkins for their negligent security.

### D. Plaintiff Likely To Prevail On The Merits

When California courts have addressed the issue of whether conflicted law firms may benefit from work performed relating to conflicted matters, they have long determined that forfeiture and disgorgement of attorneys' fees is appropriate. In Sheppard Mullin Richter & Hampton LLP v. J-M

This Court stated, "This Decision sets forth the Court's intended dispotion on the subject but anticipates further Order of the Court to make such disposition effective as an Order or Judgment." Seemingly, this Court intended to have the attorney fee award reduced to judgment in its October 7, 2016 minute order. See Exhibit 1, page 3.

Mfg. Co., Inc., 198 Cal.Rptr.3d 253 (Cal. App. 4<sup>th</sup> 2016), a California appellate court relied on California's long-standing precedent to require a conflicted law firm to disgorge and forfeit millions of dollars in legal fees based on the firm's failure to disclose an actual conflict of interest.

In Sheppard, the law firm had billed over \$3.8 million defending its client J-M Manufacturing Co., Inc., the world's largest manufacturer of polyvinyl chloride (PVC) pipe in a large Qui Tam lawsuit involving numerous parties. *Id.* at 257. Prior to its engagement, the firm ran a standard conflicts check that indicated the firm had represented one of the adverse intervening parties in the Qui Tam action, South Tahoe Public Utility District, on certain unrelated employment matters. *Id.* Several weeks later the firm also undertook a new and minor unrelated matter for South Tahoe, but failed to disclose the existing conflict with J-M or obtain an informed waiver of the conflict from either of its clients. *Id.* at 258. Neither the court nor J-M disputed the limited scope of the work performed by the firm on behalf of South Tahoe. The most important fact was the firm's failure to give notice of its ongoing, adverse representation. *Id.* at 260.

South Tahoe brought a successful motion to disqualify the Sheppard Mullin firm in the Qui Tam action. *Id.* After Sheppard Mullin was disqualified, J-M refused to pay approximately \$1.3 million in outstanding legal fees. *Id.* Sheppard Mullin sued J-M to recover those outstanding fees and compel arbitration where the arbitration panel awarded the firm a majority of its attorneys' fees. *Id.* at 261. The arbitration panel found that "Sheppard Mullin's conduct was not so serious or egregious as to make disgorgement of fees appropriate" where the representation of the adverse client "was unrelated to the subject of the J-M representation, and therefore the conflict did not pervade the whole relationship with J-M ..." *Id.* A California trial court affirmed the arbitration award, but J-M appealed, arguing that the violation of CRPC 3-310 on conflicts of interest rendered the engagement contract illegal or void as a matter of public policy. *Id.* at 261.

Turning to the merits, the court held that Sheppard Mullin "[was] not entitled to its fees for the work it did for J-M while there was an actual conflict with [its other client]." *Id.* at 274. In reaching this conclusion, the court relied primarily on two California appeals court cases from the 1970's. *See. Id.* at 272 (analyzing *Goldstein v. Lees*, 120 Cal.Rptr. 253 (Cal. App. 1975) and *Jeffry v. Pounds*, 136 Cal.Rptr.373 (Cal. App. 1977)). The *Goldstein* court found an engagement contract "void for reasons of public policy" where counsel represented a minority shareholder and director in a proxy fight to gain control of a company for which the attorney had served as in-house counsel several years prior to the proxy fight. 120 Cal.Rptr. at 254-255. Central to the decision was the fact that the attorney possessed "corporate secrets that [were] material to the proxy fight." *Id.* at 255. In *Jeffry*, a small law firm's lead partner represented both a husband in a personal injury action and his wife in her divorce proceeding against the husband. 67 Cal.App 3d at 374-375. There, the court denied any fees for work performed after the conflict arose even though the representations involved "unrelated matters" and the law firm did not have a "dishonest purpose" or engage in "deliberately unethical conduct." *Id.* at 377.

Besides arguing for all its fees, Sheppard Mullin also argued that despite its violation of CRPC 3-310, quantum meruit should be allowed for its representation of J-M in the Qui Tam action. *Id.* at 274. However, the court pointed out that the California Supreme Court had found that quantum meruit recovery must be denied in cases of ethical violations. *Id.* (citing *Huskinson & Brown v. Wolf,* 32 Cal.4<sup>th</sup> 453, 9 Cal. Rptr.3d 693, 84 P.3d 379 (2004).) The *Sheppard Mullin* court further found that "when a conflict of interest is asserted as a "[d]efense in the attorney's action to recover fees or the reasonable value of services[, a] violation of the fiduciary obligation will defeat recovery." *Id.* at 272. (citing 1 Witkin, Cal. Proc. 5<sup>th</sup> (2008) Attys, 104, p. 142.) The *Sheppard Mullin* court found that "Sheppard Mullin's violation of Rule 3-310 preclude[d] if from receiving compensation [whatsoever] for services provided to J-M in the Qui Tam Action." *Id.* Likewise, LBBS' violation of Mr. Shpirt must preclude it from X'Zavion created by its failure to provide notice of its employment of Mr. Shpirt must preclude it from

looking to X'Zavion for any compensation for services provided defending Mydatt and Warner against X'Zavion.

The Sheppard Mullin court was swayed by the Fair decision, in which the court found disgorgement of attorney fees appropriate regardless of any proof of damages when a conflict of interest is involved, See, Fair, 125 Cal.Rptr.3d at 779. Besides precluding a conflicted firm from seeking recovery from the aggrieved client, the Sheppard Mullin decision arguably sets precedent for the automatic disgorgement of all attorneys' fees incurred while a conflict of interest violation exists.

If anything, the facts relating to X'Zavion and LBBS are more egregious than those relating to Sheppard Mullin. While the work Sheppard Mullin performed for South Tahoe was completely unrelated and quite minor, the work performed by LBBS defending Mydatt and Warner was directly related to X'Zavion and so adverse that LBBS filed a motion to dismiss X'Zavion's complaint.

Lastly, the *Sheppard Mullin* court found that Sheppard Mullin's breach of the duty of loyalty set forth in Rule 3-310 was a violation of public policy. A finding that Sheppard Mullin was nonetheless entitled to its attorney fees as if no breach had occurred would undermine the same public policy. We therefore follow the reasoning of *Goldstein* and *Jeffry* and hold that Sheppard Mullin is not entitled to its fees for the work it did for J-M while there was an actual conflict with South Tahoe. *Id.* at 274.

From the inception of LBBS' representation of Mydatt and Warner, it had a direct conflict of interest with X'Zavion pursuant to NRPC 1.9 and 1.10. No exception under the State Bar of Nevada's Formal Opinion from the Standing Committee on Ethics, No. 39 applied to LBBS' employment of Mr. Shpirt because LBBS never provided notice to X'Zavion that Mr. Shpirt was employed with LBBS. X'Zavion never had the opportunity to consent or withhold his consent for LBBS to represent Defendants Mydatt and Warner in this matter.

At the time LBBS filed the motion to dismiss against X'Zavion on behalf of Mydatt and Warner, the firm was actively violating its duty of loyalty to X'Zavion. Such action is against public policy.

LBBS seeking to recover attorneys' fees from X'Zavion for the very work it performed while it was acting contrary to his interests is also against public policy.

Plaintiff submits that both public policy and fundamental fairness require this Court to stay the October 17, 2016 order pending adjudication from the Nevada Supreme Court. Clearly, the legal standard is total disgorgement of funds for work performed while ethically conflicted. Total disgorgement means total disgorgement. The law does not recognize an exception for a "sanction." Lewis Brisbois is required to totally disgorge all funds for its unethical behavior. Any other result would encourage such behavior by unscrupulous attorneys in the future.

#### IV. CONCLUSION

Based upon the foregoing, Plaintiff respectfully requests that Defendants MYDATT SERVICES, INC. d/b/a and MARK WARNER's motion to strike complaint and dismiss be denied. Plaintiff requests the award of attorney fees against him be reduced to judgment and bearing interest against him pending resolution from the Nevada Supreme Court. In the event Plaintiff prevails in his negligence claims against Defendants, Defendants would be entitled to an offset.

DATED this \_\_\_\_\_\_ day of December, 2016.

INJURY LAWYERS OF NEVADA

DAVID J. CHURCHILL (SBN: 7038) JOLENE J. MANKE (SBN: 7436) 6900 Westcliff Drive, Suite 707

Las Vegas, NV 89145

Attorneys for Plaintiff

#### **CERTIFICATE OF E-SERVICE** . 1 2 Pursuant to NRCP 5(b)(2)(D) and EDCR 7.26(a)(4), I hereby certify that on the 3 December, 2016, I served the foregoing PLAINTIFF'S OPPOSITION TO DEFENDANTS 4 MYDATT SERVICES, INC. D/B/A VALOR SECURITY SERVICES AND MARK WARNER'S 5 MOTION TO STRIKE PLAINTIFF'S COMPLAINT AND DISMISSAL AND COUNTER 6 MOTION TO STAY ORDER PENDING WRIT BEFORE NEVADA SUPREME COURT on the 7 following parties via Electronic Service as follows: 8 9 10 DAVID S. LEE (SBN: 6033) EDGAR CARRANZA (SBN: 5902) 11 CHARLENE N. RENWICK (SBN: 10165) BACKUS, CARRANZA & BURDÉN LEE, HERNANDEZ, LANDRUM & 3050 S. Durango Drive 12 GAROFALO Las Vegas, Nevada 89117 7575 Vegas Drive, Suite 150 E-Mail: ecarranza@backuslaw.com 13 Las Vegas, Nevada 89128 **Attorneys for Defendants** E-Mail: dlee@leelawfirm.com MYDATT SERVICES, INC. d/b/a VALOR 14 crenwick@lee-lawfirm.com SECURITY SERVICES and MARK WARNER Attorneys for Defendants 15 GGP MEADOWS MALL LLC: MYDATT SERVICES, INC. 16 d/b/a VALOR SECURITY SERVICES; and and MARK WARNER 17 18 an employee of Injury Lawyers of Nevada 19 20 21 22 23 24 25 26 27 28

# EXHIBIT "1"

## DISTRICT COURT CLARK COUNTY, NEVADA

Negligence - Premises Liability COURT MINUTES October 07, 2016

A-15-717577-C X'Zavion Hawkins, Plaintiff(s)
vs.
GGP Meadows Mall, LLC, Defendant(s)

October 07, 2016

3:00 AM

Defendants' Motion for Attorney Fees and Costs

**HEARD BY:** Kishner, Joanna S.

**COURTROOM:** Chambers

COURT CLERK: Sandra Harrell

RECORDER:

PARTIES PRESENT:

#### **IOURNAL ENTRIES**

### - DEFENDANTS' MOTION FOR ATTORNEYS FEES AND COSTS

This matter came on for hearing on Defendants' Motion for Attorney's Fees and Costs, which was filed on August 19, 2016, and set for hearing on Department XXXI's motion calendar for September 20, 2016. At the hearing, David J. Churchill appeared on behalf of Plaintiff; Edgar Carranza appeared on behalf of Mark Warner and Mydatt Services; and Charlene Renwick appeared on behalf of GGP Meadows Mall, Mydatt Services, and Mark Warner.

At the hearing, during oral argument, Plaintiff stated that he had discovered a new case which, although was not set forth in the pleadings, impacted the Court's ruling and he accordingly asked that he be allowed to supplement his Opposition. In order to allow both parties to brief and address the case referenced by Plaintiff's counsel, the Court allowed each party to provide a supplemental brief and issued a briefing schedule consistent with the parties' request. As the parties jointly requested that the Court issue its decision from Chambers, taking into account the pleadings, oral argument, and the supplemental briefs, the Defendants' Motion for Fees and Costs was continued to Department XXXI's Chamber's Calendar for decision on October 7, 2016.

PRINT DATE: 10/07/2016

Page 1 of 3

Minutes Date:

October 07, 2016

#### A-15-717577-C

After a full review of the record including the pleadings, supplemental briefs, and oral argument of the parties and consistent with the ruling of the Court after an extensive evidentiary hearing on Defendants' Motion to Dismiss which was the underlying Motion that precipitated the fee request, the Court finds as follows:

Pursuant to the Notice of Entry of Order and the attached Order dated October 5, 2016, the Court found that Defendants were entitled to an award of attorney fees and costs due to the actions of Plaintiff. The amount of that sanction award was deferred to allow the parties to provide their written and oral arguments as to what amount of fees and costs should be awarded consistent with applicable law. Defendants' Motion for Attorney Fees and Costs sought a total of \$54,325.00 in fees and \$208.00 in costs, which took into account time and costs expended by three law firms involved in the underlying Motion and Evidentiary Hearing. In their Supplemental Brief, Defendants seek an additional \$3,000.00 for the time spent at the hearing and for preparation of the supplemental pleadings. Defendants contend that all the fees and costs sought were reasonable in light of the facts and procedural process in the case.

In their Opposition and Supplemental brief, Plaintiff contended that the time spent by the law firm of Lewis, Brisbois, Bisgaard & Smith ("Lewis Brisbois") should not be considered as Plaintiff's Motion to Disqualify the firm had been granted between the time the Motion to Dismiss was first filed and the Evidentiary Hearing on the Motion to Dismiss was concluded. Plaintiff also contended that the amounts sought by the other two firms, Lee, Hernandez, Landrum & Garfalo ("Lee Hernandez") and Backus, Carranza, & Burden ("Backus Carranza") were excessive.

In the present case, the Court has to look at what is the proper amount of fees and costs to be awarded as a sanction against Plaintiff due to his conduct consistent with the Court's prior ruling. In looking at the proper amount of fees and costs to award as sanctions, the Court takes into account many factors including whether the applicable case law allows or precludes any of the fees from being sought as a sanction, as well as the reasonableness and necessity of the fees.

First, the Court determined whether there was any authority that allowed or precluded the sanction award. As the Court had already made a ruling after a full consideration of the record including conducting an Evidentiary Hearing, the Court finds that there is the appropriate basis to award sanctions in the form of fees and costs against Plaintiff for his conduct. Although Plaintiff contends that inter alia, Sheppard Mullin Richter & Hampton LLP v. J.M. Mfg. Co Inc., 198 Cal. Rptr. 3d 253 (Cal. App 4th) (2016), precludes the Court from awarding any fees to Lewis Brisbois, the Court adopts the arguments set forth in Defendants' Supplemental Brief and rejects Plaintiff's contention.

As there is a proper basis to award as a sanction, the fees and costs reasonably incurred by all three firms, the next step the Court must consider is what is the proper and reasonable amount of fees and costs that were necessarily incurred which could properly be an appropriate sanction amount consistent with the Court's prior Order after the Evidentiary Hearing. In determining that amount,

PRINT DATE: 10/07/2016 Page 2 of 3 Minutes Date: October 07, 2016

#### A-15-717577-C

the Court looks inter alia to NRCP 37, the Court's inherent powers; Shuette v. Beazer Homes Holdings Corp., 121 Nev. 837, 124 P.3d 530 (2005); Brunzell v. Golden Gate Nat l Bank, 85 Nev. 345, 350, 455 P.2d 31 (1969); as well as the other basis set forth in the record. After a full review of the record, and the applicable Rules and case law, the Court finds that Defendants' Motion for Attorneys' Fees and Costs is GRANTED in part and DENIED in part. (1)

(1) Plaintiff had included in his underlying Opposition to the Motion for Attorney Fees and Costs, a Counter-Motion for Attorney Fees and Costs which was DENIED at the Hearing; and thus, need not be addressed in this Minute Order.

The Court finds inter alia that the rates charged by each of the counsel, their skills and expertise, as well as the result obtained, all merit granting their fee request consistent with the Court's prior Order. The Court finds, however, given the number of lawyers and law firms involved in the Motion and Hearing at issue, it was appropriate to reduce the fee amount of each of the respective firms to be consistent with the nature and scope of the record and applicable law. Accordingly, the Motion is GRANTED as to Lewis Brisbois' fees in the amount of \$19,846.00; Lee Hernandez's fees in the amount of \$11,629.50; and Backus Carranza's fees in the amount of \$10,159.50, for a total fee sanction in the amount of \$41,635.00. The Court DENIES the remaining request for fees, both contained in the Original Motion and the Supplement, without prejudice, as the analysis for fees and costs is looked at from a sanction's standpoint. This ruling does not set forth any opinion as to whether the fees may be allowed pursuant to some other standard as that is not before the Court.

