

SUPREME COURT OF NEVADA

Case No. 79668

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Elizabeth A. Brown
Clerk of Supreme Court

GREENMART OF NEVADA NLV LLC,; and
NEVADA ORGANIC REMEDIES, LLC

Appellants,

v.

SERENITY WELLNESS CENTER LLC; TGIG, LLC; NULEAF INCLINE
DISPENSARY, LLC,; NEVADA HOLISTIC MEDICINE, LLC; TRYKE
COMPANIES SO NV, LLC; TRYKE COMPANIES RENO, LLC; PARADISE
WELLENESSE CENTER; GBS NEVADA PARTNERS, LLC; FIDELIS
HOLDINGS, LLC; GRAVITAS NEVADA, LLC; NEVADA PURE, LLC;
MEDIFARM, LLC; MEDIFARM IV LLC;
and STATE OF NEVADA, DEPARTMENT OF TAXATION,

Respondents,

Appeal from the Eighth Judicial District Court,
Clark County, Nevada
District Court Case # A-19-786962-B
The Honorable Elizabeth Gonzalez

APPELLANT'S APPENDIX – VOLUME 25

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29	Notice of Entry of Order and Order Regarding Nevada Wellness Center, LLC's Motion to Alter or Amend Findings of Fact and Conclusions of Law Granting Preliminary Injunction	11/6/19	AA 007058 - AA 007067
20	Order Granting in Part Motion to Coordinate Cases for Preliminary Injunction Hearing	7/11/19	AA 004938 - AA 004940
22	Order Granting Preliminary Injunction (Findings of Fact and Conclusions of Law)	8/23/19	AA 005277 - AA 005300
46, 47	Preliminary Injunction Hearing, Defendant's Exhibit 2009 Governor's Task Force Report	n/a	AA 011408 - AA 011568
47	Preliminary Injunction Hearing, Defendant's Exhibit 2018 List of Applicants for Marijuana Establishment Licenses 2018	n/a	AA 011569 - AA 011575

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47	Preliminary Injunction Hearing, Defendant's Exhibit 5025 Nevada Organic Remedies, LLC's Organizational Chart	n/a	AA 011576 - AA 011590
47	Preliminary Injunction Hearing, Defendant's Exhibit 5026 Nevada Organic Remedies, LLC's Ownership Approval Letter	n/a	AA 011591, AA 011592
47	Preliminary Injunction Hearing, Defendant's Exhibit 5026 Nevada Organic Remedies, LLC's Ownership Approval Letter as Contained in the Application	n/a	AA 011593 - AA 011600
47	Preliminary Injunction Hearing, Defendant's Exhibit 5038 Evaluator Notes on Nevada Organic Remedies, LLC's Application	n/a	AA 011601 - AA 011603
47	Preliminary Injunction Hearing, Defendant's Exhibit 5045 Minutes of ther Legislative Commission, Nevada Legislative Counsel Bureau	n/a	AA 011604 - AA 011633
47	Preliminary Injunction Hearing, Defendant's Exhibit 5049 Governor's Task Force for the Regulation and Taxation of Marijuana Act Meeting Minutes	n/a	AA 011634 - AA 011641
47	Register of Actions for Serenity Wellness Center, LLC v. State of Nevada, Department of Taxation, Case No. A-18-786962-B	n/a	AA011642 - AA 011664
27	Serenity Wellness Center, LLC et al.'s Joinder to MM Development Company Inc. and LivFree Wellness, LLC Development Company Inc. and LivFree Wellness, LLC's Motion to Amend the Findings of Fact and Conclusions of Law Granting Motion for Preliminary Injunction	9/30/19	AA 006506 - AA 006508
2	Serenity Wellness Center, LLC et al.'s Complaint	1/4/19	AA 000343 - AA 000359
0	Serenity Wellness Center, LLC et al.'s Corrected First Amended Complaint	7/11/19	AA 004907 - AA 004924
5, 6	Serenity Wellness Center, LLC et al.'s Ex Parte Motion for Leave to file Brief in Support of Motion for Preliminary Injunction in Excess of Thirty Pages in Length	4/10/19	AA 001163 - AA 001288

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20	Serenity Wellness Center, LLC et al.'s First Amended Complaint	7/3/19	AA 004889 - AA 004906
40	Serenity Wellness Center, LLC et al.'s Joinder to MM Development Company Inc. and LivFree Wellness, LLC Development Company Inc. and LivFree Wellness, LLC's Motion for Preliminary Injunction	5/20/19	AA 003603 - AA 003636
23	Serenity Wellness Center, LLC et al.'s Joinder to MM Development Company Inc. and LivFree Wellness, LLC Development Company Inc. and LivFree Wellness, LLC's Objection to Court's Exhibit 3	8/27/19	AA 005540 - AA 005543
27	Serenity Wellness Center, LLC et al.'s Joinder to Nevada Wellness Center, LLC's Motion to Amend the Findings of Fact and Conclusions of Law Granting Motion for Preliminary Injunction	10/7/19	AA 006528 - AA 006538
4	Serenity Wellness Center, LLC et al.'s Motion for Preliminary Injunction	3/19/19	AA 000769 - AA 000878
18	Serenity Wellness Center, LLC et al.'s Reply in support of Motions for Summary Judgment	5/22/19	AA 004395 - AA 004408
29	Serenity Wellness Center, LLC et al.'s Second Amended Complaint	11/26/19	AA 007131 - AA 007153
5	Serenity Wellness Center, LLC et al.'s Summons to State of Nevada, Department of Taxation	3/26/19	AA 001031 - AA 001034
19	Serenity Wellness Center, LLC et al.'s Supplemental Memorandum of Points and Authorities in Support of Preliminary Injunction	6/10/19	AA 004564 - AA 004716
6	State of Nevada, Department of Taxation's Answer to ETW Management Group, LLC et al.'s Amended Complaint	4/17/19	AA 001313 - AA 001326
19	State of Nevada, Department of Taxation's Answer to ETW Management Group, LLC et al.'s Second Amended Complaint	6/4/19	AA 004513 - AA 004526
5	State of Nevada, Department of Taxation's Answer to MM Development Company Inc. and LivFree Wellness, LLC Development Company Inc. and LivFree Wellness, LLC's First Amended Complaint	4/10/19	AA 001150 - AA 001162

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6	State of Nevada, Department of Taxation's Answer to Nevada Wellness Center, LLC's Complaint	5/2/19	AA 001342 - AA 001354
15	State of Nevada, Department of Taxation's Answer to Serenity Wellness Center, LLC et al.'s Complaint	5/20/19	AA 003637 - AA 003648
20	State of Nevada, Department of Taxation's Answer to Serenity Wellness Center, LLC et al.'s Corrected First Amended Complaint	7/15/19	AA 004949 - AA 004960
11	State of Nevada, Department of Taxation's Opposition to MM Development Company Inc. and LivFree Wellness, LLC Development Company Inc. and LivFree Wellness, LLC's Motion for Preliminary Injunction	5/20/19	AA 002704 - AA 002724
11-14	State of Nevada, Department of Taxation's Opposition to MM Development Company Inc. and LivFree Wellness, LLC Development Company Inc. and LivFree Wellness, LLC's Motion for Preliminary Injunction, Appendix	5/20/19	AA 002725 - AA 003444
24	State of Nevada, Department of Taxation's Opposition to Motion to Amend the Findings of Fact and Conclusions of Law Granting Motion for Preliminary Injunction	9/23/19	AA 005984 - AA 005990
28	State of Nevada, Department of Taxation's Opposition to Motion to Nevada Wellness Center, LLC's Amend the Findings of Fact and Conclusions of Law Granting Motion for Preliminary Injunction	10/24/19	AA 006827 - AA 006832
28	State of Nevada, Department of Taxation's Opposition to Nevada Organic Remedies, LLC's Application for Writ of Mandamus to Compel State of Nevada , Department of Taxation to Move Nevada Organic Remedies, LLC Into "Tier 2" of Successful Conditional License Applicants	10/24/19	AA 006889 - AA 006954
10	State of Nevada, Department of Taxation's Opposition to Serenity Wellness Center, LLC et al.'s Motion for Preliminary Injunction	5/9/19	AA 002273 - AA 002534
19-20	State of Nevada, Department of Taxation's Pocket Brief Regarding Regulatory Power Over Statutes Passed by Voter Initiative	6/10/19	AA 004717 - AA 004777

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20	State of Nevada, Department of Taxation's Supplement to Pocket Brief Regarding Regulatory Power Over Statutes Passed by Voter Initiative	6/24/19	AA 004879 - AA 004888
5	Stipulation and Order to Continue Hearing and Extend Briefing Schedule for Motion for Preliminary Injunction	4/8/19	AA 001144 - AA 001149
46	Transcripts for Hearing on Objections to State's Response, Nevada Wellness Center, LLC's Motion Re Compliance Re Physical Address, and Bond Amount Set	8/29/19	AA 011333 - AA 011405
29	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 1	5/24/19	AA 007170 - AA 007404
30	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 2 Volume 1	5/28/19	AA 007405 - AA 007495
30, 31	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 2 Volume 2	5/28/19	AA 007496 - AA 007601
31	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 3 Volume 1	5/29/19	AA 007602 - AA 007699
31, 32	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 3 Volume 2	5/29/19	AA 007700 - AA 007843
32, 33	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 4	5/30/19	AA 007844 - AA 008086
33	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 5 Volume 1	5/31/19	AA 008087 - AA 008149
33, 34	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 5 Volume 2	5/31/19	AA 008150 - AA 008369
34, 35	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 6	6/10/19	AA 008370 - AA 008594
35, 36	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 7	6/11/19	AA 008595 - AA 008847

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36	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 8 Volume 1	6/18/19	AA 008848 - AA 008959
36, 37	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 8 Volume 2	6/18/19	AA 008960 - AA 009093
37	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 9 Volume 1	6/19/19	AA 009094 - AA 009216
38	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 10 Volume 1	6/20/19	AA 009350 - AA 009465
38, 39	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 10 Volume 2	6/20/19	AA 009466 - AA 009623
39	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 11	7/1/19	AA 009624 - AA 009727
39, 40	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 12	7/10/19	AA 009728 - AA 009902
40, 41	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 13 Volume 1	7/11/19	AA 009903 - AA 010040
41	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 13 Volume 2	7/11/19	AA 010041 - AA 010162
41, 42	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 14	7/12/19	AA 010163 - AA 010339
42	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 15 Volume 1	7/15/19	AA 010340 - AA 010414
42, 43	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 15 Volume 2	7/15/19	AA 010415 - AA 010593
43	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 16	7/18/19	AA 010594 - AA 010698

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43, 44	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 17 Volume 1	8/13/19	AA 010699 - AA 010805
44	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 17 Volume 2	8/13/19	AA 010806 - AA 010897
44, 45	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 18	8/14/19	AA 010898 - AA 011086
45	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 19	8/15/19	AA 011087 - AA 011165
45, 46	Transcripts for the Evidentiary Hearing on Motions for Preliminary Injunction Day 20	8/16/19	AA 011166 - AA 011332

CERTIFICATE OF SERVICE

I hereby certify that the foregoing APPELLANT APPENDIX was filed electronically with the Nevada Supreme Court on the 13th day of January, 2020. Electronic service of the foregoing document shall be made in accordance with the Master Service List as follows:

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1 compliance with the regulations.” The regulations likewise require that any application submitted
2 must, “**without limitation**,” have the physical address where the proposed marijuana
3 establishment will be located. NAC 453D.265(1)(b)(3); see also NAC 453D.268(2)(e) (“[t]he
4 application must include, without limitation ... [t]he physical address where the proposed
5 marijuana establishment will be located”). The Department’s failure to require an actual physical
6 address, its failure to confirm whether actual addresses were provided, and its failure to consider
7 those addresses as part of the evaluation and grading resulted in scoring errors and an unfair
8 process.

9
10 **II.**
ARGUMENT

11 NRCP 52(b) expressly provides that, “[o]n a party’s motion filed no later than 28 days
12 after service of written notice of entry of judgment, the court may amend its findings – or make
13 additional findings – and may amend the judgment accordingly.”² NRCP 52(b) is designed to
14 protect parties by providing them with an opportunity to object to or amend findings of fact and
15 conclusions of law made by the district court. See Foley v. Morse & Mowbray, 109 Nev. 116,
16 123-24, 848 P.2d 519, 524 (1993). Because clarifications and inclusions may be necessary to the
17 order or judgment subject to appellate review, supplementation and amendment is expressly
18 encouraged by the Nevada Supreme Court. See Solar Inc. v. Electric Smith Const. & Equipment
19 Co., 88 Nev. 457, 459, 499 P.2d 649, 650 (1972).

20 **A. The Department Failed To Acknowledge The Anti-Monopoly Legislative Intent**

21 The medical marijuana statute states, “To prevent monopolistic practices, the Department
22 shall ensure ... that it does not issue, to any one person, group of persons or entity, the greater of
23 ... more than 10 percent of the medical marijuana establishment registration certificates otherwise
24 allocable in the county.” NRS 453A.326(2). The Department attempted to mirror this language
25

26
27 ² Notice of Entry of the Court’s Findings of Fact and Conclusions of Law was filed on August
28 28, 2019 in Serenity Wellness Center, LLC, et al. v. State of Nevada Department of Taxation, et al.
al. (Case No. A-19-796862-B).

1 for the retail marijuana regulations, but now ignores the oligopoly it is creating by giving a select
2 group of applicants an astounding 86% of the new licenses in Nevada in 2018. See NAC
3 453D.272(5) (“To prevent monopolistic practices, the Department will ensure ... that it does not
4 issue, to any one person, group of persons or entity, the greater of ... more than 10 percent of the
5 medical marijuana establishment registration certificates otherwise allocable in the county.”).

6 According to former Director Deonne Contine, if an applicant with identical ownership
7 structure applied for two licenses in unincorporated Clark County, they should have only been
8 awarded no more than one license:

9 Q It says, “No applicant may be awarded.” That’s a strict requirement, isn’t
10 it?

11 A Yeah. And so jurisdiction/locality, I guess that would apply to the different
12 jurisdictions within the county.

13 Q So would you interpret that to mean that an applicant could not obtain more
14 than –

15 A Yeah, so like one in Henderson, one in Vegas, one in Clark County, one in
16 North Las Vegas.

17 Q So if you had -- if an applicant with identical ownership structure who had
18 applied for two licenses in unincorporated Clark County, they would only
19 be given one license; right?

20 A I think so, yes.

21 See Contine Testimony, July 12, 2019, 84:17-25, a true and correct copy is attached hereto as part
22 of **Exhibit 1**. When complaints were raised with the Department that giving companies like
23 Essence and Thrive more than one license in unincorporated Clark County blatantly violated the
24 “anti-monopoly” provision that precluded the same applicant from having multiple licenses in
25 one jurisdiction, the Department responded with an affidavit arguing that Essence did not in fact
26 violate this provision because Integral Associates, LLC, Essence Henderson, LLC and Essence
27 Tropicana, LLC were “different” entities. **Admitted Exhibit 86**; 12/13/18 Gilbert Aff.; ¶¶ 15-16
28 (“The information [that Essence won multiple entities in the same jurisdiction], attributed by MM
to ‘press reports’ related to the breakdown of licenses awarded in Clark County, is inaccurate;”
and then describing the true winner as Essence Henderson, LLC and Essence Tropicana LLC and
not Integral Associates, LLC.).

Despite proclaiming that these were separate entities for the anti-monopoly provisions,
the Department and the Manpower graders took the tax and financial contributions of Integral

1 Associates, LLC, and used it to highly score the financial plan for the purported completely
2 different entities of Essence Henderson, LLC and Essence Tropicana LLC. Because the two new
3 Essence entities were not even formed until the final days of 2017³, they would not have paid
4 Nevada taxes and made no Nevada financial contribution prior to the date that their applications
5 for licenses were filed in 2018. Given the number of points awarded for tax payments and
6 financial contributions (25 points in this subpart), it would have been impossible for these entities
7 to be winning applicants unless they were awarded points for taxes actually paid by Integral
8 Associates, LLC. Hence, applicants are “separate” applicants to the Department when the “anti-
9 monopoly” provision is applied but the “same” applicant when taxes paid are shuffled from one
10 completely different legal entity to another. This cognitive dissonance allowed the Department
11 to award licenses to applicants that had actually paid no Nevada taxes whatsoever, but instead
12 claimed taxes paid by other entities.