The Court also found that one of the mileage cost entries, in the amount of \$11.34, was not properly supported as being related to the underlying Motion. The rest of the costs were properly supported for purposes of the instant ruling. Thus, the Cost portion of the sanction award is \$196.66.

Accordingly, IT IS ORDERED that Defendants are awarded Sanctions in the amount of \$41,831.66 against Plaintiff. Said payment of sanctions shall be paid within 30 days of the Notice of Entry of the Order memorializing this disposition.

This Decision sets forth the Court's intended disposition on the subject but anticipates further Order of the Court to make such disposition effective as an Order or Judgment. Such Order should set forth a synopsis of the supporting reasons proffered to the Court in briefing and argument.

Counsel for one of the Defendants is to prepare the Order and submit it to Chambers for consideration within ten (10) days in accordance with EDCR 7.21, after circulating the Order to all parties to sign as to form and content.

CLERK'S NOTE: The above minute order has been distributed via e-mail to: Edgar Carranza, Esq., Charlene Renwick, Esq. and David Churchill, Esq.\sjh 10-7-16

PRINT DATE: 10/07/2016 Page 3 of 3 Minutes Date: October 07, 2016

# EXHIBIT "2"

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	2	Edgar Carranza, Esq. Nevada State Bar No. 5902	Dim A. Column	:
	3	BACKUS, CARRANZA & BURDEN	CLERK OF THE COURT	;
;		3050 S. Durango Drive Las Vegas, NV 89117		:
	4	(702) 872-5555		
	5	(702) 872-5545 facsimile ecarranza@backuslaw.com		:
, , ,	6	Attorneys for Defendants		·
:	7	MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER		
	8		; :	
	9	DISTRICT COURT		:
		CLARK COUNTY, NEVADA		· ·
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545 545	11	X'ZAVION HAWKINS,	)	· !
URD)	12	Plaintiffs,	) Case No. A717577	
(ZA & BU) DURANGO VADA 89117 FAX: (702) 87	13		) Dept. XXXI	:
, Carranza & Burden 1050 South Durango s Vegas, Nevada 89117 1872-5555 Fax: (702) 872-554	14	vs.	) )	: !
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BACKUS, CARR. 3050 SOUT LAS VECAS, P FELE: (702) 872-5555	10	Limited Liability Company; MYDATT SERVICES, INC. d/b/a VALOR SECURITY	}	:
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	18	ROE ENTITES 21 through 30, Inclusive,	į	· : ·
•	19	Defendants.	)	
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	21			:
	22	ORDER DENYING IN PART AN FOR ATTORNEY'S FEES AND COSTS	D GRANTING IN PART I	MOTION TO DISMISS
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7	23	Date of hear Time of hea		:
Arter Commen	24			! !
	25	Defendants', MYDATT SERVICES, INC	C. d/b/a VALOR SECURITY	Y SERVICES and
	26	MARK WARNER (collectively referred to herei	n as "Mydatt") and Defenda	nt, GGP MEADOW
	27	MALL LLC (referred to herein as "GGP"), Moti	on for Attorney's Fees and (	Costs, filed on Augus
	28	19, 2016, Plaintiff, X'ZAVION HAWKINS' (he	reinafter referred to as "Plai	ntiff") Opposition to

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the Motion to For Attorney's Fees and Costs and Counter Motion for Fees and Costs re: the Motion to Disqualify, filed on September 7, 2016, Mydatt's reply to opposition and opposition to counter motion, filed on September 13, 2016, Plaintiff's Supplemental brief in Opposition to the Motion for Attorney's Fees and Costs and Mydatt's Reply to Plaintiff's Supplemental Brief, along with arguments made by each party during the hearing before this Court on September 20, 2016 have been reviewed and considered. This honorable Court having reviewed the pleadings filed, authority submitted and oral arguments from the parties hereby grants and denies the Motion to for Attorney's Fees and Costs finding as follows:

- 1. This Court considered whether there was any authority that allowed or precluded the sanction award against Plaintiff and found that, as it had already made a ruling after a full consideration of the record including conducting an Evidentiary Hearing, that there exists an appropriate basis to award sanctions in the form of fees and costs against Plaintiff for his conduct. It further found that although Plaintiff contends that, *inter alia, Sheppard Mullin Richter & Hampton, LLP v. J.M. Mfg. Co., Inc.*, 198 Cal Rptr. 3d 253 (Cal. App. 4<sup>th</sup>) (2016), precludes the Court from awarding any fees related to the work performed by the Lewis Brisbois law firm, the Court adopts the arguments set forth in Defendants' Supplemental Brief and rejects Plaintiff's contention.
- 2. The Court further finds that there is a proper basis to award as a sanction, the fees and costs reasonably incurred by all three law firms involved with the defense, relying on, *inter alia*, NRCP 37, the Court's own inherent powers, Nevada case law, including *Shuette V. Beazer Homes Holdings Corp.*, 121 Nev. 837, 124 P.3d 530 (2005); *Brunzell v. Golden Gate National Bank*, 85 Nev. 345, 350, 455 P.2d 31 (1969), as well as the other basis set forth in the record.
- 3. The Court further finds that, *inter alia*, the rates charged by each counsel, their skills and expertise, as well as the result obtained, all merit granting their fee request consistent with the Court's prior Order. However, the Court also finds that given the number of lawyers and

BACKUS, CARRANZA & BURDEN

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law firms involved in the Motion and Hearing at issue, it is appropriate to reduce the fee amount of each of the respective firms to be consistent with the nature and scope of the record and applicable law. Accordingly, the Court finds that an award for attorney's fees totaling \$41,635.00 is appropriate comprised of the following amounts:

- A. Lewis Brisbois fees in the amount of \$19,846.00;
- B. Lee Hernandez fees in the amount of \$11,629.50; and
- C. BACKUS, CARRANZA & BURDEN fees in the amount of \$10,159.50.
- 4. The Court further finds that the additional fees requested by Defendants in the original motion and supplemental filings for \$3,000 related to work required as a result of Plaintiff's supplemental filings is not appropriate in this context as this decision relates only to the appropriate sanctions related to the motion to dismiss, and thus the request is denied without prejudice.
- 5. The Court also finds that although one of the mileage cost entries, in the amount of \$11.34, was not properly supported as being related to the underlying Motion, the rest of the costs were properly supported and thereby award costs in the amount of \$196.66.

Accordingly, with respect to the pending motion for attorney's fees and costs, this honorable Court orders as follows:

IT IS HEREBY ORDERED, DECREED AND ADJUDGED that Defendants' Motion for Attorney's Fees and Costs is hereby DENIED, in part, and GRANTED, in part.

IT IS FURTHER ORDERED, DECREED AND ADJUDGED that Defendants' are hereby awarded attorney's fees totaling \$41,635.00 and costs totaling \$196.66, for a total award of \$41,831.66.

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IT IS FURTHER ORDERED, DECREED AND ADJUDGED that Plaintiff shall make the above payment to Defendants within 30 days of the Notice of Entry of this Order by the Court.

DATED this 1 3day of October, 2016.

STRICT COURT JUDGE

Submitted by:

BACKUS, CARRANZA & BURDEN

Edgar Cafranza, Esq. Nevada Bar No. 5902 3050 South Durango Drive Las Vegas, Nevada 89117 Attorneys for Defendants

MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER

# EXHIBIT "3"

Case No	
IN THE SUPREME COURT OF THE STATE OF	Electronically Filed
X'ZAVION HAWKINS, an Individual,	Nov 22 2016 08:31 a.m. Elizabeth A. Brown Clerk of Supreme Court
Petitioner,	
vs.	
EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVAD COUNTY OF CLARK, THE HONORABLE Joanna Kishner, D	•
Respondent,	
-and-	
GGP MEADOWS MALL, a Delaware Limited Liability Con SERVICES, INC. D/B/A VALOR SECURITY SERVICES, an Ohio MARK WARNER, an Individual.	•
Real Parties in Interest.	
District Court Case No. A-15-717577-C	
PETITION FOR EXTRAORDINARY WRIT	RELIEF
DAVID J. CHURCHILL, Nev. Bar No. 7301 JOLENE J. MANKE, Nev. Bar No. 7436 INJURY LAWYERS OF NEVADA 6900 Westcliff Drive, Suite 707 Las Vegas, Nevada 89145	
Telephone: 702-868-8888	

Facsimile: 702-868-8889 david@injurylawyersnv.com jolene@injurylawyersnv.com

Attorneys for Petitioner

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22	1 Witkin, Cal. Proc. 5 <sup>th</sup> (2008) Attys, 104, p. 142	16
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#### NRAP 21(a)(1) ROUTING STATEMENT

Pursuant to Nevada Rule of Appellate Procedure 17, this Petition for Extraordinary Writ Relief should be retained by the Nevada Supreme Court. Initially, this matter invokes the original jurisdiction of the Nevada Supreme Court. See NRAP 17(a)(1); see also NRS 34.160. Second, this matter raises, as a principal issue, a question of first impression involving Nevada Rules of Professional Conduct—specifically, whether the Nevada Rules of Professional Conduct prohibit a conflicted law firm from seeking attorneys' fees and costs from an aggrieved client. See NRAP 17(a)(13). Third, this matter raises, as a principal issue, a question of statewide public importance. See NRAP 17(a)(14); see also City of Oceanside v. Superior Court, 96 Cal. Rptr. 2d 621, 630 (2000) (holding application of independent acts exception to joint public safety operations would contravene "public policy consideration[s]."). Finally, this matter does not involve a discovery order or an order resolving a motion in limine. See NRAP 17(b)(8).

Accordingly, Petitioner respectfully requests that the Nevada Supreme Court retain, hear, and decide this matter.

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of mandamus vacating the Order granting Defendants in the underlying matter's motion for attorneys' fees and costs relating to their motion to dismiss Petitioner's complaint which was both denied and granted.

Alternatively, Petitioner petitions this Court to issue an extraordinary writ of

X'Zavion Hawkins ("Petitioner") petitions this Court to issue an extraordinary writ

Alternatively, Petitioner petitions this Court to issue an extraordinary writ of mandamus vacating the Order both denying and granting Defendants' motion to dismiss Petitioner's complaint which was drafted by the conflicted law firm of Lewis Brisbois Bisgaard & Smith ("LBBS") against the aggrieved client, Petitioner.

This Court's intervention at this time is both necessary and appropriate because:

- The directly adverse work LBBS performed against Petitioner violates
  public policy holding the attorney-client privilege inviolate in all but a small
  number of instances.
- The public interest in the administration of justice will be significantly impacted as LBBS is seeking \$19,846.00 of the ordered \$41,635.00 in attorneys' fees for a discovery motion seeking to have Petitioner's case dismissed.
- As the ultimate injury to Petitioner, the substituted law firm of Backus
   Carranza & Burden ("BCB") filed a motion to strike and dismiss Petitioner's
   complaint on November 18, 2016, all arising from the work performed by
   LBBS before its disqualification.
- The intent of the statutes at issue (NRPC 1.9 and 1.10) are: 1) to prevent disclosure of confidential information that could be used to a former client's disadvantage; and 2) the scrupulous administration of justice.

- LBBS' violations of NRPC 1.9 and 1.10 should bar any recovery of attorneys fees and costs against Petitioner. However, the District Court determined Petitioner would not be harmed by the conflicted law firm seeking such recovery. The District Court's determination was erroneous as a matter of law.
- Even though Petitioner produced an errata to his deposition testimony
  clarifying his memory problems surrounding people involved in the shooting
  without being compelled to do so, the District Court intends to craft a jury
  instruction commenting on Petitioner's failure to identify these witnesses
  pursuant to NRCP 16.1, which could potentially invade the jury's
  province to determine credibility.
- This Court has examined NRPC 1.9 and 1.10 in various contexts, but it has never addressed the precise questions presented here whether the conflicted law firm may seek to recover attorneys fees and costs from the aggrieved client, and whether the work performed by the conflicted law firm should be allowed to stand, potentially to the ultimate harm of dismissal of the aggrieved client's action.
- Under California's counterpart to NRPC 1.9 and 1.10 (Cal. RPC 3-310), the specific issues presented here have been addressed by the California Supreme Court and the Courts of Appeal, all of whom have squarely held that not only is it improper for a conflicted law firm to seek to benefit from the conflict, but that such a conflict necessitates "disgorgement" of attorneys' fees.
- The District Court nevertheless determined that Petitioner should pay LBBS for the directly adverse work it performed against Petitioner, which may lead to complete dismissal of his cause of action against Defendants.

This decision is plainly wrong—as a matter of law and public policy— and this Court's intervention is necessary. DATED this 21st day of November, 2016. INJURY LAWYERS OF NEVADA /S/JOLENE J. MANKE By: DAVID J. CHURCHILL JOLENE J. MANKE Attorneys for Petitioner 

#### I. INTRODUCTION

The facts pertinent to this matter are not disputed. While attending the Nike Air Jordan Green Glow Shoe Launch taking place at Meadows Mall during the early morning hours of August 17, 2013, Petitioner was shot multiple times by another patron. The shooter was with a group of other patrons. As a result of the shooting, Petitioner is paralyzed from the waist down.

Before litigation commenced, Petitioner was represented by Jason W. Barrus, Esq. and Lloyd W. Baker, Esq. of Baker Law Firm.s. On December 18, 2014, Petitioner, his mother and Messrs. Barrus and Baker met with Paul A. Shpirt, Esq. and Tracy A. Eglet, Esq. of Eglet Law Group n/k/a Eglet Prince to discuss referring Petitioner's matter to Eglet Law Group for litigation. Eglet Law Group decided to accept the referral. Accordingly, during the meeting on December 18, 2014, Mr. Shpirt signed the retainer agreement with Petitioner. He also signed the attorney fee sharing agreement between Eglet Law Group, Baker Law Firm and Petitioner.s. Mr. Barrus provided a thumb drive containing materials relating to Petitioner's matter to Eglet Law Group.

On March 16, 2015, Mr. Shpirt telephoned Mr. Barrus to advise him that Eglet Law Group would not be able to continue representing Petitioner. That same day, Mr. Shpirt sent an e-mail to Messrs. Baker and Barrus memorializing his conversation with

See e.g., Petitioner's Appendix ("PA") Vol. 1, Ex. 1, at 3. Hereinafter, citations to Petitioner's Appendix will immediately be preceded by the volume number, followed by an Exhibit number, followed by a pincite to the Appendix pagination (e.g., "2PA, Ex. 14, at 198").

 $<sup>\</sup>begin{bmatrix} 2 \\ 3 \end{bmatrix}$  Id. at 3.

Id. at 7. (See also, 4PA, Ex. 25, at 824.)

<sup>4</sup>PA, Ex. 25, at 824.

<sup>24 | 5 | 4</sup>P. Id.

 $<sup>\</sup>int_{a}^{b} Id.$ 

<sup>26 8</sup> Id. Id. Id.