13 The Department’s treatment of these entities for purposes of taxes paid demonstrates that,
14 despite having differently-named LLCs, the entities were and are Integral Associates, LLC
15 (Essence) and CPCM Holdings, LLC (Thrive).⁴ Under the Department’s own rules, they should
16 not have been awarded more than one license in any jurisdiction. Hence, Essence and Thrive
17 should be enjoined from receiving any final inspection on a second conditional license or location
18 in unincorporated Clark County.

19 **B. The Department’s Selective Dissemination Of Information About The Physical**
20 **Address Requirement Precluded The Applicants From Competing On Equal Terms**

21 The purpose of a competitive application or bidding process “is to secure competition,
22 save public funds, **and to guard against favoritism, improvidence and corruption.**” Gulf Oil
23 Corp. v. Clark Cty., 94 Nev. 116, 118–19, 575 P.2d 1332, 1333 (1978); see also City of Boulder

25 ³ See Admitted Exhibits 80 & 81, Nevada Secretary of State Filings for Essence Henderson,
26 LLC and Essence Tropicana, LLC.

27 ⁴ The Court may simply look at how these entities have appeared in this case – as Defendants
28 Integral Associates LLC d/b/a Essence Cannabis Dispensaries, Essence Tropicana, LLC, Essence
Henderson, LLC, CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace, Commerce Park
Medical, LLC, and Cheyenne Medical, LLC.

1 City v. Boulder Excavating, Inc., 124 Nev. 749, 758, 191 P.3d 1175, 1181 (2008) (same). The
2 statutes and regulations that govern these competitive processes “are deemed to be for the benefit
3 of the taxpayers” and “are to be construed for the public good.” Gulf Oil, 94 Nev. at 118–19. By
4 permitting applicants to submit applications with inside information when other applicants were
5 not afforded the same opportunity, the Department precluded the other applicants from competing
6 on equal terms. See Spiniello Const. Co. v. Town of Manchester, 189 Conn. 539, 544, 456 A.2d
7 1199, 1202 (1983). By giving some applicants information that was not available to others, the
8 Department defeated the object and integrity of the competitive application process by exhibiting
9 favoritism. Spiniello, 189 Conn. 544-545. In that situation, an injunction is appropriate. Id.

10 Under the marijuana ballot initiative, as codified in NRS 453D.210(4) and (5), the
11 Department **shall**, within 90 days of receipt of applications, approve a license application **if** the
12 prospective marijuana establishment has submitted an application in compliance with regulations
13 adopted by the Department⁵ **and**:

- 14 (b) **The physical address where the proposed marijuana**
15 **establishment will operate** is owned by the applicant or the
16 applicant has the written permission of the property owner to
operate the proposed marijuana establishment on that property;

17 NRS 453D.210(5)(b). As the statute requires the Department to determine whether an application
18 was submitted “in compliance with the regulations,” the regulations likewise require that any
19 application submitted must have the physical address in it:

- 20 1. On or before November 15, 2018, a person who holds a medical marijuana
21 establishment registration certificate may apply for not more than one
license for a marijuana establishment of the same type by submitting:

22 ...

- 23 (b) An application on a form prescribed by the Department which
includes, **without limitation**:

24 ...

- 25 (3) **The physical address where the proposed marijuana**
26 **establishment will be located and the physical address**

27 ⁵ The application submission period began on September 7, 2018 and closed on September 20,
28 2018. The Department, pursuant to statute, had until December 5, 2018 to complete its
compliance review.

1 **of any co-owned or otherwise affiliated marijuana**
2 **establishments;**

3 NAC 453D.265(1)(b)(3) (bold added). As if stating it once in the regulations was not enough to
4 be clear, NAC 453D.268(2)(e) also requires that “[t]he application **must include, without**
5 **limitation:**”

6 (e) The physical address where the proposed marijuana establishment
7 will be located and the physical address of any co-owned or
8 otherwise affiliated marijuana establishments;

9 Both the ballot initiative (which was enacted as NRS 453D) and the Department’s adopted
10 regulations (NAC 453D) absolutely required any approved applications must include physical
11 address where the proposed marijuana establishment will be located.

12 But the Department only informed certain applicants (those that had direct access to
13 Department employees), that real physical addresses were not required and would not be graded
14 at all. The selective disclosure of information by Department employees about the grading and
15 the need for a real physical address impacted the entire process:

16 48. The DoT’s late decision to delete the physical address requirement on some
17 application forms while not modifying those portions of the application that were
18 dependent on a physical location (i.e. floor plan, community impact, security plan, and the
19 sink locations) after the repeated communications by an applicant’s agent; not effectively
20 communicating the revision; and, leaving the original version of the application on the
21 website, **is evidence of conduct that is a serious issue.**

22 ...

23 71. Based upon the evidence adduced, the Court finds that the DoT selectively
24 discussed with applicants or their agents the modification of the application related to
25 physical address information.

26 ...

27 76. By selectively eliminating the requirement to disclose an actual physical address
28 for each and every proposed retail recreational marijuana establishment, **the DoT limited**
 the ability of the Temporary Employees to adequately assess graded criteria such as
(i) prohibited proximity to schools and certain other public facilities, (ii) impact on the
community, (iii) security, (iv) building plans, and (v) other material considerations
prescribed by the Regulations.

1 Findings of Fact and Conclusions of Law Granting Preliminary Injunction, electronically filed on
2 filed August 23, 2019.

3 The Department's failure to require an actual physical address, its failure to confirm
4 whether actual addresses were provided, and its failure to consider those addresses as part of the
5 evaluation and grading resulted in an unfair process. Based on exhibits admitted at trial, it is clear
6 that Essence Tropicana, LLC, Essence Henderson, LLC, Cheyenne Medical, LLC, Commerce
7 Park Medical, LLC and Nevada Organic Remedies (at a minimum) did not submit physical
8 addresses where their proposed marijuana establishments would be located, but instead submitted
9 UPS Store addresses. See Admitted Exhibits 301, 302, 303. The Department's unfair process
10 allowed these winning applicants to take advantage of inside information to which they were
11 privy and it permitted winning applicants to manipulate their scoring for graded categories like
12 (i) impact on the community, (ii) security, and (iii) building plans, among others. An example of
13 the resulting unfairness is shown by the fact that the highest graded building scores were given to
14 those applicants (e.g., Thrive) that did not have an actual physical address and were able to submit
15 fairy-tale building plans because they were not bound by reality and an actual location.

16 A perfect example of why actual physical locations were required to be part of the
17 applications and should have been graded is the zoning and business licensing morass that Thrive
18 has created with its proposed Reno location. Thrive is trying to place its Reno location – for
19 which it was awarded a conditional license in December 2018 – across the street (about 15 feet)
20 from the only state-licensed halfway house (and substance abuse treatment facility) in Northern
21 Nevada.⁶ Thrive – which received 14.33 out of 15 points on its Community Impact grade – clearly
22 benefitted by not disclosing any location other than a UPS Store to the Department. Because, if
23 Thrive had been required to disclose an actual physical location for its dispensary, it would have
24 become undeniable that it intended on opening directly across the street from a rehab center and
25

26 ⁶ See, e.g., Michelle Rindels, Substance Abuse Recovery Center Opposes Possible Next Door
27 Neighbor – A Marijuana Dispensary, THE NEVADA INDEPENDENT (Sep. 5, 2019, 2:00 AM),
28 [https://thenevadaindependent.com/article/substance-abuse-recovery-center-opposes-possible-
next-door-neighbor-a-marijuana-dispensary](https://thenevadaindependent.com/article/substance-abuse-recovery-center-opposes-possible-next-door-neighbor-a-marijuana-dispensary).

1 profiting off of recovering substance abuse patients. The Department's unilateral actions in
 2 eliminating the physical address requirement violated the requirements of NRS 453D **and** NAC
 3 453D and did not just limit, but instead eliminated the ability of the Temporary Employees to
 4 adequately grade criteria such as impact on the community.

5 The Application Criteria provided by the Department states that 15 points will be awarded
 6 for the "likely impact of the proposed marijuana establishment in the community in which it is
 7 proposed to be located":

<p>A proposal demonstrating:</p> <ul style="list-style-type: none"> ▪ The likely impact of the proposed marijuana establishment in the community in which it is proposed to be located. ▪ The manner in which the proposed marijuana establishment will meet the needs of the persons who are authorized to use marijuana. <p><i>Please note: The content of this response must be in a non-identified format.</i></p>	15
--	----

8
 9
 10
 11
 12 See Admitted Exhibit 5, p 18. There was no way to differentiate between competing applications
 13 if the grader did not know where in "the community" that the proposed establishment was to be.
 14 Gutting this requirement by eliminating the required "physical address" penalized applicants such
 15 as LivFree and MM (which did in fact include a physical address for its proposed establishment).
 16 Again, where winning applicants were separated from losing applicants by less than 1 point, the
 17 15 points assigned to this category in and of itself would have elevated many "losers" into
 18 "winners."