Mr. Barrus that Eglet Law Group would not be able to continue representing Petitioner because of "some of the problems we see with liability in this case" and because "the police report creates a lot of issues for us." 11

Baker Law Firm then referred Petitioner's matter to Injury Lawyers of Nevada. <sup>12</sup> On April 27, 2015, Injury Lawyers of Nevada filed Petitioner's complaint alleging claims for negligence, respondent superior and gross negligence against Meadows Mall, Mydatt Services, Inc. d/b/a Valor Security Services ("Mydatt") and Mark Warner ("Warner"). <sup>13</sup>

Sometime in July of 2015, Mr. Shpirt left Eglet Law Group and returned to LBBS where he had practiced previously. <sup>14</sup> In October of 2015, Josh Cole Aicklen, Esq., a partner with LBBS, was retained to monitor the defense of Mydatt and Warner being provided by Lee, Hernandez, Landrum & Garofalo. <sup>15</sup> Also in October of 2015, Messrs. Aicklen and Shpirt realized Mr. Shpirt had represented Petitioner while practicing with Eglet Law Group. <sup>16</sup> LBBS took efforts to screen off Mr. Shpirt from Petitioner's matter. <sup>17</sup> However, LBBS did not send notice to Petitioner that Mr. Shpirt was practicing with LBBS. <sup>18</sup> On November 16, 2015, LBBS filed a notice of association of counsel for Mydatt and Warner. <sup>19</sup>

Thereafter, LBBS filed a motion to dismiss Petitioner's complaint based on an allegation of unclean hands relating to information obtained from Det. William Majors, the Metro detective who oversaw the investigation of Petitioner being shot at Meadows

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       Id.
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       Id.
       Id.
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       Id. (See also 1PA, Ex. 1, at 1.)
       4PA, Ex. 25 at 824. (See also 3PA, Ex. 19, at 550-551; 580-581.)
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       Id.
       Id.
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       Id.
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       Id.
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Mall.<sup>20</sup> The discovery motion was based on Petitioner's deposition testimony that he did not recall information relating to the shooters.<sup>21</sup> Defendants cited NRCP 37 as the basis for their motion. Without any motion practice compelling him to do so, Petitioner produced an errata clarifying his deposition testimony on March 31, 2016.<sup>22</sup> At the hearing on the motion to dismiss on May 3, 2016, the Court determined an evidentiary hearing was required.<sup>23</sup>

During the evidentiary hearing on May 3, 2016, Mr. Aicklen argued against Petitioner as follows:

... We find this out and I take his deposition and based upon his written discovery responses, I think he's going to lie to me. And, based on 26 years of practicing law, I think he's going to lie in his depo, but I had no idea how much he was going to lie. Other than his name, I don't believe the man spoke the truth throughout the entire time of his reported deposition.<sup>24</sup>

... I don't talk about my work. My wife this morning said: What are you doing today? You've got your suit on. I said: I'm going down to get justice. I'm going down to get a case dismissed of a perjurer, a liar, a man who crafted his lies to try and get money under oath.

Mr. Aicklen was very passionate against Petitioner and did not accurately reflect the entirety of the facts on at least one occasion during the hearing as follows:

And I apologize. That is a mistake. He did not identify anybody in the first one. In the second one, he did, and I apologize. I was wrong. First one, he did not. Second one, he did.

On May 11, 2016, Petitioner brought a motion to disqualify LBBS on order shortening time based upon Mr. Shpirt's prior representation of Petitioner at Eglet Law Group, the imputed conflict to LBBS and LBBS' failure to provide notice to Petitioner that Mr. Shpirt was practicing at LBBS after LBBS began representing Mydatt and

<sup>20</sup> Id. at 825.

See generally, 1PA, Ex. 11. 2PA, Ex. 14, at 335-338.

<sup>&</sup>lt;sup>23</sup> 4PA, Ex. 25, at 825; 5PA, Ex. 37, at 1018-1029.

<sup>&</sup>lt;sup>24</sup> 5PA, Ex. 37, at 994.

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Warner.<sup>27</sup> During an evidentiary hearing on June 8, 2016, the Court determined there was a conflict of interest pursuant to NRPC 1.9 because: 1) Mr. Shpirt as an attorney with Eglet Law Group was viewed to have represented Petitioner; 2) Petitioner's matter with Eglet Law Group was the same matter currently pending before the Court; Mr. Shpirt was currently practicing with LBBS which firm was then representing Mydatt and Warner whose interests are directly adverse to Petitioner in this matter.<sup>28</sup> Petitioner specifically did not expressly consent to waive any potential conflict.<sup>29</sup> The Court also determined that Mr. Shpirt's conflict was imputed to LBBS because "importantly, no evidence was presented demonstrating compliance with the requirement that written notice be promptly given to the former client."30 

Even though LBBS was determined to be a conflicted law firm, the adverse work performed by LBBS was permitted to stand. At a subsequent evidentiary hearing the Court denied Defendants' motion to dismiss Petitioner's complaint. However, the Court indicated an intent to craft a jury instruction regarding Petitioner's failure to identify the shooters pursuant to NRCP 16.1. The Court also indicated a motion for attorneys' fees and costs by Defendants would be entertained. Subsequently, the Court granted Defendants' motion for attorneys' fees and costs against Petitioner for the motion to dismiss, including an award of \$19,846.00 to the conflicted law firm of LBBS.

Because the District Court's granting of Defendants' motion for attorneys fees and costs is erroneous as a matter of law, this Court should issue a writ of mandamus vacating

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           Id. at 1017.
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           4PA, Ex. 25, at 825.
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           Id. at 826.
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           Id. at 827.
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            4PA, Ex. 25, at 826.
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           See generally, 4PA, Ex. 24. (See also generally, 6PA, Ex. 39.)
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           4PA, Ex. 24, at 820-821.
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           4PA, Ex. 25, at 820.
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           4PA, Ex. 34, at 950.
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the District Court's order and instructing the District Court to deny the motion with prejudice. Alternatively, the District Court's granting and denying of Defendants' motion to dismiss Petitioner's complaint is erroneous as a matter of law, and this Court should issue a writ of mandamus vacating the District Court's order and instructing the District Court to deny the motion with prejudice.

#### II. STATEMENT OF FACTS

#### A. The Parties.

#### 1. Petitioner.

Mr. X'Zavion Hawkins ("X'Zavion") is an individual who at all relevant times, including the date of the incident on August 17, 2013, did and does now reside in Clark County, Nevada. (1PA, Ex 1, at 2.)

#### 2. Defendants.

GGP Meadows Mall, LLC is a Delaware Limited Liability Company ("GGP") that operates the Meadows Mall located at 4300 Meadows Lane in Clark County, Nevada. On August 17, 2013, stores located within Meadows Mall were participating in the Nike Air Jordan Green Glow shoe launch. (*Id.* at 2; 4.)

Mydatt Security Services d/b/a Valor Security, Inc. ("Mydatt") is an Ohio corporation that was providing security services for Meadows Mall on August 17, 2013. (*Id.* at 2-3.)

On August 17, 2013, Mr. Mark Warner was employed by Mydatt as the head of security for Meadows Mall. (*Id.* at 3.)

#### III. PROCEDURAL HISTORY

#### A. Petitioner Files His Complaint Against Defendants.

On April 27, 2015, Petitioner brought claims against the Real Parties in Interest (GGP, Mydatt and Warner) for negligence, respondent superior and gross negligence relating to their handling of the shoe launch. (See generally 1PA, Ex. 1, at 1-10.)

### B. LBBS' Representation of Mydatt and Warner.

In October of 2015, Messrs. Aicklen and Shpirt knew Mr. Shpirt had a conflict with X'Zavion. At the same time, Mr. Aicklen, a partner with LBBS, was retained to monitor the defense of Mydatt and Warner being provided by Lee, Hernandez, Landrum & Garofalo. (3PA, Ex. 19, at 550-551; 580-583.) LBBS took efforts to screen off Mr. Shpirt from Petitioner's matter. (4PA, Ex. 25, at 826.) However, LBBS did not send notice to Petitioner that Mr. Shpirt was practicing with LBBS. (*Id.*) On November 16, 2015, LBBS filed a notice of association of counsel for Mydatt and Warner. (*See generally*, 1PA, Ex. 10.)

### C. Petitioner Moves to Disqualify LBBS; the District Court Grants the Motion.

At an evidentiary hearing on June 8, 2016, the Court determined there was a conflict of interest pursuant to NRPC 1.9 because: 1) Mr. Shpirt as an attorney with Eglet Law Group was viewed to have represented X'Zavion; 2) Petitioner's matter with Eglet Law Group was the same matter currently pending before the Court; Mr. Shpirt was currently practicing with LBBS which firm was then representing Mydatt and Warner whose interests are directly adverse to X'Zavion in this matter. (4PA, Ex. 25, at 826.) X'Zavion specifically did not expressly consent to waive any potential conflict. (*Id.* at 827.) The Court also determined that Mr. Shpirt's conflict was imputed to LBBS because "importantly, no evidence was presented demonstrating compliance with the requirement that written notice be promptly given to the former client." (*Id.* at 826.)

# D. <u>Defendants Move to Dismiss Petitioner's Complaint; the District Court Denies</u> the Motion, but Grants Sanctions.

Before its disqualification, LBBS filed a motion to dismiss X'Zavion's complaint on behalf of Mydatt and Warner based on NRP 37 and the case of *Young v. Johnny Ribiero Bldg.*, 106 Nev. 88 (1990). (See generally, 1PA, Ex. 11.) Although LBBS was disqualified as a conflicted law firm at the hearing on June 8, 2016, the work LBBS

#### IV. ISSUES PRESENTED

Did the District Court improperly allow work performed by a conflicted law firm to stand against the aggrieved client when it undermines Petitioner's case to the point of possible dismissal, and dismissal is now being requested by the substituted law firm based upon work performed by the conflicted law firm?

Did the District Court improperly make an award of attorney fees and costs against Petitioner and in favor of a conflicted law firm working completely against Petitioner?

Did the District Court improperly decide to craft a jury instruction as a sanction for an alleged discovery abuse when Petitioner had already produced an errata sheet correcting his deposition testimony before any motion was filed?

#### V. RELIEF REQUESTED

Petitioners seek a writ of mandamus vacating the District Court's order and compelling the District Court to enter an order denying Defendants' motion for attorney fees and costs against Petitioner because of the work performed by the conflicted law firm of LBBS, especially when Defendants are now seeking the ultimate sanction of dismissal of Petitioner's complaint based upon work performed by the conflicted law firm. The District Court denied Respondent's underlying motion to dismiss Petitioner's complaint, public policy must prohibit a conflicted law firm from working completely against the aggrieved client to the benefit of another client and from monetarily profiting from the conflict, and a jury instruction potentially touching on Petitioner's credibility must not be allowed when such a determination is soundly within the province of the trier of fact.

#### VI. TIMING OF PETITION

Extraordinary writ relief must be timely sought. *Moseley v. Eighth Jud.Dist. Ct.*, 124 Nev. 654, 659 n.6, 188 P.3d 1136, 1140 n.6 (2008) (concluding that the equitable doctrine of laches did not preclude writ relief where the petition was filed approximately

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four months after entry of the underlying order); State v. Eighth Jud. Dist. Ct., 118 Nev. 140, 148, 42 P.3d 233, 238 (2002) (finding writ petition filed four months after the district court denied a motion to dismiss did "not present inexcusable delay.").

Here, the District Court's Order denying the Motion for Summary Judgment was entered on January 5, 2016. (Order.) Notice of entry of the Order was filed on January 6, 2016. (Notice of Entry of Order.) MedicWest filed this Petition in a timely manner approximately one month following the entry of the Order. See Moseley, 124 Nev. at 659 n.6, 188 P.3d at 1140 n.6; State, 118 Nev. at 148, 42 P.3d at 238.

#### VII. EXTRAORDINARY RELIEF IS APPROPRIATE

A writ of mandamus is available to compel the performance of an act which the law requires as a duty resulting from an office, trust or station, or to control a manifest abuse or an arbitrary or capricious exercise of discretion. This Court has original jurisdiction to issue writs of mandamus. Nev. Const. Art. 6 § 4; see also NRS 34.160 ("The writ [of mandamus] may be issued by the Supreme Court . . . "). A writ of mandamus is "available to compel the performance of an act that the law requires or to control an arbitrary or capricious exercise of discretion." Nevada Yellow Cab Corp. v. Dist. Ct., 123Nev. 44, 49, 152 P.3d 737, 740 (2007). Petitioner has the burden of demonstrating why extraordinary writ relief is warranted. Pan v. Dist. Ct., 120 Nev. 222, 228, 88 P.3d 840, 844 (2004). This Court has broad discretion to decide whether to consider a petition for a writ of mandamus. See Leibowitz v.Dist. Ct., 119 Nev. 523, 529, 78 P.3d 515, 519 (2003) (citing NRS 34.170). In exercising its discretion, "this [C]ourt may entertain mandamus petitions when judicial economy and sound judicial administration militate in favor of writ review." Scarbo v. Dist. Ct., 125 Nev. 118, 121, 206 P.3d 975, 977 (2009).

A writ of mandamus should issue here because the District Court committed an arbitrary and capricious exercise of discretion when it both granted and denied the motion

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to dismiss the complaint based on work performed by the conflicted law firm and subsequently entered an order granting attorneys' fees and costs to the conflicted law firm. See Int'l Game Tech., Inc.v. Dist. Ct., 122 Nev. 132, 142, 127 P.3d 1088, 1096 (2006) ("A writ of mandamus . . . is appropriate when the district court manifestly abuses its discretion."). The relief is warranted in the name of judicial economy and sound judicial administration, because Petitioner's case is in jeopardy of dismissal based on work performed by the conflicted law firm and Petitioner could alternatively be forced to litigate the remainder of this case before he could appeal the District Court's orders. See, Walters, 127 Nev. at \_\_\_, 263 P.3d at 234.

Additionally, a writ is also appropriate because this matter involves an important matter of public policy in which the Court could provide further guidance and clarification. See Walters, 127 Nev. at \_\_\_, 263 P.3d at 234. Specifically, entertaining the writ will provide the Court with an opportunity to clarify whether it is appropriate for a conflicted law firm to seek attorneys' fees and costs from the aggrieved client and whether the work performed by the conflicted law firm should stand. See Goldstein v. Lees, 120 Cal. Rptr. 253 (Cal. App. 1975)(holding conflicted attorney must be denied attorney's fees when the attorney possessed corporate secrets that were material); Jeffry v. Pounds, 136 Cal. Rptr. 373 (Cal. App. 1977)(holding that attorney must be denied any fees for work performed after a conflict arose even though the representations involved unrelated matters) [Emphasis Added.]; Sheppard Mullin Richter & Hampton LLP v. J-M Mfg. Co., Inc., 198 Cal.Rptr.3d 253 (Cal. App. 4th 2016)(holding that applying Cal. RPC 3-310 prohibiting attorney-client conflicts without written consent requires disgorgement of attorneys' fees by conflicted law firm consistent with the purpose of the statute even when the conflict relates to completely different matters) [Emphasis Added).

#### VIII. A WRIT SHOULD ISSUE

#### A. Standard of Review.

Questions of law, such as those at issue in this petition, are reviewed de novo.

Marquis & Aurbach v. Eighth Jud. Dist. Ct., 122 Nev. 1147, 1156, 146 P.3d 1130, 1136

(2006); Borger v. Eighth Jud. Dist. Ct., 120 Nev. 1021, 1026, 102 P.3d 600, 604 (2004).

- B. The District Court Erred as a Matter of Law By Awarding Attorneys Fees to the Conflicted Law Firm of Lewis Brisbois Bisgaard & Smith
  - 1. The Rules Prohibiting Attorney-Client Conflicts are Well Established.

At the evidentiary hearing on June 8, 2016, the District Court determined that LBBS violated NRPC 1.9 and 1.10 relating to its defense of Mydatt and Warner against Petitioner. (See generally, 4PA, Ex. 25 and 5PA, Ex. 38.) NRPC 1.9 provides as follows:

#### Rule 1.9. Duties to Former Clients.

- (a) A lawyer who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless the former client gives informed consent, confirmed in writing.
- (b) A lawyer shall not knowingly represent a person in the same or a substantially related matter in which a firm with which the lawyer formerly was associated had previously represented a client:
- (1) Whose interests are materially adverse to that person; and
- (2) About whom the lawyer had acquired information protected by Rules 1.6 and 1.9(c) that is material to the matter;
- (3) Unless the former client gives informed consent, confirmed in writing.

- (c) A lawyer who has formerly represented a client in a matter or whose present or former firm has formerly represented a client in a matter shall not thereafter:
- (1) Use information relating to the representation to the disadvantage of the former client except as these Rules would permit or require with respect to a client, or when the information has become generally known; or
- (2) Reveal information relating to the representation except as these Rules would permit or require with respect to a client.