19 As former Department Director Deonne Contine testified, these applications that did not
 20 have a real physical address should not have even been considered:

- 21 Q You couldn't use a UPS Store, because that's not a real physical address;
 22 right?
 23 A I don't think -- I don't think that it would be allowed.
 24 Q Okay. And if you'd been the director at the time, you would have
 25 disqualified those applications?
 26 A **I wouldn't have even reviewed the applications.**

27 Contine Testimony, July 12, 2019, 48:15-21, **Exhibit 1**. She clarified further:

- 28 Your staff would have been instructed that if they didn't have a physical
 address apart from a Post Office box or a UPS Store that that application
 should not be accepted; right?
 A I think that would be the direction.
 Q Okay. So the answer to my question is yes?

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A Yes.

...

I mean, the reason for your position is because the statute says that?

A Right.

See **Exhibit 1**, 49:2-16.

Applicants would not have received a license but for their manipulation of the address requirement and the Department's unfair process. The Court's preliminary injunction should apply to those winning applicants that did not provide actual physical addresses for the proposed marijuana establishments (e.g., those that listed UPS stores or P.O. boxes).

III.

CONCLUSION

Based upon the foregoing, and in accordance with NRCP 52, Plaintiffs respectfully request the Court amend its Findings of Facts and Conclusions of Law, dated August 23, 2019, and enjoin the State from conducting a final inspection on (1) the second locations of applicants that were awarded multiple licenses in a single jurisdiction, i.e., Essence and Thrive in unincorporated Clark County; and (2) any of the December 2018 conditional licenses – or issuing final licenses – for any of the winning applicants that provided UPS Stores as proposed physical addresses as part of their applications or for those that did not provide any actual proposed physical address as required by NRS 453D and NAC 453D.

For all the foregoing reasons, Plaintiffs respectfully request the Court grant this Motion to Alter or Amend the Findings of Fact and Conclusions of Law Granting Preliminary Injunction.

DATED this 24th day of September, 2019.

KEMP, JONES & COULTHARD LLP

/s/ Nathanael Rulis

Will Kemp, Esq. (NV Bar No. 1205)
Nathanael R. Rulis (NV Bar No. 11259)
3800 Howard Hughes Parkway, 17th Floor
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CERTIFICATE OF SERVICE

I hereby certify that on the 24th day of September, 2019, I served a true and correct copy of the foregoing **MM DEVELOPMENT COMPANY, INC.'S AND LIVFREE WELLNESS, LLC'S MOTION TO ALTER OR AMEND FINDINGS OF FACT AND CONCLUSIONS OF LAW** via the Court's electronic filing system only, pursuant to the Nevada Electronic Filing and Conversion Rules, Administrative Order 14-2, to all parties currently on the electronic service list.

/s/ Ali Augustine

An employee of Kemp, Jones & Coulthard, LLP

Exhibit 1

TRAN

DISTRICT COURT
CLARK COUNTY, NEVADA
* * * * *

SERENITY WELLNESS CENTER LLC,.
et al.

Plaintiffs

vs.

STATE OF NEVADA DEPARTMENT OF
TAXATION

Defendant
.

CASE NO. A-19-786962-B

DEPT. NO. XI

**Transcript of
Proceedings**

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT COURT JUDGE

EVIDENTIARY HEARING - DAY 14

FRIDAY, JULY 12, 2019

COURT RECORDER:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146

Proceedings recorded by audio-visual recording, transcript
produced by transcription service.

AA 006011

1 address.

2 Q A physical address?

3 A Yes.

4 Q Okay. And a physical address in your mind could not
5 be a Post Office box?

6 A Right.

7 Q Or one of these companies that maintains Post Office
8 -- fake Post Office places. Couldn't be that, either; right?

9 A I think the idea was to have an office address
10 essentially.

11 Q Right. So you couldn't use -- I can't remember what
12 it is, UPS.

13 THE COURT: UPS Stores.

14 BY MR. KEMP:

15 Q You couldn't use a UPS Store, because that's not a
16 real physical address; right?

17 A I don't think -- I don't think that it would be
18 allowed.

19 Q Okay. And if you'd been the director at the time,
20 you would have disqualified those applications?

21 A I wouldn't have even reviewed the applications.

22 Q Okay. Because it was disqualified, or because you
23 wouldn't be the person doing the review?

24 A Well, I don't know. I mean, I --

25 Q And let me ask it --

1 A -- I would --

2 Q Let me ask it better. Your staff would have been
3 instructed that if they didn't have a physical address apart
4 from a Post Office box or a UPS Store that that application
5 should not be accepted; right?

6 A I think that would be the direction.

7 Q Okay. So the answer to my question is yes?

8 A Yes.

9 Q Okay. And the reason for that is because the
10 statute required it; right?

11 MR. KOCH: Objection. Misstates the law.

12 THE COURT: Overruled.

13 BY MR. KEMP:

14 Q I mean, the reason for your position is because the
15 statute says that?

16 A Right.

17 Q Okay. All right. Okay. I'm going to go to my last
18 area. Mr. Gutierrez asked you some questions about
19 extenuating circumstances. Do you recall those?

20 A Yes.

21 Q And your answer said, and I wrote it down -- I tried
22 to write it down verbatim. You said, if they were enjoined,
23 that would be beyond their control. Do you recall saying
24 that?

25 A I guess what I -- yes, I recall saying that.

1 that.

2 Q I understand you weren't involved, but you drafted
3 the regulations and that's where the authority to impose rules
4 come from, do they not?

5 A Right. But I wasn't involved in kind of how it was
6 put together and what was in that, so I don't know the
7 thinking behind putting it together this way or any of that.
8 I think it means that you're just notifying people that you're
9 not necessarily entitled to more than one license.

10 Q Not necessarily entitled to more than one license?
11 That's the way you interpret that provision?

12 A Uh-huh.

13 Q It says, "No applicant may be awarded." That's a
14 strict requirement, isn't it?

15 A Yeah. And so jurisdiction/locality, I guess that
16 would apply to the different jurisdictions within the county.

17 Q So would you interpret that to mean that an
18 applicant could not obtain more than --

19 A Yeah, so like one in Henderson, one in Vegas, one in
20 Clark County, one in North Las Vegas.

21 Q So if you had -- if an applicant with identical
22 ownership structure who had applied for two licenses in
23 unincorporated Clark County, they would only be given one
24 license; right?

25 A I think so, yes.

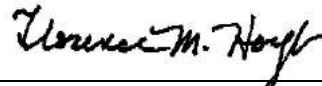
CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION NUMBER OF ANY PERSON OR ENTITY.

**FLORENCE HOYT
Las Vegas, Nevada 89146**

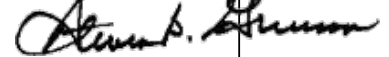


FLORENCE M. HOYT, TRANSCRIBER

7/14/19

DATE

Electronically Filed
9/19/2019 4:03 PM
Steven D. Grierson
CLERK OF THE COURT



Electronically Filed
Sep 25 2019 09:46 a.m.
Elizabeth A. Brown
Clerk of Supreme Court

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9 Counsel for Defendant-Intervenor, GreenMart of Nevada NLV LLC

10 **EIGHTH JUDICIAL DISTRICT COURT**
11 **CLARK COUNTY, NEVADA**

12 MM DEVELOPMENT COMPANY, INC., a
13 Nevada Corporation, LIVFREE WELLNESS
14 LLC, dba The Dispensary, a Nevada limited
15 liability company,

16 Plaintiffs,

17 vs.

18 STATE OF NEVADA, DEPARTMENT OF
19 TAXATION; and DOES 1 through 10; and
20 ROE CORPORATIONS 1 through 10,

21 Defendants,

22 GREENMART OF NEVADA NLV LLC, a
23 Nevada limited liability company,

24 Defendant-Intervenor.

25 SERENITY WELLNESS CENTER, LLC, et
26 al.,

27 Plaintiffs,

28 vs.

STATE OF NEVADA, DEPARTMENT OF
TAXATION,

Defendant,

and

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company, et al.