Further, NRPC 1.10 provides as follows:

#### Rule 1.10. Imputation of Conflicts of Interest.

- (a) While lawyers are associated in a firm, none of them shall knowingly represent a client when any one of them practicing alone would be prohibited from doing so by Rules 1.7, 1.9, or 2.2, unless the prohibition is based on a personal interest of the prohibited lawyer and does not present a significant risk of materially limiting the representation of the client by the remaining lawyers in the firm.
- (b) When a lawyer has terminated an association with a firm, the firm is not prohibited from thereafter representing a person with interests materially adverse to those of a client represented by the formerly associated lawyer and not currently represented by the firm unless:
- (1) The matter is the same or substantially related to that in which the formerly associated lawyer represented the client; and
- (2) Any lawyer remaining in the firm has information protected by Rules 1.6 and 1.9(c) that is material to the matter.
- (c) A disqualification prescribed by this Rule may be waived by the affected client under the conditions stated in Rule 1.7.
  - (d) Reserved.
- (e) When a lawyer becomes associated with a firm, no lawyer associated in the firm shall knowingly represent a person in a matter in which that lawyer is disqualified under Rule 1.9 unless:
- (1) The personally disqualified lawyer did not have a substantial role in or primary responsibility for the matter that causes the disqualification under Rule 1.9;

- (2) The personally disqualified lawyer is timely screened from any participation in the matter and is apportioned no part of the fee therefrom; and
- (3) Written notice is promptly given to any affected former client to enable it to ascertain compliance with the provisions of this Rule.

### 2. <u>Public Policy Cannot Condone Conflicted Attorneys Benefitting a</u> <u>Directly Adverse Client to the Detriment of an Aggrieved Client</u>

Messrs. Aicklen and Shpirt conceded that Mr. Shpirt had a conflict relating to X'Zavion. (3PA, Ex. 19, at 550-551, 580-583; 4PA, Ex. 25, at 826.) The Court determined that the conflict was imputed to LBBS because of the failure to provide X'Zavion notice of the conflict. (*Id.*) From the inception of LBBS' representation of Mydatt and Warner, it had a direct conflict of interest with X'Zavion pursuant to NRPC 1.9 and 1.10. No exception under the State Bar of Nevada's Formal Opinion from the Standing Committee on Ethics, No. 39 applied to LBBS' employment of Mr. Shpirt because LBBS never provided notice to X'Zavion that Mr. Shpirt was employed with LBBS. X'Zavion never had the opportunity to consent or withhold his consent for LBBS to represent Defendants Mydatt and Warner in this matter.

Every jurisdiction has rules prohibiting attorney-client conflicts, and California RPC 3.310 comports with NRPC 1.9 and 1.10, providing as follows:

#### Rule 3-310 Avoiding the Representation of Adverse Interests

- (A) For purposes of this rule:
- (1) "Disclosure" means informing the client or former client of the relevant circumstances and of the actual and reasonably foreseeable adverse consequences to the client or former client;
- (2) "Informed written consent" means the client's or former client's written agreement to the representation following written disclosure;
- (3) "Written" means any writing as defined in Evidence Code section 250.
- (B) A member shall not accept or continue representation of a client without providing written disclosure to the client where:

- (1) The member has a legal, business, financial, professional, or personal relationship with a party or witness in the same matter; or
- (2) The member knows or reasonably should know that:
- (a) the member previously had a legal, business, financial, professional, or personal relationship with a party or witness in the same matter; and
- (b) the previous relationship would substantially affect the member's representation; or
- (3) The member has or had a legal, business, financial, professional, or personal relationship with another person or entity the member knows or reasonably should know would be affected substantially by resolution of the matter; or
- (4) The member has or had a legal, business, financial, or professional interest in the subject matter of the representation.
- (C) A member shall not, without the informed written consent of each client:
- (1) Accept representation of more than one client in a matter in which the interests of the clients potentially conflict; or
- (2) Accept or continue representation of more than one client in a matter in which the interests of the clients actually conflict; or
- (3) Represents a client in a matter and at the same time in a separate matter accept as a client a person or entity whose interest in the first matter is adverse to the client in the first matter.

At the time LBBS filed the motion to dismiss against X'Zavion on behalf of Mydatt and Warner, the firm was actively violating its duty of loyalty to X'Zavion. Such action is against public policy. LBBS seeking to recover attorneys' fees from X'Zavion for the very work it performed while it was acting contrary to his interests is also against public policy. Again, based upon X'Zavion's belief that LBBS never should have had any adversarial involvement in this matter, Defendants should not be allowed to benefit from LBBS conflict with X'Zavion. Now, based upon the work performed by LBBS while it was conflicted against X'Zavion, his complaint is potentially in jeopardy of being dismissed. (See generally, 4PA, Ex. 36.)

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## 3. Public Policy Cannot Permit Conflicted Attorneys to Monetarily Benefit from the Conflict.

While this Court has not specifically addressed the issue of conflicted law firms monetarily benefitting from the conflict, California courts have done so. When California courts have addressed the issue of whether conflicted law firms may benefit from work performed relating to conflicted matters, they have long determined that forfeiture and disgorgement of attorneys' fees is appropriate. In *Sheppard Mullin Richter & Hampton LLP v. J-M Mfg. Co., Inc.*, 198 Cal.Rptr.3d 253 (Cal. App. 4<sup>th</sup> 2016), a California appellate court relied on California's long-standing precedent to require a conflicted law firm to disgorge and forfeit millions of dollars in legal fees based on the firm's failure to disclose an actual conflict of interest.

Specifically, the Sheppard court found as follows:

Sheppard Mullin's breach of the duty of loyalty set forth in Rule 3-310 was a violation of public policy. A finding that Sheppard Mullin was nonetheless entitled to its attorney fees as if no breach had occurred would undermine the same public policy. We therefore follow the reasoning of *Goldstein* and *Jeffry* and hold that Sheppard Mullin is not entitled to its fees for the work it did for J-M while there was an actual conflict with South Tahoe. *Id.* at 274.

In Sheppard, the law firm had billed over \$3.8 million defending its client J-M Manufacturing Co., Inc., the world's largest manufacturer of polyvinyl chloride (PVC) pipe in a large Qui Tam lawsuit involving numerous parties. Id. at 257. Prior to its engagement, the firm ran a standard conflicts check that indicated the firm had represented one of the adverse intervening parties in the Qui Tam action, South Tahoe Public Utility District, on certain unrelated employment matters. Id. Several weeks later the firm also undertook a new and minor unrelated matter for South Tahoe, but failed to disclose the existing conflict with J-M or obtain an informed waiver of the conflict from either of its clients. Id. at 258. Neither the court nor J-M disputed the limited scope of

the work performed by the firm on behalf of South Tahoe. The most important fact was the firm's failure to give notice of its ongoing, adverse representation. *Id.* at 260.

South Tahoe brought a successful motion to disqualify the Sheppard Mullin firm in the Qui Tam action. *Id.* After Sheppard Mullin was disqualified, J-M refused to pay approximately \$1.3 million in outstanding legal fees. *Id.* Sheppard Mullin sued J-M to recover those outstanding fees and compel arbitration where the arbitration panel awarded the firm a majority of its attorneys' fees. *Id.* at 261. The arbitration panel found that "Sheppard Mullin's conduct was not so serious or egregious as to make disgorgement of fees appropriate" where the representation of the adverse client "was unrelated to the subject of the J-M representation, and therefore the conflict did not pervade the whole relationship with J-M ..." *Id.* A California trial court affirmed the arbitration award, but J-M appealed, arguing that the violation of CRPC 3-310 on conflicts of interest rendered the engagement contract illegal or void as a matter of public policy. *Id.* at 261.

First, the California appeals court determined that, under the applicable arbitration agreement and California law, the court should make a de novo determination as to whether the engagement contract was enforceable. *Id.* at 262-265. Second, the court determined that, despite standard waivers of both current and future conflicts contained in their client's engagement agreements, Sheppard Mullin had failed to obtained informed written consent as required by Rule 3-310(C)(3). *Id.* at 266-267. Third, the court found that the "attorney's duty of undivided loyalty that forms the basis of Rule 3-310 constitutes the very foundation of an attorney-client relationship" and, thus, the engagement agreement was invalid and unenforceable because it "violated an expression of public policy." *Id.* at 272-273.

Turning to the merits, the court held that Sheppard Mullin "[was] not entitled to its fees for the work it did for J-M while there was an actual conflict with [its other client]."

Id. at 274. In reaching this conclusion, the court relied primarily on two California appeals court cases from the 1970's. See, Id. at 272 (analyzing Goldstein v. Lees, 120 Cal.Rptr. 253 (Cal. App. 1975) and Jeffry v. Pounds, 136 Cal.Rptr.373 (Cal. App. 1977)). The Goldstein court found an engagement contract "void for reasons of public policy" where counsel represented a minority shareholder and director in a proxy fight to gain control of a company for which the attorney had served as in-house counsel several years prior to the proxy fight. 120 Cal.Rptr. at 254-255. Central to the decision was the fact that the attorney possessed "corporate secrets that [were] material to the proxy fight." Id. at 255. In Jeffry, a small law firm's lead partner represented both a husband in a personal injury action and his wife in her divorce proceeding against the husband. 67 Cal.App 3d at 374-375. There, the court denied any fees for work performed after the conflict arose even though the representations involved "unrelated matters" and the law firm did not have a "dishonest purpose" or engage in "deliberately unethical conduct." Id. at 377.

Besides arguing for all its fees, Sheppard Mullin also argued that despite its violation of CRPC 3-310, quantum meruit should be allowed for its representation of J-M in the Qui Tam action. *Id.* at 274. However, the court pointed out that the California Supreme Court had found that quantum meruit recovery must be denied in cases of ethical violations. *Id.* (citing *Huskinson & Brown v. Wolf*, 32 Cal.4<sup>th</sup> 453, 9 Cal. Rptr.3d 693, 84 P.3d 379 (2004).) The *Sheppard Mullin* court further found that "when a conflict of interest is asserted as a "[d]efense in the attorney's action to recover fees or the reasonable value of services[, a] violation of the fiduciary obligation will defeat recovery." *Id.* at 272. (citing 1 Witkin, Cal. Proc. 5<sup>th</sup> (2008) Attys, 104, p. 142.) The *Sheppard Mullin* court found that "Sheppard Mullin's violation of Rule 3-310 preclude[d] if from receiving compensation [whatsoever] for services provided to J-M in the Qui Tam Action." *Id.* Likewise, LBBS' violation of its fiduciary duty to X'Zavion created by its failure to provide notice of its employment of Mr. Shpirt should have

precluded it from looking to X'Zavion for any compensation for services provided defending Mydatt and Warner against X'Zavion.

The Sheppard Mullin court was swayed by the Fair decision, in which the court found disgorgement of attorney fees appropriate regardless of any proof of damages when a conflict of interest is involved, See, Fair, 125 Cal.Rptr.3d at 779. Besides precluding a conflicted firm from seeking recovery from the aggrieved client, the Sheppard Mullin decision arguably sets precedent for the automatic disgorgement of all attorneys' fees incurred while a conflict of interest violation exists.

The facts relating to X'Zavion and LBBS are more egregious than those relating to Sheppard Mullin. While the work Sheppard Mullin performed for South Tahoe was completely unrelated and quite minor, the work performed by LBBS defending Mydatt and Warner was directly related to X'Zavion and so adverse that LBBS filed a motion to dismiss X'Zavion's complaint. Now, based on the Court's granting of Defendants' motion for attorneys' fees and costs against X'Zavion, his complaint is in jeopardy of being dismissed. (See generally, 4PA, Ex. 36.)

- C. The District Court Erred as a Matter of Law Granting and Denying Defendants' Motion to Dismiss Because Petitioner Corrected His Deposition Testimony Without Being Compelled to Do So and He Did Not Disobey A Court Order
  - 1. Petitioner Voluntarily Corrected His Deposition Testimony.

NRCP 37 relates to compelling disclosure or discovery, and provides a remedy when a party fails to do so. Defendants never brought a motion to compel against Petitioner. Defendants filed a motion to dismiss Petitioner's complaint. (See generally, 1PA, Ex. 11.) Petitioner told Defendants at the outset of his deposition that he takes a number of pain medications (morphine, hydrocodone, bacopin and gabapentin.) (1PA, Ex. 11, at 119.) He also testified that he probably would not be able to give his best

testimony because "I forget sometimes." (*Id.*) Petitioner testified repeatedly that he did not know the answer to specific questions relating to the shooters. (*Id.*, *generally*.) Petitioner voluntarily produced an errata sheet clarifying his deposition testimony. (2PA, Ex. 14, at 335-338.) Defendants never moved to compel Petitioner to participate in discovery, and Petitioner never refused to do so. (4PA, Ex. 24, at 819.) Accordingly, it was proper for the Court to deny Defendants' motion to dismiss Petitioner's complaint. (*Id.*) However, the granting of Defendants' motion for attorneys' fees and costs is now potentially acting as a dismissal of Petitioner's complaint. (*See generally*, 4PA, Ex. 36.)

 Crafting a Jury Instruction Relating to Petitioner's Failure to Identify the Shooters Pursuant to NRCP 16.1 Potentially Invades the Jury's Province to Determine Credibility.

The District Court intends to craft a jury instruction relating to Petitioner's failure identify the shooters pursuant to NRCP 16.1. (4PA, Ex. 34, at 820-821.) Such a jury instruction potentially invades the province of the jury to determine credibility. Specifically, "[c]redibility is a matter to be decided by the jury." *United States v. Binder*, 769 F.2d 595, 602 (9<sup>th</sup> Cir. 1985).

The responsibility of the jury relating to witness credibility is clearly stated in Nevada Jury Instruction No. 2.07 which specifically provides as follows:

The credibility or believability of a witness should be determined by his manner upon the stand, his relationship to the parties, his fears, motives, interests or feelings, his opportunity to have observed the matter to which he testified, the reasonableness of his statements and the strength or weakness of his recollections.

If you believe that a witness has lied about any material fact in the case, you may disregard the entire testimony of that witness or any portion of his testimony which is not proved by other evidence.

The District Court's role is to determine the proper application of the law, not the weight of witness testimony. The District Court cannot invade the province of the jury to

determine credibility while remaining impartial. The District Court specifically advises the jury regarding its impartiality in Nevada Jury Instruction No. 1.08 as follows:

If, during this trial, I have said or done anything which has suggested to you that I am inclined to favor the claims or position of any party, you will not be influenced by any such suggestion.

I have not expressed, nor intended to express, nor have I intended to intimate, any opinion as to which witnesses are or are not worthy of belief, what facts are or are not established, or what inferences should be drawn from the evidence. If any expression of mine has seemed to indicate an opinon relating to any of these matters, I instruct you to disregard it. [Emphasis added.]

The determination of whether Petitioner is or is not being honest, and the weight his testimony should be given is an issue that should be left for the jury. Any benefit from allowing the District Court to craft a jury instruction relating to Petitioner's credibility would be "substantially outweighed by the danger of unfair prejudice, of confusion of the issues or of misleading the jury." NRS 48.035. Neither the District Court nor counsel should be permitted to express an opinion concerning the credibility of parties per Nevada Rule of Professional Conduct 3.4(e). See also Lioce v. Cohen, 124 Nev. 1, 174 P.3d 970 (2008). Allowing the District Court to craft a jury instruction relating to Petitioner's credibility would be contrary to Nev. J.I. 1.08 and would obviate Nev. J.I. 2.07. Stepping outside the bounds of determining the proper law to apply to the facts and assuming determining witness credibility would be appealable error.

#### IX. CONCLUSION

As explained above, public policy must prohibit a conflicted law firm from using confidential information to act contrary to the aggrieved client's interests to the point of

dismissal of his complaint and adding to insult to injury by forcing the aggrieved client to pay for the conflicted law firm's Accordingly, Petitioner respectfully requests that the Court issue a writ of mandamus vacating the District Court's order and directing the District Court to enter an order denying Respondents' motion for attorney fees and costs and an adverse jury instruction.

DATED this 21st day of November, 2016.

#### INJURY LAWYERS OF NEVADA

/s/ Jolene J. Manke

By:\_\_

DAVID J. CHURCHILL JOLENE J. MANKE Attorneys for Petitioner

#### VERIFICATION OF X'ZAVION HAWKINS

I, X'Zavion Hawkins declare as follows:

- 1. I am a resident of Clark County, Nevada.
- 2. The foregoing Petition is true of my own knowledge except as to those matters stated on information and belief, and that, as to such matters, I believe them to b true.

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

EXECUTED this 21 day of November, 2016.

XZavion J HAWGINS

#### **CERTIFICATION PURSUANT TO NRAP 28.2 AND NRAP 21(5)**

I, Jolene J. Manke, attorney for Petitioner in the above-matter, do hereby certify pursuant to NRAP 28.2 the following:

- (1) I have read the Petition;
- (2) To the best of my knowledge, information and belief, the Petition is not frivolous or interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation;
- (3) I believe that the Petition complies with all applicable Nevada Rules of Appellate Procedure, including the requirement of Rule 28(e) that every assertion in the briefs regarding matters in the record be supported by a reference to a page and volume number, if any, of the appendix where the matter relied on is to be found; and
- (4) I represent that the Petition complies with the formatting requirements of Rule 32 (a)(4)-(6), and either the page- or type-volume limitations stated in Rule 32(a)(7).
- (5) Pursuant to NRAP 12(5), I verify that the facts set forth herein are true and correct to the best of my knowledge.

I declare the foregoing is true under penalty of perjury.

DATED this 2 day of November, 2016.

XXXVVX (M)VV Iouene J. Manke

#### **CERTIFICATE OF SERVICE**

I certify that I am an employee of and that on the 21st day of November, 2016, service of the foregoing Petition for Extraordinary Writ of Relief was made by electronic service through the Nevada Supreme Court's electronic filing system and/or by depositing a true and correct copy in the U.S. Mail, first class postage prepaid, and addressed to the following at their last known address:

HON	. JOANNA KISHNER
DEP	ARTMENT XXXI
Eight	h Judicial District Court
	onal Justice Center
	ewis Avenue
Las V	egas, NV 89155

Respondent

DAVID S. LEE	
CHARLENE N. RENWICK	
LEE HERNANDEZ LANDRUM	S
GAROFALO	
7575 Marge Drive Cuita 150	

7575 Vegas Drive, Suite 150 Las Vegas, NV 89128

Email: dlee@lee-lawfirm.com crenwick@lee-lawfirm.com

Attorneys for Real Parties in Interest GGP MEADOWS MALL, LLP, MYDATT SECURITY SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER

#### EDGAR CARRANZA BACKUS, CARRANZA & BURDEN

3050 S. Durango Drive Las Vegas, NV 89117

Email: edgarcarranza@backuslaw.com

Attorneys for Real Parties in Interest MYDATT SECURITY SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER

/s/ LSalonga

Employee of INJURY LAWYERS OF NEVADA

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# Exhibit 1

# Exhibit 1

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	3	BACKUS, CARRANZA & BURDEN 3050 S. Durango Drive			
	4	Las Vegas, NV 89117			
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	6	MYDATT SERVICES INC d/b/a VALOR			
	7	SECURITY SERVICES and MARK WARNER			
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	12	X'ZAVION HAWKINS,	)		
	12	Plaintiffs,	) Case No. A717577		
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30, 30, 1,48, 102)	16	SERVICES, INC. d/b/a VALOR SECURITY	)		
BACKUS, CARRA 3050 SOUT LAS VEGAS, N TELE: (702) 872-5555	17	SERVICES, an Ohio Corporation; MARK	)		
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		DEFENDANTS', MYDATT SERVICES, INC. D/B/A VALOR SECURITY SERVICES AND MARK WARNER, MOTION TO STRIKE PLAINTIFF'S			
	23	COMPLAINT AND DISMISSAL			
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	25	Defendants, MYDATT SERVICES, INC. d/b/	a VALUR SECURITY SERVICES and		
	23	MARK WARNER (collectively referred to as "Mydatt"), by and though counsel, Edgar Carranza,			
	26	•			
	27	Esq. of the law firm of BACKUS, CARRANZA & BURDE	N and David S. Lee, Esq. and Charlene		
		Renwick, Esq. of the Lee, Hernandez, Landrum & Ga	rofalo law firm, hereby file the instant		
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motion to dismiss Plaintiff's Complaint pursuant to NRCP 1, 37(b) and this Court's own inherent authority as a result on Plaintiff's refusal to comply with this Court's order requiring payment of attorney's fees and costs as the sanctions imposed against him as a result of his repeated and intentional discovery abuses. Plaintiff's continued refusal to abide by this Court's orders and rules cannot continue to be tolerated. This motion is supported by the following Memorandum of Points and Authorities, exhibits and affidavits, if any, attached herewith.

#### **NOTICE OF MOTION**

PLEASE TAKE NOTICE that Defendants' Motion to Strike Plaintiff's Complaint and day of December, 2016, Dismissal shall be heard before the Honorable Kishner on the 2,0 at 9:00 a.m. in Dept. 31, Courtroom 12B.

DATED this 1 day of November, 2016.

Edgar/Carranza, Esq. Nevada Bar No. 5902 3050 South Durango Drive Las Vegas, Nevada 89117 Attorneys for Defendants MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER

#### MEMORANDUM OF POINTS AND AUTHORITIES

#### I. INTRODUCTION

On July 21, 2016, an evidentiary hearing was held after Defendants uncovered Plaintiff's misrepresentations in discovery of information readily at his disposal. These discovery abuses included, inter alia, Plaintiff's failure to disclose information about the identity of one of the assailants as part of his NRCP 16.1 disclosures, failure to accurately respond to written discovery and repeated untruthful responses to inquiries during his sworn deposition. After the all-day

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evidentiary hearing, this Court disagreed with Plaintiff's attempts to justify the misrepresentations and ordered that sanctions were warranted against Plaintiff, including an award of attorney's fees and costs related to the motion to dismiss.1

After the parties submitted their respective briefs related to the request for fees and costs. this Court ordered that Plaintiff pay to Defendants \$41,635.00 in attorney's fees and \$196.66 in costs for a total award of \$41,831.66.<sup>2</sup> This Court further ordered that the sanctions be paid "within 30 days of the Notice of Entry of this Order by the Court."3

The order was entered on October 18, 2016, making the sanctions due to be paid no later than November 17, 2016. The November 17, 2016 date came and went without any payment from Plaintiff. it is this order and without any communication from Plaintiff about the payment. Plaintiff's failure to comply with this Court's order is the basis of this motion.

#### II. POINTS AND AUTHORITIES

Plaintiff has refused to comply with this Court's order pursuant to NRCP 37(b) to pay the Defendants attorney's fees and costs incurred resulting from the repeated discovery abuses proven at the evidentiary hearing held on July 21, 2016. Pursuant to NRCP 1, NRCP 37(b) and this Court's own inherent authority over its docket of cases, striking Plaintiff's Complaint and dismissing this action is appropriate.

Our rules of procedure provide trial courts the basis for sanctioning a party, including the dismissal of an action, for failing to comply with the orders of the courts. Specifically, NRCP 37(b) provides as follows:

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28 <sup>3</sup> Exhibit B, 4:1-2 (Emphasis added).

<sup>4</sup> Exhibit C, Notice of Entry of Order.

<sup>&</sup>lt;sup>1</sup> Exhibit A, Order Granting in Part and denying in Part Motion to Dismiss.

<sup>&</sup>lt;sup>2</sup> Exhibit B, Order denying in Part and Granting in Part Motion for Attorney's Fees and Costs Related to Motion to Dismiss, 3:22-25.

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(b) Failure to Comply With Order.

. . .

(2) Sanctions—Party. If a party or an officer, director, or managing agent of a party or a person designated under Rule 30(b)(6) or 31(a) to testify on behalf of a party fails to obey an order to provide or permit discovery, including an order made under subdivision (a) of this rule or Rule 35, or if a party fails to obey an order entered under Rules 16, 16.1, and 16.2, the court in which the action is pending may make such orders in regard to the failure as are just, and among others the following:

. . .

(C) An order striking out pleadings or parts thereof, or staying further proceedings until the order is obeyed, or dismissing the action or proceeding or any part thereof, or rendering a judgment by default against the disobedient party;

. . .

In lieu of any of the foregoing orders or in addition thereto, the court shall require the party failing to obey the order or the attorney advising that party or both to pay the reasonable expenses, including attorney's fees, caused by the failure, unless the court finds that the failure was substantially justified or that other circumstances make an award of expenses unjust.<sup>5</sup>

The rules of procedure are meant to be construed and administered to insure the just and speedy determination of every action.<sup>6</sup> In Nevada, this includes trial courts having the inherent equitable power to dismiss an action for abusive litigation practice.<sup>7</sup> NRCP 37(b) empowers the district court with a broad range of sanctions that may be invoked when a party fails to comply with an order of the court, including striking a party's pleading.<sup>8</sup> Generally, willful noncompliance with a court order justifies sanctions, including dismissal, upon thoughtful consideration of all the factors involved.<sup>9</sup>

In this case, thoughtful consideration of all factors involved soundly support the requested dismissal. Plaintiff has repeatedly demonstrated his complete disregard for both the rules and

<sup>&</sup>lt;sup>5</sup> Emphasis added.

<sup>6</sup> NRCP 1.

<sup>&</sup>lt;sup>7</sup> See, Johnny Ribiero Building, Inc., 106 Nev. 88, 787 P.2d 777 (1990).

<sup>&</sup>lt;sup>8</sup> See, Temora Trading Co. v. Perry, 98 Nev. 229, 645 P.2d 436, cert. denied, 459 U.S. 1070, 103 S. Ct. 489, 74 L.Ed. 2d 632 (1982).

<sup>&</sup>lt;sup>9</sup> See, GNLV Corp. v. Service Control Corp., 111 Nev. 866, 900 P.2d 323 (1995).

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orders of this Court. In this latest instance, he simply chose to willfully ignore the order of this Court and refuse to pay the attorney's fees and costs determined by this Court were appropriate to address his prior well documented discovery abuses.

On July 21, 2016, after an all-day evidentiary hearing, this Court ordered that sanctions were warranted against Plaintiff, including an award of attorney's fees and costs related to the motion to dismiss, based on his repeated discovery abuses. 10 The documented discovery abuses included, but were not limited to, the following:

- Plaintiff's failure to disclose information about the identity of one of the assailants 1. as part of his NRCP 16.1 disclosures despite knowing the name of one of his assailant and despite including the name in the body of his Compliant;<sup>11</sup>
- Plaintiff's failure to respond to written discovery accurately to include identifying 2. information about his assailants;12 and
- Plaintiff's repeated failure to truthfully respond to countless inquiries during his 3. sworn deposition about the events leading up to the assault, the assault itself, the identity of his assailants and the prior armed robbery committed against him by one of his assailants, despite prior voluntary statement to police. 13

This Court agreed with the defense, and found that Plaintiff failed to provide the readily available information 14 and that Plaintiff's attempted explanation of memory lapses was not credible. 15 As a result, it ordered that "Plaintiff shall pay, reasonable attorney's fees and costs in an amount to be determined by this Court after proper submissions by all parties."16

In response to the Court's order, the Defendants filed their motion seeking attorney's fees and costs on August 19, 2016. After the briefing schedule and oral arguments were presented, on October 17, 2016, this Court ordered that Plaintiff pay to Defendants \$41,635.00 in attorney's fees

<sup>10</sup> Exhibit A, Order Granting in Part and denying in Part Motion to Dismiss.

<sup>11</sup> Exhibit A, 5:8-9.

<sup>&</sup>lt;sup>12</sup> Exhibit A, 5:10-13.

<sup>&</sup>lt;sup>13</sup> Exhibit A, 5:13-18.

<sup>14</sup> Exhibit A, 4:23-5:7.

<sup>15</sup> Exhibit A, 5:19-20.

<sup>16</sup> Exhibit A, 6:16-18.

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and \$196.66 in costs for a total award of \$41,831.66.<sup>17</sup> This Court further ordered that the sanctions be paid "within 30 days of the Notice of Entry of this Order by the Court." <sup>18</sup>

Despite this Court's clear order, Plaintiff has refused to pay the required sanctions within the prescribed time period. Moreover, Plaintiff has not contacted Defendants to request additional time to pay the sanctions, nor sought an order from this Court to modify the period to pay. Instead, as has been his practice throughout this case, Plaintiff has simply chosen to willfully ignore this Court's order relying that this Court will once again show him leniency despite his well-worn abuses. Plaintiff's repeated behavior and willful refusal to comply with this Court's orders should not be rewarded.

Mydatt respectfully requests that Plaintiff's Complaint be stricken and that this matter be dismissed with prejudice.

#### III. CONCLUSION

As he has throughout the life of this case, Plaintiff again shows no respect for the rules and orders of this Court. This time, he flagrantly has refused to comply with this Court's order requiring that he pay the defense a total of \$41,831.66 in attorney's fees and costs as a result of his discovery abuses, entered on October 17, 2016. Plaintiff had until November 17, 2016, to comply with the order. The deadline has come and gone without the payment or a word from Plaintiff about the payment.

Plaintiff has already demonstrated his complete disregard for the rules and orders of this Court. His litigious practices, his discovery abuses and refusal to comply with this Court's order all support striking of his Complaint and dismissal of this action. This Court has already provided its admonitions and imposed lesser sanctions which have gone unheeded. The time has come to put an end to Plaintiff's abusive tactics and terminate this already tenuous case. To do anything

<sup>&</sup>lt;sup>17</sup> Exhibit B, Order denying in Part and Granting in Part Motion for Attorney's Fees and Costs Related to Motion to Dismiss, 3:22-25.

<sup>18</sup> Exhibit B, 4:1-2 (Emphasis added).

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1	less will simply reward Plaintiff and send the wron	ng message to other litigants.
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3	Dated this Light day of November, 2016.	
4	Dated this day of November, 2010.	
5		BACKUS, CARRANZA & BURDEN
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7	Ву:	
8		Edgar Carranza, Esq. Nevada Bar No. 5902
9		3050 South Durango Drive Las Vegas, Nevada 89117
		Attorneys for Defendants
10		MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK
11 Se 12		WARNER
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#### **CERTIFICATE OF SERVICE**

I am a resident of and employed in Clark County, Nevada. I am over the age of 18 years and not a party to the within action. My business address is: 3050 S. Durango Drive, Las Vegas, Nevada, 89117. On November 18ed, 2016, I served this document on the parties listed on the attached service list via one or more of the methods of service described below as indicated next to the name of the served individual or entity by a checked box:

VIA U.S. MAIL: by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail at Las Vegas, Nevada. I am "readily familiar" with the firm's practice of collection and processing correspondence by mailing. Under that practice, it would be deposited with the U.S. Postal Service on that same day with postage fully prepaid at Las Vegas, Nevada in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

VIA FACSIMILE: by transmitting to a facsimile machine maintained by the attorney or the party who has filed a written consent for such manner of service.

BY PERSONAL SERVICE: by personally hand-delivering or causing to be hand delivered by such designated individual whose particular duties include delivery of such on behalf of the firm, addressed to the individual(s) listed, signed by such individual or his/her representative accepting on his/her behalf. A receipt of copy signed and dated by such an individual confirming delivery of the document will be maintained with the document and is attached.

BY E-MAIL: by transmitting a copy of the document in the format to be used for attachments to the electronic-mail address designated by the attorney or the party who has filed a written consent for such manner of service.

BY ELECTRONIC MEANS: by electronically filing and serving with the court's vendor.