Defendants-Intervenors.

ETW MANAGEMENT GROUP LLC, a
Nevada limited liability company; GLOBAL
HARMONY LLC, a Nevada limited liability
company; GREEN LEAF FARMS
HOLDINGS LLC, a Nevada limited liability

Case No.: A-18-785818-W

Dept. No.: VIII

DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV
LLC'S NOTICE OF APPEAL

Case No.: A-19-786962-B

Dept. No.: XI

DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV
LLC'S NOTICE OF APPEAL

Case No.: A-19-787004-B

Dept. No.: XI

DEFENDANT-INTERVENOR

company; GREEN THERAPEUTICS LLC, a Nevada limited liability company; HERBAL CHOICE INC., a Nevada corporation; JUST QUALITY, LLC, a Nevada limited liability company; LIBRA WELLNESS CENTER, LLC, a Nevada limited liability company; ROMBOUGH REAL ESTATE INC. dba MOTHER HERB, a Nevada corporation; NEVCANN LLC, a Nevada limited liability company; RED EARTH LLC, a Nevada limited liability company; THC NEVADA LLC, a Nevada limited liability company; and ZION GARDENS LLC, a Nevada limited liability company,

Plaintiffs,

vs.

STATE OF NEVADA, DEPARTMENT OF TAXATION, a Nevada administrative agency; and DOES 1 through 20; and ROE CORPORATIONS 1 through 20, inclusive
Defendants.

GREENMART OF NEVADA NLV LLC, a Nevada limited liability company,
Defendant-Intervenor.

COMPASSIONATE TEAM OF LAS VEGAS LLC, a Nevada Limited Liability Company;

Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT OF TAXATION; DOES 1 through 10; and ROE CORPORATIONS 1 through 10,
Defendants;

GREENMART OF NEVADA NLV LLC, a Nevada limited liability company,
Intervenor Defendant.

HIGH SIERRA HOLISTICS, LLC,
Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT OF

**GREENMART OF NEVADA NLV
LLC'S NOTICE OF APPEAL**

Case No.: A-18-786357-W

Dept. No.: XIV

**DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV
LLC'S NOTICE OF APPEAL**

Case No.: A-19-787726-C

Dept. No.: XIV

**DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV**

TAXATION; DOES 1-10 and ROE
CORPORATIONS 1-10,
Defendants.

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company,
Intervenor Defendant.

NEVADA WELLNESS CENTER, LLC, a
Nevada limited liability company,
Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT OF
TAXATION; and NEVADA ORGANIC
REMEDIES, LLC,
Defendants.

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company,
Intervenor Defendant.

LLC'S NOTICE OF APPEAL

Case No.: A-19-787540-W

Dept. No.: XVIII

**DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV
LLC'S NOTICE OF APPEAL**

PLEASE TAKE NOTICE that Defendant-Intervenor GreenMart of Nevada NLV LLC, by and through its attorneys of record, Margaret A. McLetchie and Alina M. Shell, of the law firm McLetchie Law, pursuant to Nevada Rule of Appellate Procedure 4(b)(1), hereby timely appeals to the Supreme Court of Nevada from the Findings of Fact, Conclusions of Law and Order entered in the following cases on August 28, 2019:¹

(1) *Serenity Wellness Center, LLC et. al. v. State of Nevada, Department of Taxation*, Case No. A-19-786962-B;

(2) *MM Development Company, Inc. et. al. v. State of Nevada, Department of Taxation*, Case No. A-19-785818-W;

(3) *ETW Management Group, LLC et. al. v. State of Nevada, Department of Taxation*, Case No. A-19-787004-B;

///

¹ On September 19, 2019, GreenMart of Nevada NLV, LLC also filed an Amended Notice Of Entry of the Court's August 23, 2019 Findings of Fact, Conclusions of Law and Order which, in compliance with EDCR 2.50(b)(2), lists all six matters coordinated pursuant to the Court's order entered July 11, 2019. Regardless, this does not affect the timeliness of GreenMart of Nevada NLV, LLC's Notice of Appeal.

(4) *Nevada Wellness Center v. State of Nevada, Department of Taxation*, Case No. A-19-787540-W;

(5) *Compassionate Team of Las Vegas LLC v. Nevada Department of Taxation*, Case No. A-18-786357-W; and

(6) *High Sierra Holistics LLC v. State of Nevada Department of Taxation*, Case No. A-19-787726-C.

DATED this the 19th day of September, 2019.

/s/ Margaret A. McLetchie

MARGARET A. MCLECHIE, Nevada Bar No. 10931

ALINA M. SHELL, Nevada Bar No. 11711

MCLECHIE LAW

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Counsel for Defendant-Intervenor, GreenMart of Nevada NLV LLC

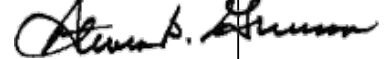
CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of September, 2019, pursuant to Administrative Order 14-2 and N.E.F.C.R. 9, I did cause a true copy of the foregoing DEFENDANT-DEFENDANT-INTERVENOR GREENMART OF NEVADA NLV LLC'S NOTICE OF APPEAL in *Serenity Wellness Center, LLC, et al. v. State of Nevada, Department of Taxation, et al.*, Clark County District Court Case No. A-19-786962-B, to be served electronically using the Odyssey File & Serve system, to all parties with an email address on record.

This document applies to Case No. A-19-786962-B; Case No. A-19-785818-W; Case No. A-19-787004-B; Case No. A-19-787540-W; Case No. A-18-786357-W; and Case No. A-19-787726-C.

/s/ Pharan Burchfield

An Employee of McLetchie Law



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9 *Counsel for Defendant-Intervenor, GreenMart of Nevada NLV LLC*

10 **EIGHTH JUDICIAL DISTRICT COURT**
11 **CLARK COUNTY, NEVADA**

12 MM DEVELOPMENT COMPANY, INC., a
13 Nevada Corporation, LIVFREE WELLNESS
14 LLC, dba The Dispensary, a Nevada limited
15 liability company,
16 Plaintiffs,
17 vs.

18 STATE OF NEVADA, DEPARTMENT OF
19 TAXATION; and DOES 1 through 10; and
20 ROE CORPORATIONS 1 through 10,
21 Defendants,

22 GREENMART OF NEVADA NLV LLC, a
23 Nevada limited liability company,
24 Defendant-Intervenor.

25 SERENITY WELLNESS CENTER, LLC, et
26 al.,
27 Plaintiffs,
28 vs.

STATE OF NEVADA, DEPARTMENT OF
TAXATION,
Defendant,

and

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company, et al.
Defendants-Intervenors.

ETW MANAGEMENT GROUP LLC, a
Nevada limited liability company; GLOBAL
HARMONY LLC, a Nevada limited liability
company; GREEN LEAF FARMS
HOLDINGS LLC, a Nevada limited liability

Case No.: A-18-785818-W

Dept. No.: VIII

DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV
LLC'S CASE APPEAL
STATEMENT

Case No.: A-19-786962-B

Dept. No.: XI

DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV
LLC'S CASE APPEAL
STATEMENT

Case No.: A-19-787004-B

Dept. No.: XI

DEFENDANT-INTERVENOR

company; GREEN THERAPEUTICS LLC, a Nevada limited liability company; HERBAL CHOICE INC., a Nevada corporation; JUST QUALITY, LLC, a Nevada limited liability company; LIBRA WELLNESS CENTER, LLC, a Nevada limited liability company; ROMBOUGH REAL ESTATE INC. dba MOTHER HERB, a Nevada corporation; NEVCANN LLC, a Nevada limited liability company; RED EARTH LLC, a Nevada limited liability company; THC NEVADA LLC, a Nevada limited liability company; and ZION GARDENS LLC, a Nevada limited liability company,

Plaintiffs,

vs.

STATE OF NEVADA, DEPARTMENT OF TAXATION, a Nevada administrative agency; and DOES 1 through 20; and ROE CORPORATIONS 1 through 20, inclusive

Defendants.

GREENMART OF NEVADA NLV LLC, a Nevada limited liability company,
Defendant-Intervenor.

COMPASSIONATE TEAM OF LAS VEGAS LLC, a Nevada Limited Liability Company;

Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT OF TAXATION; DOES 1 through 10; and ROE CORPORATIONS 1 through 10,
Defendants;

GREENMART OF NEVADA NLV LLC, a Nevada limited liability company,
Intervenor Defendant.