I declare that under penalty of perjury under the laws of the State of Nevada that the above is true and correct. I further declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

An employee of BACKUS, CARRANZA & BURDEN

BACKUS, CARRANZA & BURDEN 3050 SOUTH DURANGO DRIVE LAS VEGAS, NEVADA 89117 TELE: (702) 872-5555 FAX: (702) 872-5545 8 L 9 G F E

#### SERVICE LIST

David Churchill, Esq. Jolene J. Manke, Esq. INJURY LAWYERS OF NEVADA 6900 Westcliff Dr. Suite 707 Las Vegas, Nevada 89145 702-868-8888 702-868-8889 david@injurylawyersnv.com Joelen@injurylawyersnv.com	Attorney for Plaintiff	Personal service Email service Fax service Mail service Electronic means
David S. Lee, Esq. Charlene Renwick, Esq. Lee, Hernandez, Landrum & Garofalo 7575 Vegas Drive, Suite 150 Las Vegas, Nevada 89128 702-880-9750 702-314-1210 dlee@lee-lawfirm.com crenwick@lee-lawfirm.com	Attorney for Defendants, GGP MEADOWS MALL LLC, MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER	Personal service Email service Fax service Mail service Electronic means

# EXHIBIT A

ORDR

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#### DISTRICT COURT

#### CLARK COUNTY, NEVADA

X'ZAVION HAWKINS,

Plaintiffs,

vs.

GGP MEADOW MALL LLC, a Delaware Limited Liability Company; MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES, an Ohio Corporation; MARK WARNER, individually; DOES I through 10; DOE SECURITY GUARDS 11 through 20; and ROE ENTITES 21 through 30, Inclusive,

Defendants.

Case No. A717577

Electronically Filed

Dept. XXXI 08/24/2016 11:56:29 AM

CLERK OF THE COURT

ORDER DENYING IN PART AND GRANITING IN PART MOTION TO DISMISS

Date of hearing: 07-21-16

Time of hearing: 9:30 a.m.

Defendants, MYDATT SERVICES, INC. d/b/a VALOR SECURITY

SERVICES and MARK WARNER's (collectively referred to herein as "Mydatt")

Motion to Dismiss, filed on March 23, 2016; Defendant, GGP MEADOW MALL

LLC's (referred to herein as "GGP") Joinder, filed on April 1, 2016; Plaintiff,

X'ZAVION HAWKINS' (hereinafter referred to as "Plaintiff") Opposition to the

Motion to Dismiss and Countermotion for Sanctions, filed on March 8, 2016; and

Mydatt's reply to Opposition and Countermotion, filed on April 26, 2016; came on

for hearing before this Court on May 3, 2016, and an Evidentiary Hearing July 21,

28 JOANNA S. KISHNER DISTRICT JUDGE DEPARTMENT XXXI LAS VEGAS, NEVADA 19155

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26 27

2016. This honorable Court having reviewed the pleadings filed, the evidence admitted, witness testimony presented and oral arguments from the parties hereby grants and denies the Motion to Dismiss finding as follows:

- Nevada Rule of Civil Procedure ("NRCP") 37(a)(2)(B) allows the Court to grant sanctions, upon motion by a party, for discovery abuses as follows:
  - (B) If a deponent fails to answer a question propounded or submitted under Rules 30 or 31, or a corporation or other entity fails to make a designation under Rule 30(b)(6) or 31(a), or a party fails to answer an interrogatory submitted under Rule 33, or if a party, in response to a request for inspection submitted under Rule 34, fails to respond that inspection will be permitted as requested or fails to permit inspection as requested, the discovering party may move for an order compelling an answer, or a designation, or an order compelling inspection in accordance with the request. The motion must include a certification that the movant has in good faith conferred or attempted to confer with the person or party failing to make the discovery in an effort to secure the information or material without court action. When taking a deposition on oral examination, the proponent of the question may complete or adjourn the examination before applying for an Order.

- (A) If the motion is granted or if the disclosure or requested discovery is provided after the motion was filed, the court shall, after affording an opportunity to be heard, require the party or deponent whose conduct necessitated the motion or the party or attorney advising such conduct or both of them to pay to the moving party the reasonable expenses incurred in making the motion, including attorney's fees, unless the court finds that the motion was filed without the movant's first making a good faith effort to obtain the disclosure or discovery without court action, or that the opposing party's nondisclosure, response or objection was substantially justified, or that other circumstances make an award of expenses unjust.
- (C) If the motion is granted in part and denied in part, the court may enter any protective order authorized under Rule 26(c) and may, after affording an opportunity to be heard, apportion the reasonable expenses incurred in relation to the motion among the parties and persons in a just manner.
- 3. NRCP 37(b) allows for additional sanctions against a party as follows:
  - (2) Sanctions—Party. If a party or an officer, director, or managing agent of a party or a person designated under Rule 30(b)(6) or 31(a) to testify on behalf of a party falls to obey an order to provide or permit discovery, including an order made under subdivision (a) of this rule or Rule 35, or if a party falls to obey an order entered under Rules 16, 16.1, and 16.2, the court in which the action is pending may make such orders in regard to the failure as are just, and among others the following:
    - (A) An order that the matters regarding which the order was made or any other designated facts shall be taken to be established for the purposes of the action in accordance with the claim of the party obtaining the order;
    - (B) An order refusing to allow the disobedient party to support or oppose designated claims or defenses, or prohibiting that party from introducing designated matters in evidence;

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- (C) An order striking out pleadings or parts thereof, or staying further proceedings until the order is obeyed, or dismissing the action or proceeding or any part thereof, or rendering a judgment by default against the disobedient party;
- (D) In lieu of any of the foregoing orders or in addition thereto, an order treating as a contempt of court the failure to obey any orders except an order to submit to a physical or mental examination:
- (E) Where a party has failed to comply with an order under Rule 35(a) requiring that party to produce another for examination, such orders as are listed in subparagraphs (A), (B), and (C) of this subdivision, unless the party failing to comply shows that that party is unable to produce such person for examination.

In lieu of any of the foregoing orders or in addition thereto, the court shall require the party failing to obey the order or the attorney advising that party or both to pay the reasonable expenses, including attorney's fees, caused by the failure, unless the court finds that the failure was substantially justified or that other circumstances make an award of expenses uniust.

- Courts are empowered, pursuant to the unclean hands doctrine, to 4. close the doors to the courthouse to a litigant who is "tainted with inequitableness or bad faith relative to the matter in which he seeks relief."1
- NRCP 1 provides courts the inherent discretion to construe and 5. administer the rules of civil procedure "to secure the just, speedy, and inexpensive determination of every action."
- This Court finds that after a full evidentiary hearing where both 6. 24 parties were able to provide witness testimony and evidence, Plaintiff failed to provide information requested by Mydatt in the written discovery and by Mydatt

<sup>&</sup>lt;sup>1</sup> See, Precision Instrument Manufacturing Co. v. Automotive Maintenance Mach. Co., 324 U.S. 804, 814-15 (1945).

 and GGP at Plaintiff's deposition which was within Plaintiff's knowledge, custody and control. This includes, but is not limited to, the identity of the assailants involved in the August 17, 2013, altercation; descriptions of the assailants; the history between Plaintiff and the assailants; the facts involving the altercation; and Plaintiff's role in the altercation. And that such failure violated the spirit and intent of the discovery rules of this Court.

- 7. This Court further finds that Plaintiff failed to provide some of this information as part of his mandatory obligations pursuant to NRCP 16.1.
- 8. This Court further finds that the failure to provide the information, and denying knowledge of the information in response to the written discovery requests as required under NRCP 33 and 35 and during his deposition, is belied by evidence and testimony presented, including Plaintiff's voluntary statement provided to the Las Vegas Metropolitan Police Department as part of its investigation of the August 17, 2013, shooting, the testimony of Detective Majors (which this Court finds to be credible) and by Plaintiff's Complaint field with this Court on April 27, 2015.
- 9. This Court further finds that Plaintiff's testimony and attempted explanation of memory lapses was not supported by credible evidence.
- 10. No prior Order has been issued by this Court related to the discovery requests, deposition testimony, NRCP 16.1 disclosures, or information at issue. Given there is not a prior Order relating to the above referenced violations, the Court finds that at this juncture the requested relief of terminating sanctions is not appropriate.

11. Given the extent and gravity of the conduct, however, this Court finds that, nonetheless, sanctions are warranted against Plaintiff based on both Nevada law, including *Young v. Johnny Ribeiro*<sup>2</sup> and its progeny; the evidence and testimony presented; and Plaintiff's conduct in litigating this case.

Accordingly, this honorable Court orders as follows:

IT IS HEREBY ORDERED, DECREED, AND ADJUDGED that Defendant,

Mydatt's Motion to Dismiss is hereby DENIED in part and GRANTED in part.

IT IS FURTHER ORDERED, DECREED, AND ADJUDGED that

Defendant Mydatt's request that Plaintiff's Complaint be dismissed based on the

discovery abuses involved is hereby DENIED without prejudice.

IT IS FURTHER ORDERED, DECREED, AND ADJUDGED that sanctions are GRANTED against Plaintiff for the discovery and disclosure abuses involved as follows:

- A. Defendants, Mydatt and GGP, shall be awarded, and Plaintiff shall pay, reasonable attorney's fees and costs in an amount to be determined by this Court after proper submissions by all parties.

  The amount shall be paid by Plaintiff within 14 days of the entering of the Order setting forth the sanction amount;
- B. If requested by Defendant(s), the Court shall provide a curative jury instruction(s) that seeks to address the harm caused by Plaintiff's discovery abuses by establishing *inter alia* that if Plaintiff had complied with his obligations under NRCP 16.1, NRCP 30, NRCP

<sup>&</sup>lt;sup>2</sup> 106 Nev. 88 (1990).

33 and NRCP 36, evidence and testimony would have been discovered which would have more accurately reflected the circumstances involved in the altercation at issue between Plaintiff and the assailants as indicated in the voluntary statement provided to LVMPD. The applicable curative jury instruction(s) will be crafted by the parties and this Court contemporaneous with the submission of all jury instructions closer to the time of trial;

C. If good cause is shown, the Court shall grant an extension of the discovery period, currently set for September 16, 2016, and trial, currently set for November 14, 2016, upon a timely request by Defendants Mydatt and GGP upon further consideration of the preparation required.

15 IT IS FURTHER ORDERED, DECREED, AND ADJUDGED that no
16 settlement conference will be ordered at this time as the parties have broached
17 settlement discussions informally and will continue to pursue on their own terms.

DATED this 18th day of August, 2016.

JOÄNNA S. KISHNER DISTRICT COURT JUDGE

#### **CERTIFICATE OF SERVICE**

I hereby certify that on or about the date filed, a copy of this Order was provided to all counsel, and/or parties listed below via one, or more, of the following manners: via email, via facsimile, via US mail, via Electronic Service if the Attorney/Party has signed up for Electronic Service, and/or a copy of this Order was placed in the attorney's file located at the Regional Justice Center:

**ALL PARTIES SERVIED VIA E-SERVICE** 

TRACY L. CORDOBA-WHEELE
Judicial Executive Assistant

JOANNA S. KISHNER DISTRICT JUDGE DEPARTMENT XXXI LAS VEGAS, NEVADA 89155

# EXHIBIT B

Electronically Filed 10/17/2016 03:39:00 PM

ORDR 1 Edgar Carranza, Esq. 2 Nevada State Bar No. 5902 CLERK OF THE COURT BACKUS, CARRANZA & BURDEN 3 3050 S. Durango Drive Las Vegas, NV 89117 4 (702) 872-5555 (702) 872-5545 facsimile 5 ecarranza@backuslaw.com 6 Attorneys for Defendants MYDATT SERVICES, INC. d/b/a VALOR 7 SECURITY SERVICES and MARK WARNER 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA 10 11 X'ZAVION HAWKINS, 3050 BOUTH DURANGO LAS VECAS, NEVADA 89117 Tele: (702) 872-5555 Fac: (702) 872-5545 BACKUS, CARRANZA & BURDEN Case No. A717577 12 Plaintiffs, Dept. XXXI 13 VS. 14 GGP MRADOW MALL LLC, a Delaware Limited Liability Company, MYDATT 15 SERVICES, INC. d/b/a VALOR SECURITY 16 SERVICES, an Ohio Corporation; MARK WARNER, individually; DOES I through 10; 17 DOE SECURITY GUARDS 11 through 20; and ROB ENTITES 21 through 30, Inclusive, 18 19 Defendants. 20 \* ORDER DENYING IN PART AND GRANTING IN PART MOTION 21 î, FOR ATTORNEY'S FEES AND COSTS RELATED TO MOTION TO DISMISS 22 n/a Date of hearing: 23 n/a Time of hearing: 24 Defendants', MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and 25 MARK WARNER (collectively referred to herein as "Mydatt") and Defendant, GGP MEADOW 26 MALL LLC (referred to herein as "GGP"), Motion for Attorney's Fees and Costs, filed on August 27 19, 2016, Plaintiff, X'ZAVION HAWKINS' (hereinafter referred to as "Plaintiff") Opposition to 28 7 10-11-16 A07:56 ä

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the Motion to For Attorney's Fees and Costs and Counter Motion for Fees and Costs re: the Motion to Disqualify, filed on September 7, 2016, Mydatt's reply to opposition and opposition to counter motion, filed on September 13, 2016, Plaintiff's Supplemental brief in Opposition to the Motion for Attorney's Fees and Costs and Mydatt's Reply to Plaintiff's Supplemental Brief, along with arguments made by each party during the hearing before this Court on September 20, 2016 have been reviewed and considered. This honorable Court having reviewed the pleadings filed, authority submitted and oral arguments from the parties hereby grants and denies the Motion to for Attorney's Fees and Costs finding as follows:

- This Court considered whether there was any authority that allowed or precluded 1. the sanction award against Plaintiff and found that, as it had already made a ruling after a full consideration of the record including conducting an Evidentiary Hearing, that there exists an appropriate basis to award sanctions in the form of fees and costs against Plaintiff for his conduct. It further found that although Plaintiff contends that, inter alia, Sheppard Mullin Richter & Hampton, LLP v. J.M. Mfg. Co., Inc., 198 Cal Rptr. 3d 253 (Cal. App. 4th) (2016), precludes the Court from awarding any fees related to the work performed by the Lewis Brisbois law firm, the Court adopts the arguments set forth in Defendants' Supplemental Brief and rejects Plaintiff's contention.
- The Court further finds that there is a proper basis to award as a sanction, the fees 2. and costs reasonably incurred by all three law firms involved with the defense, relying on, inter alia, NRCP 37, the Court's own inherent powers, Nevada case law, including Shuette V. Beazer Homes Holdings Corp., 121 Nev. 837, 124 P.3d 530 (2005); Brunzell v. Golden Gate National Bank, 85 Nev. 345, 350, 455 P.2d 31 (1969), as well as the other basis set forth in the record.
- The Court further finds that, inter alia, the rates charged by each counsel, their 3. skills and expertise, as well as the result obtained, all merit granting their fee request consistent with the Court's prior Order. However, the Court also finds that given the number of lawyers and

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law firms involved in the Motion and Hearing at issue, it is appropriate to reduce the fee amount of each of the respective firms to be consistent with the nature and scope of the record and applicable law. Accordingly, the Court finds that an award for attorney's fees totaling \$41,635.00 is appropriate comprised of the following amounts:

- A. Lewis Brisbois fees in the amount of \$19,846.00;
- B. Lee Hernandez fees in the amount of \$11,629.50; and
- C. BACKUS, CARRANZA & BURDEN fees in the amount of \$10,159.50.
- 4. The Court further finds that the additional fees requested by Defendants in the original motion and supplemental filings for \$3,000 related to work required as a result of Plaintiff's supplemental filings is not appropriate in this context as this decision relates only to the appropriate sanctions related to the motion to dismiss, and thus the request is dealed without prejudice.
- 5. The Court also finds that although one of the mileage cost entries, in the amount of \$11.34, was not properly supported as being related to the underlying Motion, the rest of the costs were properly supported and thereby award costs in the amount of \$196.66.

Accordingly, with respect to the pending motion for attorney's fees and costs, this honorable Court orders as follows:

IT IS HEREBY ORDERED, DECREED AND ADJUDGED that Defendants' Motion for Attorney's Fees and Costs is hereby DENIED, in part, and GRANTED, in part,

IT IS FURTHER ORDERED, DECREED AND ADJUDGED that Defendants' are hereby awarded attorney's fees totaling \$41,635.00 and costs totaling \$196.66, for a total award of \$41,831.66.

IT IS FURTHER ORDERED, DECREED AND ADJUDGED that Plaintiff shall make the above payment to Defendants within 30 days of the Notice of Entry of this Order by the Court.

DATED this 1 Sday of October, 2016.

POSTRICT COURT JUDGE

Submitted by:

BACKUS, CARRANZA & BURDEN

Edgar Caffanza, Esq.
Nevada Bar No. 5902
3050 South Durango Drive
Las Vegas, Nevada 89117
Attorneys for Defendants

MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER

BACKUS, CARRANZA & BURDE 3050 SOUTH DUIANCO DROVE LAS VEGAS, NEVADA 89117 TRIE: (702) 872-6555 FAX: (702) 873-65 81 L 91 L 12 L 13 L 13 L

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# EXHIBIT C

	2	NEO Edgar Carranza, Esq. Nevada State Bar No. 5902 BACKUS, CARRANZA & BURDEN	Electronically Filed 10/18/2016 12:19:10 PM			
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	4	Las Vegas, NV 89117	CLERK OF THE COURT			
	5	(702) 872-5555 (702) 872-5545 facsimile				
	3	ecarranza@backuslaw.com				
	6	Attorneys for Defendants	•			
	7	MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER				
	8					
		DISTRICT COURT				
9		CLARK COUNTY, NEVADA				
	10					
<u>v</u>	11	X'ZAVION HAWKINS,	)			
& BURDEN INGO 1 8917 : (702) 872-554	12		) Case No. A717577			
Se Buri NGO 89117 (762) 872		Plaintiffs,	) Dept. XXXI			
s, Carranza & B. 3050 South Durango s: Vegas, Nevada 8911 ) 872-5555 Fax: (702)	13	vs.	)			
CARRANZA & SO SOUTH DURA! VEGAS, NEVADA & 872-5555 FAX:	14		)			
RRA OUTS SSS	15	GGP MEADOW MALL LLC, a Delaware	}			
JUS, CARR 3050 Sou LAS VEGAS, 02) 872-555		Limited Liability Company; MYDATT SERVICES, INC. d/b/a VALOR SECURITY	<b>`</b>			
BACKUS, CARRA 3050 SOUT LAS VEGAS, D TRIE: (702) 872-5555	16	SERVICES, an Ohio Corporation; MARK	)			
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Bushra	21	NOTICE OF ENTRY OF ORDER				
ह्यें हर	22	PLEASE TAKE NOTICE THAT an Order D	Denying in Part and Granting in Part Motion			
7	23	for Attorney's Fees and Costs Related to Motion to	Dismiss was signed by District Court Judge,			
· •	24	Joanne Kishner, on October 13, 2016, and filed in th				
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2016, a copy of which is attached hereto.

Dated this 12 day of October, 2016.

BACKUS, CARRANZA & BURDEN

By:

Edgar Carranza, Esq.
Nevada Bar No. 5902
3050 South Durango Drive
Las Vegas, Nevada 89117
Attorneys for Defendants
MYDATT SERVICES, INC. d/b/a VALOR
SECURITY SERVICES and MARK
WARNER

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BACKUS, CARRANZA & BURDEN

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#### CERTIFICATE OF SERVICE

I am a resident of and employed in Clark County, Nevada. I am over the age of 18 years and not a party to the within action. My business address is: 3050 S. Durango Drive, Las Vegas, Nevada, 89117. On October 1969, 2016, I served this document on the parties listed on the attached service list via one or more of the methods of service described below as indicated next to the name of the served individual or entity by a checked box:

VIA U.S. MAIL: by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail at Las Vegas, Nevada. I am "readily familiar" with the firm's practice of collection and processing correspondence by mailing. Under that practice, it would be deposited with the U.S. Postal Service on that same day with postage fully prepaid at Las Vegas, Nevada in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

VIA FACSIMILE: by transmitting to a facsimile machine maintained by the attorney or the party who has filed a written consent for such manner of service.

BY PERSONAL SERVICE: by personally hand-delivering or causing to be hand delivered by such designated individual whose particular duties include delivery of such on behalf of the firm, addressed to the individual(s) listed, signed by such individual or his/her representative accepting on his/her behalf. A receipt of copy signed and dated by such an individual confirming delivery of the document will be maintained with the document and is attached.

BY E-MAIL: by transmitting a copy of the document in the format to be used for attachments to the electronic-mail address designated by the attorney or the party who has filed a written consent for such manner of service.

BY ELECTRONIC MEANS: by electronically filing and serving with the court's vendor.

I declare that under penalty of perjury under the laws of the State of Nevada that the above is true and correct. I further declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

An employee of Backus, Carranza & Burden

# SERVICE LIST

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: 4	\$ 19.50 \$ 20.50		·
5	David Churchill, Esq.	Attorney for Plaintiff	Personal service Email service
∵ 6	Jolene J. Manke, Esq. INJURY LAWYERS OF NEVADA		Fax service
7	6900 Westcliff Dr. Suite 707 Las Vegas, Nevada 89145		☐ Mail service ☐ Electronic means
. 8	702-868-8888		_
9	702-868-8889 david@injurylawyersnv.com		·
ા 10	Joelen@injurylawyersnv.com		
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BÁCKUS, CARRÁNZA & BURDEN 3050 SOUTH DURANGO DRIVE LAS VEGAS, NEVADA 89117 TELE: (702) 872-5555 FAX: (702) 872-5545 8 L 9 G 7 F 7 C 7 C 7 C	David S. Lee, Esq. Charlene Renwick, Esq. Lee, Hernandez, Landrum & Garofalo 7575 Vegas Drive, Suite 150 Las Vegas, Nevada 89128 702-880-9750 702-314-1210 dlee@lee-lawfirm.com crenwick@lee-lawfirm.com	Attorney for Defendants, GGP MEADOWS MALL LLC, MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER	Personal service Email service Fax service Mail service Electronic means
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DAVID J. CHURCHILL (SBN: 7308) JOLENE J. MANKE (SBN: 7436) INJURY LAWYERS OF NEVADA 1 2 6900 Westcliff Drive, Suite 707 Las Vegas, Nevada 89145 T: 702-868-8888 3 **Electronically Filed** Feb 13 2017 09:35 a.m. F: 702-868-8889 4 Elizabeth A. Brown david@injurylawyersnv.com Clerk of Supreme Court jolene@injurylawyersnv.com 5 Attorneys for Petitioner 6 7 IN THE SUPREME COURT OF THE STATE OF NEVADA 8 9 Case No.: 71759 X'ZAVION HAWKINS, District Court Case No.: A-15-717577 10 Petitioner, VS. 11 MOTION TO STAY DISTRICT EIGHTH JUDICIAL DISTRICT 12 **COURT PROCEEDINGS** COURT OF THE STATE OF PENDING RESOLUTION OF NEVADA, IN AND FOR THE 13 PETITION FOR COUNTY OF CLARK; THE ETRAORDINARY WRIT RELIEF HONORABLE JOANNA KISHNER, 14 DISTRICT JUDGE, (Expedited Consideration Respectfully 15 Requested) Respondent, 16 -and-GGP MEADOWS MALL LLC, a Delaware Limited Liability Company; MYDATT SERVICES, INC. d/b/a VALOR SECURITY SERVICES, an 17 18 19 Ohio Corporation; MARK WARNER, an individual. 20 Real Parties in Interest 21 22 Petitioner X'Zavion Hawkins hereby respectfully requests (the "Motion") that 23 this Court, pursuant to Nevada Rule of Appellate Procedure 8, enter an order 24 staying proceedings in the District Court pending the resolution of their Petition 25 for Extraordinary Writ Relief ("Writ Petition"), filed on November 22, 2016. In 26 the Writ Petition, Petitioner contends that the District Court erred when it issued an Order 27 granting Defendants in the underlying matter's motion for attorneys' fees and costs

Page 1 of 14 Docket 71759 Document 2017-04923

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relating to their motion to dismiss Petitioner's complaint which was both denied and granted. Petitioner is also petitioning this Court to issue an extraordinary writ of mandamus vacating the Order both denying and granting Defendants' motion to dismiss Petitioner's complaint which was drafted by the conflicted law firm of Lewis Brisbois Bisgaard & Smith ("LBBS") against the aggrieved client, Petitioner.

Petitioner brings this Motion to conserve the District Court's valuable judicial resources and to allow the parties to avoid incurring substantial costs in litigating and preparing this matter for trial until this Court decides the Writ Petition. Significant harm could result if this matter is not stayed because on February 17, 2017, the District Court intends to rule on Defendants' motion to dismiss Petitioner's case for failure to comply with the entirety of the Order of October 17, 2016, which is the subject of the Writ Petition. Moreover, Defendants would not face irreparable harm if a stay were entered—a mere delay does not constitute irreparable harm sufficient to oppose a stay. *See Mikohn Gaming Corp. v.McCrea*, 120 Nev. 248, 253, 89 P.3d 36, 39 (2004).

Additionally, Petitioner respectfully requests that this Motion be heard on an expedited basis because on January 17, 2017, the District Court indicated a ruling will be entered on February 17, 2017, regarding Defendants' motion to dismiss based on Petitioner's failure to comply with the October 17, 2016, Order which is the subject of the Writ Petition. Significant potential irreparable harm to Petitioner will be avoided if the stay is entered. If a stay is not entered, Petitioner's underlying case is in jeopardy and the parties may incur substantial costs and the District Court may waste its valuable resources, defeating the object of the Writ Petition.

Page 2 of 14

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This Motion is made and based on the papers and pleadings on file, the following Memorandum of Points and authorities attached hereto, and any oral argument that this Court may hear.

DATED this 25<sup>th</sup> day of January, 2017.

#### INJURY LAWYERS OF NEVADA

/s/ Jolene J. Manke

By:

DAVID J. CHURCHILL JOLENE J. MANKE Attorneys for Petitioner

## MEMORANDUM OF POINTS AND AUTHORITIES

### I. INTRODUCTION

Petitioner requests that this Court stay the District Court's proceedings in this matter pending this Court's resolution of the Writ Petition regarding the granting of Defendants' motion for attorneys' fees and costs relating to their motion to dismiss Petitioner's complaint which was both denied and granted. Petitioner is also petitioning this Court to issue an extraordinary writ of mandamus vacating the Order both denying and granting Defendants' motion to dismiss Petitioner's complaint which was drafted by the conflicted law firm of Lewis Brisbois Bisgaard & Smith ("LBBS") against the aggrieved client, Petitioner. As explained in the Writ Petition, this Court has examined NRPC 1.9 and 1.10 in various contexts, but it has never addressed the precise questions presented here - whether the conflicted law firm may seek to recover attorneys fees and costs from the aggrieved client, and whether the work performed by the conflicted law firm should be allowed to stand, potentially to the ultimate harm of dismissal of the aggrieved client's action. Under California's counterpart to NRPC 1.9 and 1.10 (Cal. RPC 3-310), the specific issues presented here have been addressed by the California Supreme Court and the Courts of Appeal, all of whom have squarely held that not only is it improper for a conflicted law firm to seek to benefit from the conflict, but that such a

conflict necessitates "disgorgement" of attorneys' fees. Thus, the District Court's Order granting Defendants' motion for attorneys fees and the underlying Order granting and denying Defendants' motion to dismiss Petitioner's complaint was erroneous as a matter of law.

If this Court does not stay further proceedings, the object of the Writ Petition may be defeated. Specifically, on February 17, 2017, the District Court may grant Defendants' motion to dismiss Petitioner's Complaint for failure to comply with the Order which is the subject of the Writ Petition. Moreover, a stay will not harm the Defendants. While the matter may be continued, "a mere delay in pursuing discovery and litigation normally does not constitute irreparable harm" sufficient to oppose a stay. Accordingly, Petitioner respectfully requests that this Court stay the proceedings below pending its resolution of the Writ Petition.

#### II. STATEMENT OF FACTS

# A. Petitioner Files His Complaint Against Defendants.

On April 27, 2015, Petitioner brought claims against the Real Parties in Interest (GGP, Mydatt and Warner) for negligence, respondent superior and gross negligence relating to their handling of the shoe launch. (See generally 1PA, Ex. 1, at 1-10.)<sup>2</sup>

# B. LBBS' Representation of Mydatt and Warner.

In October of 2015, Messrs. Aicklen and Shpirt knew Mr. Shpirt had a conflict with X'Zavion. At the same time, Mr. Aicklen, a partner with LBBS, was retained to monitor the defense of Mydatt and Warner being provided by Lee, Hernandez, Landrum & Garofalo. (3PA, Ex. 19, at 550-551; 580-583.) LBBS took efforts to screen off Mr.

<sup>&</sup>lt;sup>1</sup> Mikohn Gaming Corp. v. McCrea, 120 Nev. 248, 253, 89 P.3d 36, 39 (2004).

Hereinafter, citations to Petitioner's Appendix will immediately be preceded by the Volume number, followed by an Exhibit number, followed by a pin cite to the Appendix pagination (e.g., 4 PA, Ex. 25, at 826.)

Shpirt from Petitioner's matter. (4PA, Ex. 25, at 826.) However, LBBS did not send notice to Petitioner that Mr. Shpirt was practicing with LBBS. (*Id.*) On November 16, 2015, LBBS filed a notice of association of counsel for Mydatt and Warner. (*See generally*, 1PA, Ex. 10.)

# C. Petitioner Moves to Disqualify LBBS; the District Court Grants the Motion.

At an evidentiary hearing on June 8, 2016, the Court determined there was a conflict of interest pursuant to NRPC 1.9 because: 1) Mr. Shpirt as an attorney with Eglet Law Group was viewed to have represented X'Zavion; 2) Petitioner's matter with Eglet Law Group was the same matter currently pending before the Court; Mr. Shpirt was currently practicing with LBBS which firm was then representing Mydatt and Warner whose interests are directly adverse to X'Zavion in this matter. (4PA, Ex. 25, at 826.) X'Zavion specifically did not expressly consent to waive any potential conflict. (*Id.* at 827.) The Court also determined that Mr. Shpirt's conflict was imputed to LBBS because "importantly, no evidence was presented demonstrating compliance with the requirement that written notice be promptly given to the former client." (*Id.* at 826.)

# D. <u>Defendants Move to Dismiss Petitioner's Complaint; the District Court Denies</u> the Motion, but Grants Sanctions.

Before its disqualification, LBBS filed a motion to dismiss X'Zavion's complaint on behalf of Mydatt and Warner based on NRP 37 and the case of *Young v. Johnny Ribiero Bldg.*, 106 Nev. 88 (1990). (*See generally*, 1PA, Ex. 11.) Although LBBS was disqualified as a conflicted law firm at the hearing on June 8, 2016, the work LBBS performed against X'Zavion went forward at an evidentiary hearing on Defendants' motion to dismiss X'Zavion's complaint on July 21, 2016. (See generally, 4PA, Ex. 25; 5PA, Ex. 38; 5PA Ex. 39.)

Although the Court denied Defendants' motion to dismiss X'Zavion's complaint, it indicated an intent to craft a jury instruction regarding Petitioner's failure to identify the shooters pursuant to NRCP 16.1. (4PA, Ex. 24, at 820-821.) The Court also indicated a motion for attorneys' fees and costs by Defendants would be entertained. (Id. at 820.)

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# E. <u>Defendants' Move for Attorneys' Fees and Costs Against Petitioner on Behalf</u> of All Law Firms, Including Lewis Brisbois Bisgaard & Smith; the District Court Grants the Motion as to all Defense Law Firms.

The Court granted Defendants' motion for attorneys' fees and costs against Petitioner for the motion to dismiss, including an award of \$19,846.00 to the conflicted law firm of LBBS. (4PA, Ex. 34 at 950.)