HIGH SIERRA HOLISTICS, LLC,
Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT OF

**GREENMART OF NEVADA NLV
LLC'S CASE APPEAL
STATEMENT**

Case No.: A-18-786357-W

Dept. No.: XIV

**DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV
LLC'S CASE APPEAL
STATEMENT**

Case No.: A-19-787726-C

Dept. No.: XIV

**DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV**

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TAXATION; DOES 1-10 and ROE
CORPORATIONS 1-10,
Defendants.

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company,
Intervenor Defendant.

NEVADA WELLNESS CENTER, LLC, a
Nevada limited liability company,
Plaintiff,
vs.

STATE OF NEVADA, DEPARTMENT OF
TAXATION; and NEVADA ORGANIC
REMEDIES, LLC,
Defendants.

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company,
Intervenor Defendant.

**LLC’S CASE APPEAL
STATEMENT**

Case No.: A-19-787540-W

Dept. No.: XVIII

**DEFENDANT-INTERVENOR
GREENMART OF NEVADA NLV
LLC’S CASE APPEAL
STATEMENT**

1. **Name of appellant filing this case appeal statement:** GreenMart of Nevada NLV LLC (“GreenMart”).
2. **Judge issuing the decision, judgment, or order appealed from:** The Honorable Elizabeth Gonzalez.
3. **Name and address of appellant’s counsel:**

MARGARET A. MCLEATCHIE, Nevada Bar No. 10931
ALINA M. SHELL, Nevada Bar No. 11711
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701 E. Bridger Avenue, Suite 520
Las Vegas, NV 89101
Attorneys for Appellant, GreenMart of Nevada NLV LLC

///

///

///

///

///

4. **Name and address of respondents' counsel:**

Serenity Wellness Center, LLC et. al. v. State of Nevada, Department of Taxation, Case No. A-19-786962-B

DOMINIC P. GENTILE, Nevada Bar No. 1923
VINCENT SAVARESE III, Nevada Bar No. 2467
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Attorneys for Respondents, Serenity Wellness Center LLC, TGIG LLC, NuLeaf Incline Dispensary LLC, Nevada Holistic Medicine LLC, Tryke Companies So NV LLC, Tryke Companies Reno LLC, GBS Nevada Partners LLC, Gravitas Nevada Ltd., Nevada Pure LLC, MediFarm LLC, and MediFarm IV LLC

MM Development Company, Inc. et. al. v. State of Nevada, Department of Taxation, Case No. A-19-785818-W

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Attorneys for Respondents, MM Development Company, Inc. and LivFree Wellness, LLC

ETW Management Group, LLC et. al. v. State of Nevada, Department of Taxation, Case No. A-19-787004-B

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2580 Sorrel Street
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Attorneys for Respondents, ETW Management Group, LLC; Global Harmony, LLC; Green Leaf Farms Holdings, LLC; Green Therapeutics, LLC; Herbal Choice, Inc.; Just Quality, LLC; Libra Wellness Center, LLC; Rombough Real Estate, Inc. dba Mother Herb; NevCann, LLC; Red Earth,

1 *LLC; THC Nevada, LLC; Zion Gardens, LLC; and MMOF Vegas Retail,*
2 *Inc.*

3 ***Nevada Wellness Center v. State of Nevada, Department of Taxation,***
4 ***Case No. A-19-787540-W***

5 THEODORE PARKER, III, Nevada Bar No. 4716
6 PARKER, NELSON & ASSOCIATES, CHTD.
7 2460 Professional Court, Suite 200
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9 *Attorney for Respondent, Nevada Wellness Center LLC*

10 ***Compassionate Team of Las Vegas LLC v. Nevada Department of***
11 ***Taxation, Case No. A-18-786357-W***

12 DANIEL S. SIMON, Nevada Bar No. 4750
13 SIMON LAW
14 810 S. Casino Center Blvd.
15 Las Vegas, NV 89101
16 *Attorney for Respondent, Compassionate Team of Las Vegas LLC*

17 ***High Sierra Holistics LLC v. State of Nevada Department of Taxation,***
18 ***Case No. A-19-787726-C***

19 JAMES W. PUZEY, Nevada Bar No. 5745
20 MICHAEL AYERS, Nevada Bar No. 10851
21 CLARK V. VELLIS, Nevada Bar No. 5533
22 HOLLEY, DRIGGS, WALCH, FINE, PUZEY, STEIN & THOMPSON
23 800 South Meadows Parkway, Suite 800
24 Reno, NV 89521
25 *Attorneys for Respondent, High Sierra Holistics LLC*

26 **5. Name and address of interested party(ies)'s counsel:**

27 AARON FORD, Attorney General, Nevada Bar No. 7704
28 KETAN D. BHIRUD, Nevada Bar No. 10515
STEVE SHEVORSKI, Nevada Bar No. 8256
DAVID J. POPE, Nevada Bar No. 8617
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Attorney for Interested Party, Helping Hands Wellness Center LLC

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JAMIE L. ZIMMERMAN, Nevada Bar No. 11749

MOOREA L. KATZ, Nevada Bar No. 12007

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PHILIP M. HYMANSON, Nevada Bar No. 2253

HENRY J. HYMANSON, Nevada Bar No. 14381

HYMANSON & HYMANSON

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Attorneys for Interested Parties, Integral Associates, LLC d/b/a Essence Cannabis Dispensaries; Essence Tropicana, LLC; Essence Henderson, LLC

///

///

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PHILIP M. HYMANSON, Nevada Bar No. 2253
HENRY J. HYMANSON, Nevada Bar No. 14381
HYMANSON & HYMANSON
8816 Spanish Ridge Ave.
Las Vegas, NV 89148

Attorneys for Interested Parties, CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace, Commerce Park Medical, LLC, and Cheyenne Medical, LLC

6. **Attorneys not licensed to practice law in Nevada:** None.

7. **Whether appellant was represented by appointed or retained counsel in the district court:** Appellant was represented by retained counsel in the district court.

8. **Whether appellant is represented by appointed or retained counsel on appeal:** Appellant is represented by retained counsel on appeal.

9. **Whether appellant was granted leave to proceed in forma pauperis:** N/A.

10. **Date the proceedings commenced in the district court:** January 4, 2019.

11. **A brief description of the nature of the action and result in the district court, including the type of judgment or order being appealed and the relief granted by the district court:** Respondents filed Complaint (Business Court) on January 4, 2019 and a Motion for Preliminary Injunction on March 19, 2019. Appellant GreenMart was granted invention and filed its Answer on April 16, 2019. Pursuant to the district court's order entered on July 11, 2019, this case was coordinated with five other lawsuits regarding the State of Nevada Department of Taxation's procedures for awarding marijuana retail store licenses in

December 2018. Between May 24, 2019 and August 16, 2019, the Honorable Judge Gonzalez heard a twenty (20) day evidentiary hearing on the Motion for Preliminary Injunction. On August 23, 2019 the Findings of Fact and Conclusions of Law Granting Preliminary Injunction was filed and on August 28, 2019 the Notice of Entry of Order was entered.

12. **Whether the case has previously been the subject of an appeal to or original writ proceeding in the Supreme Court and, if so, the caption and Supreme Court docket number of the prior proceeding:** N/A.

13. **Whether the appeal involves child custody or visitation:** This case does not involve child custody or visitation.

14. **In civil cases, whether the appeal involves the possibility of settlement:** Mediation has been ongoing with Honorable Judge (ret.) Jennifer Togliatti to no avail. Counsel for appellant GreenMart does not think that this matter is appropriate for settlement.

DATED this the 19th day of September, 2019.

/s/ Margaret A. McLetchie

MARGARET A. MCLEITCHIE, Nevada Bar No. 10931

ALINA M. SHELL, Nevada Bar No. 11711

MCLEITCHIE LAW

701 East Bridger Avenue, Suite 520

Las Vegas, NV 89101

Telephone: (702) 728-5300

Email: maggie@nvlitigation.com

Counsel for Defendant-Intervenor, GreenMart of Nevada NLV LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of September, 2019, pursuant to Administrative Order 14-2 and N.E.F.C.R. 9, I did cause a true copy of the foregoing DEFENDANT-INTERVENOR GREENMART OF NEVADA NLV LLC'S CASE APPEAL STATEMENT in *Serenity Wellness Center, LLC, et al. v. State of Nevada, Department of Taxation, et al.*, Clark County District Court Case No. A-19-786962-B, to be served electronically using the Odyssey File & Serve system, to all parties with an email address on record.