F. <u>Defendants Mydatt and Warner Move to Strike and Dismiss Petitioner's</u>

<u>Underlying Complaint</u>; <u>Petitioner Opposes the Motion to Strike and Dismiss</u>

<u>and Countermotions Seeking a Stay in the District Court</u>; the <u>District Court</u>

<u>Declines to Enter a Stay.</u>

On November 18, 2016, Defendants Mydatt and Warner filed a motion to strike Petitioner's underlying complaint for failure to pay the attorney's fees, including the award to the conflicted law firm of LBBS. (See Exhibit 1, Defendants', [sic] Mydatt Services, Inc. d/b/a Valor Security Services and Mark Warner, [sic] motion to strike Plaintiff's Complaint and Dismissal, November 18, 2016.)

On December 9, 2016, Petitioner filed an opposition to Defendants Mydatt and Warner's motion to strike Petitioner's complaint and dismiss and counter motioned to stay Order pending Writ before the Nevada Supreme Court. (See Exhibit 2, Plaintiff's Opposition and Countermotion.)

On December 20, 2016, the Court held a hearing on Defendant's Mydatt and Warner's motion to strike and dismiss and Petitioner's countermotion to stay. (See generally Exhibit 3, Transcript of Hearing on Motion to Strike and Dismiss and Countermotion to Stay, December 20, 2016 ["Tr. Hrg. Mot. Strike/Dismiss Countermotion Stay"].) The District Court took Defendant's Mydatt and Warner's motion to strike and dismiss under advisement and declined Petitioner's countermotion to stay. (Tr. Hrg. Mot. Strike/Dismiss Countermotion Stay at 33:8-13.)

# G. Petitioner Seeks Extraordinary Writ Relief.

On November 22, 2016, Petitioner filed a Petition for Extraordinary Writ Relief with this Court. (*See* Doc. No. 16-71759, Petition for Extraordinary Writ Relief, Nov. 22, 2016 ["Writ Petition"].)

# H. This Court Enters Order Directing Answer.

On December 15, 2016, this Court entered an Order Directing Answer pursuant to NRAP 21(b)(1). (See Doc., Order Directing Answer, Dec.15, 2016.)

# I. All Defendants File a Motion to Stay Litigation and Continue Trial on Order Shortening Time; Petitioner files a Limited Joinder Renews His Countermotion Seeking a Stay in the District Court; the District Court Declines to Enter a Stay.

On January 6, 2017, Defendants GGP, Mydatt and Warner filed a motion to stay litigation and continue trial on order shortening time. (*See* Exhibit 4, Defendants GGP Meadows Mall LLC, Mydatt Services, Inc. d/b/a Valor Security Services, and Mark Warner's Motion to Stay Litigation and Continue Trial on an Order Shortening Time, January 6, 2017.)

Because Defendants' motion only addressed staying certain parts of the litigation, on January 13, 2017, Petitioner filed a limited joinder to Defendants' motion and renewed his countermotion to stay Order pending Writ before Nevada Supreme Court. (See Exhibit 5, Plaintiff's Limited Joinder to Defendants' Motion to Stay Litigation and Continue Trial and Renewed Motion to Stay Order Pending Writ before Nevada Supreme Court, January 13, 2017.)

On January 17, 2017, the District Court held a hearing on Defendants' motion to stay litigation and continue trial on order shortening time and Petitioner's countermotion to stay pending Writ before the Nevada Supreme Court. The District Court continued trial to its September 5, 2017, stack, indicated a ruling would be issued on Defendants' motion to strike and dismiss on February 17, 2017, and denied Petitioner's renewed countermotion to stay. (See generally Notice of Entry of Order Granting in Part and

Denying in Part Defendants GGP Meadows Mall LLC, Mydatt Services, Inc. d/b/a Valor Security Services, and Mark Warner's Motion to Stay Litigation and Continue Trial on an Order Shortening Time and Denying Plaintiff's Countermotion, February 7, 2017; Exhibit 7 Transcript of Hearing on Defendants GGP Meadows Mall LLC, Mydatt Services, Inc. dba Valor Security Services, and Mark Warner's Motion to Stay Litigation and Continue Trial on Order Shortening Time, January 17, 2017)

# J. On February 17, 2017, the Court Intends to Issue a Ruling on Defendants' Pending Motion to Dismiss Petitioner's Complaint Based on the Order Granting Attorneys' Fees and Costs.

Now, based upon the Court's granting of attorneys' fees and costs against X'Zavion, Defendants are moving to strike X'Zavion's complaint. (*See generally*, 4PA, Ex. 36.) On January 17, 2017, the Court indicated she would issue a ruling on Defendants' motion strike and dismiss on February 17, 2017. (*See* Exhibit 7 at 19:12-14; 13:1-13.)

#### III. ARGUMENT

## A. Standard of Decision.

In deciding whether to stay proceedings pending resolution of a writ petition, this Court "will generally consider the following factors: (1) whether the object of the . . . writ petition will be defeated if the stay or injunction is denied; (2) whether . . . [the] petitioner will suffer irreparable or serious injury if the stay or injunction is denied; (3) whether . . . [the] real party in interest will suffer irreparable or serious injury if the stay or injunction is granted; and (4) whether . . . [the] petitioner is likely to prevail on the merits in the . . . writ petition." NRAP 8(c). "[I]f one or two factors are especially strong, they may counterbalance other weak factors." *See Mikohn Gaming Corp. v. McCrea*, 120 Nev. 248, 251, 89 P.3d 36, 38 (2004). Applying these standards, this Court should stay the District Court's proceedings in this case pending this Court's consideration of the Writ Petition. If Petitoner's motion to stay is denied, his Complaint in the underlying action is in serious

jeopardy of being stricken based on the very reason why Petitioner has brought the Writ Petition before this Court.

### B. The Object of the Writ Will be Defeated Unless a Stay is Granted.

Petitioner maintains that the object of his Writ Petition will be defeated if the stay is denied. First and foremost, at issue is the misconduct of the disqualified law firm which seeks monetary remuneration for work it performed during the conflict. Even worse, LBBS seeks remuneration from the very person against whom it was directly conflicted. Petitioner seeks extraordinary relief to prevent the directly adverse work performed by LBBS from being paid by the very person the firm wronged. Importantly, this is a matter of public interest and the integrity of the entire legal profession. Surely, the public will lose faith in the legal system if an aggrieved client must pay a disqualified law firm for work performed that was so directly adverse to the client that it may result in the client's matter being dismissed.

# C. None of the Defendants Will Suffer Serious Injury or Irreparable Harm if the Matter is Stayed.

There is no irreparable harm to Defendants if the stay is granted. If Petitioner prevails in his Writ Petition, obviously, the Court order would be moot and Defendants would not suffer irreparable harm as they were never entitled to their attorney fees. If Petitioner does not prevail on his Writ Petition, Defendants would still not be prejudiced as they would be in the same position that they are in right now, which could lead to potential dismissal of Petitioner's underlying Complaint.

# D. Petitioner is Likely to Prevail on the Merits of His Writ Petition.

Although this Court has not directly addressed the issue of whether a conflicted and disqualified law firm may seek compensation from the aggrieved client and whether

or not the work performed to the detriment of the client should be allowed to stand, Petitioner believes he is likely to prevail on the merits of his Writ Petition based on the following. California courts have addressed the issue of whether conflicted law firms may benefit from work performed relating to conflicted matters, and they have long determined that forfeiture and disgorgement of attorneys' fees is appropriate. In *Sheppard Mullin Richter & Hampton LLP v. J-M Mfg. Co., Inc.*, 198 Cal.Rptr.3d 253 (Cal. App. 4<sup>th</sup> 2016), a California appellate court relied on California's long-standing precedent to require a conflicted law firm to disgorge and forfeit millions of dollars in legal fees based on the firm's failure to disclose an actual conflict of interest.

In *Sheppard*, the law firm had billed over \$3.8 million defending its client J-M Manufacturing Co., Inc., the world's largest manufacturer of polyvinyl chloride (PVC) pipe in a large Qui Tam lawsuit involving numerous parties. *Id.* at 257. Prior to its engagement, the firm ran a standard conflicts check that indicated the firm had represented one of the adverse intervening parties in the Qui Tam action, South Tahoe Public Utility District, on certain unrelated employment matters. *Id.* Several weeks later the firm also undertook a new and minor unrelated matter for South Tahoe, but failed to disclose the existing conflict with J-M or obtain an informed waiver of the conflict from either of its clients. *Id.* at 258. Neither the court nor J-M disputed the limited scope of the work performed by the firm on behalf of South Tahoe. The most important fact was the firm's failure to give notice of its ongoing, adverse representation. *Id.* at 260.

South Tahoe brought a successful motion to disqualify the Sheppard Mullin firm in the Qui Tam action. *Id.* After Sheppard Mullin was disqualified, J-M refused to pay approximately \$1.3 million in outstanding legal fees. *Id.* Sheppard Mullin sued J-M to recover those outstanding fees and compel arbitration where the arbitration panel awarded the firm a majority of its attorneys' fees. *Id.* at 261. The arbitration panel found that "Sheppard Mullin's conduct was not so serious or egregious as to make disgorgement of fees appropriate" where the representation of the adverse client "was unrelated to the subject of the J-M representation, and therefore the conflict did not pervade the whole relationship with J-M ..." *Id.* A California trial court affirmed the arbitration award, but J-M appealed, arguing that the violation of CRPC 3-310 on conflicts of interest rendered the engagement contract illegal or void as a matter of public policy. *Id.* at 261.

Turning to the merits, the court held that Sheppard Mullin "[was] not entitled to its fees for the work it did for J-M while there was an actual conflict with [its other client]."

Id. at 274. In reaching this conclusion, the court relied primarily on two California appeals court cases from the 1970's. See, Id. at 272 (analyzing Goldstein v. Lees, 120 Cal.Rptr. 253 (Cal. App. 1975) and Jeffry v. Pounds, 136 Cal.Rptr.373 (Cal. App. 1977)). The Goldstein court found an engagement contract "void for reasons of public policy" where counsel represented a minority shareholder and director in a proxy fight to gain control of a company for which the attorney had served as in-house counsel several years prior to the proxy fight. 120 Cal.Rptr. at 254-255. Central to the decision was the fact that

the attorney possessed "corporate secrets that [were] material to the proxy fight." *Id.* at 255. In *Jeffry*, a small law firm's lead partner represented both a husband in a personal injury action and his wife in her divorce proceeding against the husband. 67 Cal.App 3d at 374-375. There, the court denied any fees for work performed after the conflict arose even though the representations involved "unrelated matters" and the law firm did not have a "dishonest purpose" or engage in "deliberately unethical conduct." *Id.* at 377.

Besides arguing for all its fees, Sheppard Mullin also argued that despite its violation of CRPC 3-310, quantum meruit should be allowed for its representation of J-M in the Qui Tam action. Id. at 274. However, the court pointed out that the California Supreme Court had found that quantum meruit recovery must be denied in cases of ethical violations. Id. (citing Huskinson & Brown v. Wolf, 32 Cal.4th 453, 9 Cal. Rptr.3d 693, 84 P.3d 379 (2004).) The Sheppard Mullin court further found that "when a conflict of interest is asserted as a "[d]efense in the attorney's action to recover fees or the reasonable value of services[, a] violation of the fiduciary obligation will defeat recovery." Id. at 272. (citing 1 Witkin, Cal. Proc. 5th (2008) Attys, 104, p. 142.) The Sheppard Mullin court found that "Sheppard Mullin's violation of Rule 3-310 preclude[d] if from receiving compensation [whatsoever] for services provided to J-M in the Qui Tam Action." Id. Likewise, LBBS' violation of its fiduciary duty to Petitioner created by its failure to provide notice of its employment of Mr. Shpirt must preclude it from looking to Petitioner for any compensation for services provided defending Mydatt and Warner against Petitioner.

The *Sheppard Mullin* court was swayed by the *Fair* decision, in which the court found disgorgement of attorney fees appropriate regardless of any proof of damages when a conflict of interest is involved, *See*, *Fair*, 125 Cal.Rptr.3d at 779. Besides precluding a conflicted firm from seeking recovery from the aggrieved client, the *Sheppard Mullin* decision arguably sets precedent for the automatic disgorgement of all attorneys' fees incurred while a conflict of interest violation exists.

If anything, the facts relating to Petitioner and LBBS are more egregious than those relating to *Sheppard Mullin*. While the work Sheppard Mullin performed for South Tahoe was completely unrelated and quite minor, the work performed by LBBS defending Mydatt and Warner was directly related to Petitioner's underlying matter and so adverse that LBBS filed a motion to dismiss Petitioner's Complaint.

Lastly, the *Sheppard Mullin* court found that Sheppard Mullin's breach of the duty of loyalty set forth in Rule 3-310 was a violation of public policy. A finding that Sheppard Mullin was nonetheless entitled to its attorney fees as if no breach had occurred would undermine the same public policy. The Court indicated it would follow the reasoning of *Goldstein* and *Jeffry* and hold that Sheppard Mullin was not entitled to its fees for the work it did for J-M while there was an actual conflict with South Tahoe. *Id.* at 274.

From the inception of LBBS' representation of Mydatt and Warner, it had a direct conflict of interest with Petitioner pursuant to NRPC 1.9 and 1.10. No exception under the State Bar of Nevada's Formal Opinion from the Standing Committee on Ethics, No.

39 applied to LBBS' employment of Mr. Shpirt because LBBS never provided notice to Petitioner that Mr. Shpirt was employed with LBBS. Petitioner never had the opportunity to consent or withhold his consent for LBBS to act directly to his interested in defending Mydatt and Warner in the underlying matter.

At the time LBBS filed the motion to dismiss against Petitioner on behalf of Mydatt and Warner, the firm was actively violating its duty of loyalty to Petitioner. Such action is against public policy. LBBS seeking to recover attorneys' fees from Petitioner for the very work it performed while it was acting contrary to his interests is also against public policy.

### IV. CONCLUSION

For the reasons set forth above, Petitioner respectfully requests this Court stay the District Court's proceedings pending resolution of the Writ Petition. If a stay is not entered, the object of the Writ Petition will be defeated – Petitioner's Complaint may be stricken, conservation the District Court's judicial resources will be thwarted and the parties will continue to incur substantial costs in litigating and preparing this matter for trial. *See Mikohn Gaming Corp.*, 120 Nev. 248, 252-53, 89 P.3d at 39.

DATED this 10<sup>th</sup> day of February, 2017.

#### INJURY LAWYERS OF NEVADA

/s/ Jolene J. Manke

By:\_\_

DAVID J. CHURCHILL JOLENE J. MANKE Attorneys for Petitioner

1 **CERTIFICATE OF SERVICE** I certify that I am an employee of and that on the \0 day of February, 2017. 2 service of the foregoing Motion to Stay District Court Proceedings Pending Resolution of 3 4 Petition for Extraordinary Writ of Relief was made by electronic service through the 5 Nevada Supreme Court's electronic filing system and/or by depositing a true and correct 6 copy in the U.S. Mail, first class postage prepaid, and addressed to the following at their 7 last known address: 8 HON. JOANNA KISHNER Respondent DEPARTMENT XXXI 9 Eighth Judicial District Court Regional Justice Center 200 Lewis Avenue Las Vegas, NV 89155 10 11 12 Email: DAVID S. LEE dlee@lee-lawfirm.com crenwick@lee-lawfirm.com CHARLENE N. RENWICK LEE HERNANDEZ LANDRUM & 13 GAROFALO 7575 Vegas Drive, Suite 150 Attorneys for Real Parties in Interest 14 Las Vegas, NV 89128 GGP MEADOWS MALL, LLP MYDATT SECURITY SÉRVIĆES, 15 INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER 16 17 18 EDGAR CARRANZA Email: BACKUS, CARRANZA & BURDEN edgarcarranza@backuslaw.com 19 3050 S. Dúrango Drive Attorneys for Real Parties in Interest MYDATT SECURITY SERVICES, INC. d/b/a VALOR SECURITY SERVICES and MARK WARNER Las Vegas, NV 89117 20 21 22 23 24 Employee of INJURY LAWYERS OF NEVADA 25 26 27