This document applies to Case No. A-19-786962-B; Case No. A-19-785818-W; Case No. A-19-787004-B; Case No. A-19-787540-W; Case No. A-18-786357-W; and Case No. A-19-787726-C.

/s/ Pharan Burchfield

An Employee of McLetchie Law

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY**CASE NO. A-19-786962-B****Serenity Wellness Center LLC, Plaintiff(s)****vs.****State of Nevada Department of Taxation, Defendant(s)**§
§
§
§
§Location: **Department 11**Judicial Officer: **Gonzalez, Elizabeth**Filed on: **01/04/2019**Cross-Reference Case
Number: **A786962****CASE INFORMATION**Case Type: **Other Business Court Matters**Case
Status: **01/04/2019 Open****DATE****CASE ASSIGNMENT****Current Case Assignment**

Case Number	A-19-786962-B
Court	Department 11
Date Assigned	01/04/2019
Judicial Officer	Gonzalez, Elizabeth

PARTY INFORMATION**Plaintiff****Fidelis Holdings, LLC***Lead Attorneys***Gentile, Dominic P.**
Retained
702-862-8300(W)**GBS Nevada Partners, LLC****Gentile, Dominic P.**
Retained
702-862-8300(W)**Gravitas Nevada, LLC****Gentile, Dominic P.**
Retained
702-862-8300(W)**Medifarm IV LLC****Medifarm, LLC****Gentile, Dominic P.**
Retained
702-862-8300(W)**Nevada Holistic Medicine, LLC****Gentile, Dominic P.**
Retained
702-862-8300(W)**Nevada Pure, LLC****Gentile, Dominic P.**
Retained
702-862-8300(W)**Nuleaf Incline Dispensary, LLC****Gentile, Dominic P.**
Retained
702-862-8300(W)**Paradise Wellness Center, LLC**

Removed: 07/03/2019

Inactive

Gentile, Dominic P.
Retained
702-862-8300(W)**Serenity Wellness Center LLC****Gentile, Dominic P.**
Retained
702-862-8300(W)**TGIG, LLC****Gentile, Dominic P.**

EIGHTH JUDICIAL DISTRICT COURT
CASE SUMMARY
CASE NO. A-19-786962-B

	Tryke Companies Reno, LLC	<i>Retained</i> 702-862-8300(W)
	Tryke Companies SO NV, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
Defendant	State of Nevada Department of Taxation	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
Counter Claimant	Cheyenne Medical, LLC	Werbicky, Robert E. <i>Retained</i> 7029907272(W)
	Commerce Park Medical, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	CPCM Holdings, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	Essence Henderson, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	Essence Tropicana, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	Integral Associates, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
Counter Defendant	Fidelis Holdings, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	GBS Nevada Partners, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	Gravitas Nevada, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	Medifarm, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	Nevada Holistic Medicine, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	Nevada Pure, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	Nuleaf Incline Dispensary, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	Paradise Wellness Center, LLC	Gentile, Dominic P. <i>Retained</i>

EIGHTH JUDICIAL DISTRICT COURT
CASE SUMMARY
CASE NO. A-19-786962-B

	Serenity Wellness Center LLC	702-862-8300(W) Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	TGIG, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	Tryke Companies Reno, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
	Tryke Companies SO NV, LLC	Gentile, Dominic P. <i>Retained</i> 702-862-8300(W)
Intervenor Defendant	Cheyenne Medical, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	Clear River, LLC	Graf, J. Rusty <i>Retained</i> 702-869-8801(W)
	Commerce Park Medical, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	CPCM Holdings, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	Essence Henderson, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	Essence Tropicana, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	GreenMart of Nevada NLV LLC	McLetchie, Margaret A. <i>Retained</i> 702-728-5300(W)
	Helping Hands Wellness Center Inc	Kahn, Jared B <i>Retained</i> 702-468-0808(W)
	Integral Associates, LLC	Prince, Dennis M <i>Retained</i> 702-534-7600(W)
	Lone Mountain Partners, LLC	Hone, Eric D. <i>Retained</i> 702-608-3720(W)
Other	Compassionate Team of Las Vegas LLC	Simon, Daniel S., ESQ <i>Retained</i> 7023641650(W)
	Greenmart of Nevada NLV LLC's	McLetchie, Margaret A. <i>Retained</i> 702-728-5300(W)
	LivFree Wellness, LLC	Rulis, Nathanael R., ESQ <i>Retained</i> 702-385-6000(W)

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY

CASE NO. A-19-786962-B

MM Development Company, Inc.

Rulis, Nathanael R., ESQ
Retained
702-385-6000(W)

Nevada Organic Remedies LLC

Koch, David
Retained
702-318-5041(W)

Subpoena'd (Non) Party **Connor, Amanda N**








Connor, Derek
Retained
702-750-9139(W)

Connor, Amanda N
Removed: 05/28/2019
Data Entry Error

Cronkite, Kara

Gilbert, Steve

Hernandez, Damon

DATE	EVENTS & ORDERS OF THE COURT	INDEX
	<u>EVENTS</u>	
01/04/2019	 Initial Appearance Fee Disclosure Filed By: Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Initial Appearance Fee Disclosure</i>	
01/04/2019	 Complaint (Business Court) Filed By: Counter Defendant Serenity Wellness Center LLC <i>Complaint</i>	
01/08/2019	 Summons Electronically Issued - Service Pending Party: Counter Defendant Serenity Wellness Center LLC <i>Summons</i>	
01/25/2019	 Motion to Intervene Party: Other Nevada Organic Remedies LLC <i>Motion to Intervene</i>	
03/19/2019	 Order	
03/19/2019	 Motion for Preliminary Injunction Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Motion for Preliminary Injunction</i>	
03/20/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>	

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

03/20/2019	 Motion to Intervene Party: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Motion to Intervene as Defendants</i>
03/22/2019	 Order Granting Motion Filed By: Other Nevada Organic Remedies LLC <i>Order Granting Motion to Intervene</i>
03/22/2019	 Notice of Entry of Order Filed By: Other Nevada Organic Remedies LLC <i>Notice of Entry of Order</i>
03/25/2019	 Motion to Intervene Party: Intervenor Defendant Lone Mountain Partners, LLC <i>LONE MOUNTAIN PARTNERS, LLC S MOTION TO INTERVENE ON ORDER SHORTENING TIME</i>
03/25/2019	 Ex Parte Motion Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC; Intervenor Defendant Lone Mountain Partners, LLC <i>Ex Parte Motion for Order Shortening Time on Motion to Intervene as Defendants</i>
03/26/2019	 Motion to Strike Filed By: Other Nevada Organic Remedies LLC <i>Motion to Strike Plaintiffs' Motion for Preliminary Injunction, or, In the Alternative Motion to Continue the Hearing on Plaintiffs' Motion for a Preliminary Injunction on Order Shortening Time</i>
03/26/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>
03/26/2019	 Summons Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Summons - Executed with Affidavit of Service</i>
03/27/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>
03/27/2019	 Order Shortening Time Filed By: Other Nevada Organic Remedies LLC <i>Order Shortening Time</i>
03/27/2019	 Ex Parte Application Party: Other Nevada Organic Remedies LLC

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

Ex Parte Application for An Order Shortening Time to Hold Hearing for Motion to Strike Plaintiffs' Motion for Preliminary Injunction, or, In the Alternative, Motion to Continue the Hearing on Plaintiffs' Motion for a Preliminary Injunction

04/01/2019	 Motion to Intervene <i>Motion to Intervene as Defendants (Helping Hands Wellness Center, Inc.)</i>
04/01/2019	 Initial Appearance Fee Disclosure Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>Initial Appearance Fee Disclosure</i>
04/01/2019	 Order Filed By: Counter Claimant Integral Associates, LLC <i>Order Granting Motion to Intervene</i>
04/02/2019	 Motion to Intervene Party: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Motion to Intervene on Order Shortening Time</i>
04/02/2019	 Notice of Entry Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Notice of Entry of Motion to Intervene on Order Shortening Time</i>
04/02/2019	 Notice of Entry of Order Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Notice of Entry of Order Granting Motion to Intervene</i>
04/03/2019	 Order Granting Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>Order Granting Lone Mountain Partners, LLC's Motion to Intervene</i>
04/03/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>
04/04/2019	 Notice of Entry of Order Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>Notice of Entry of Order Granting Lone Mountain Partners, LLC's Motion to Intervene</i>
04/05/2019	 Order Shortening Time <i>Order Shortening Time</i>
04/05/2019	 Request <i>Request for Hearing Ex Parte Motion for Order Shortening Time on Motion to Intervene as Defendants</i>
04/05/2019	 Notice of Entry of Order Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>Notice of Entry of Order (Order Shortening Time)</i>
04/08/2019	 Stipulation and Order Filed by: Other Nevada Organic Remedies LLC

CASE SUMMARY

CASE NO. A-19-786962-B

Stipulation and Order to Continue Hearing and Extend Briefing Schedule for Motion for Preliminary Injunction

04/10/2019	 Motion for Leave to File Party: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Plaintiffs' Ex Parte Motion for Leave to File Brief in Support of Plaintiffs' Motion for Preliminary Injunction in Excess of Thirty (30) Pages in Length, or in the Alternative, for Leave to File Amended Brief not to Exceed Thirty (30) Pages in Length</i>
04/11/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>
04/12/2019	 Order Scheduling Status Check <i>Order Scheduling Hearing Re:Coordination</i>
04/15/2019	 Order Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>Order Granting Helping Hands Wellness Center, Inc.'s Motion to Intervene</i>
04/15/2019	 Notice of Entry of Order Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>Notice of Entry of Order</i>
04/16/2019	 Order Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Order Granting Motion to Intervene</i>
04/16/2019	 Notice of Entry Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Notice of Entry of Order</i>
04/16/2019	 Answer (Business Court) Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant GreenMart of Nevada NLV LLC's Answer to Plaintiffs' Complaint</i>
04/16/2019	 Initial Appearance Fee Disclosure Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Initial Appearance Fee Disclosure (NRS Chapter 19)</i>
04/24/2019	 Media Request and Order <i>Media Request And Order Allowing Camera Access To Court Proceedings</i>
04/29/2019	 Order Shortening Time <i>Clear River, LLC's Motion to Intervene on Order Shortening Time</i>
05/01/2019	 Non Opposition Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners,

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC
Plaintiffs Non-Opposition to Intervenor Clear River, LLC's Motion to Intervene on OST

05/03/2019



Subpoena Electronically Issued

Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC
Subpoena to D. Hernandez to Appear at Hrg.

05/03/2019



Subpoena Electronically Issued

Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC
Subpoena to K. Cronkite to Appear at Hrg.

05/03/2019



Subpoena Electronically Issued

Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC
Subpoena to S. Gilbert to Appear at Hrg.

05/03/2019



Notice of Appearance

Party: Defendant State of Nevada Department of Taxation
Notice of Appearance

05/06/2019



Notice

Notice of Filing Brief in Support of Motion for Preliminary Injunction

05/06/2019



Request for Exemption From Arbitration

Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC
Plaintiffs' Request for Exemption from Arbitration

05/07/2019



Answer

Clear River, LLC's Answer to Plaintiffs' Complaint

05/07/2019



Subpoena Electronically Issued

Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC

Subpoena to D. Hernandez to Appear at Hrg.

05/07/2019



Subpoena Electronically Issued

Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC

Subpoena to K. Cronkhite to Appear at Hrg.

05/08/2019



Order

Filed By: Intervenor Defendant Clear River, LLC

Order Granting Clear River, LLC's Motion to Intervene

05/09/2019



Opposition to Motion

Filed By: Other Nevada Organic Remedies LLC

Nevada Organic Remedies LLC's Opposition to Serenity Wellness Center, LLC and Related Plaintiffs' Motion for Preliminary Injunction

05/09/2019



Appendix

Filed By: Other Nevada Organic Remedies LLC

Appendix of Exhibits to Nevada Organic Remedies LLC's Opposition to Serenity Wellness Center, LLC and Related Plaintiffs' Motion for Preliminary Injunction

05/09/2019



Application

Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC

Application for Temporary Restraining Order

05/09/2019



Motion to Consolidate

Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC

Plaintiffs' Motion to Consolidate on Order Shortening Time

05/09/2019



Motion for Protective Order

Motion for Protective Order and to Quash Subpoena

05/09/2019



Objection









Filed By: Intervenor Defendant Clear River, LLC

Defendant/Intervenor Clear River, LLC's Objection to Plaintiff's Subpoena Duces Tecum Upon Non-Party, State of Nevada, Department of Taxation

05/09/2019












EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

	 Joinder to Opposition to Motion Filed by: Intervenor Defendant Clear River, LLC <i>Clear River LLC's Joinder to Nevada Organic Remedies, LLC's Opposition to Plaintiff's Motion for Preliminary Injunction</i>
05/09/2019	 Notice of Entry of Order Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Notice of Entry of Order Shortening Time on Application for Temporary Restraining Order</i>
05/09/2019	 Notice of Entry of Order Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Notice of Entry of Order Shortening Time on Plaintiffs' Motion to Consolidate</i>
05/09/2019	 Opposition to Motion Filed By: Defendant State of Nevada Department of Taxation <i>Opposition to Motion for Preliminary Injunction</i>
05/10/2019	 Opposition to Motion Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Defendant in Intervention's Opposition to Plaintiffs' Application for a Temporary Restraining Order</i>
05/10/2019	 Errata Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Errata to Defendant in Intervention's Opposition to Plaintiffs' Application for a Temporary Restraining Order</i>
05/10/2019	 Errata Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Supplemental Errata to Defendant in Interventions' Opposition to Plaintiffs' Application for a Temporary Restraining Order</i>
05/10/2019	 Order Shortening Time Filed By: Intervenor Defendant Clear River, LLC <i>Defendant/Intervenor, Clear River, LLC's, Order Shortening Time on Motion for Protective Order and to Quash Subpoena</i>
05/10/2019	

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

	 Joinder to Opposition to Motion Filed by: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant GreenMart of Nevada NLV LLC's Joinder to Defendant in Intervention's Opposition to Plaintiffs' Application for a Temporary Restraining Order</i>
05/11/2019	 Joinder Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>LONE MOUNTAIN PARTNERS, LLC S JOINDER TO CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE, COMMERCE PARK MEDICAL, LLC, AND CHEYENNE MEDICAL, LLC S OPPOSITION TO PLAINTIFFS APPLICATION FOR A TEMPORARY RESTRAINING ORDER</i>
05/12/2019	 Joinder Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>DEFENDANT INTERVENOR HELPING HANDS WELLNESS CENTER, INC. S JOINDER TO CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE, COMMERCE PARK MEDICAL, LLC, AND CHEYENNE MEDICAL, LLC S OPPOSITION TO PLAINTIFFS APPLICATION FOR TEMPORARY RESTRAINING ORDER</i>
05/13/2019	 Notice of Entry Filed By: Intervenor Defendant Clear River, LLC <i>Notice of Entry of Order Granting Clear River LLC's Motion to Intervene</i>
05/13/2019	 Joinder Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>DEFENDANT INTERVENOR HELPING HANDS WELLNESS CENTER, INC. S JOINDER TO CLEAR RIVER, LLC S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA</i>
05/13/2019	 Joinder To Motion Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>Lone Mountain Partners, LLC's Joinder to Clear River, LLC's Motion for Protective Order and to Quash Subpoena</i>
05/13/2019	 Joinder to Opposition to Motion Filed by: Intervenor Defendant Lone Mountain Partners, LLC <i>LONE MOUNTAIN PARTNERS, LLC S JOINDER TO NEVADA ORGANIC REMEDIES, LLC S OPPOSITION TO SERENITY WELLNESS CENTER, LLC AND RELATED PLAINTIFFS MOTION FOR PRELIMINARY INJUNCTION</i>
05/13/2019	 Joinder to Opposition to Motion Filed by: Intervenor Defendant GreenMart of Nevada NLV LLC <i>GreenMart of Nevada NLV LLC's Joinder to Nevada Organic Remedies, LLC's Opposition to Serenity Wellness Center, LLC and Related Plaintiffs' Motion for Preliminary Injunction</i>
05/13/2019	 Joinder To Motion Filed By: Other Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's Joinder to Clear River, LLC's Motion for Protective Order and to Quash Subpoena</i>
05/13/2019	 Joinder Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>DEFENDANT INTERVENOR HELPING HANDS WELLNESS CENTER, INC. S JOINDER TO NEVADA ORGANIC REMEDIES, LLC S OPPOSITION TO PLAINTIFFS MOTION FOR PRELIMINARY INJUNCTION</i>
05/13/2019	 Declaration

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

Filed By: Intervenor Defendant Helping Hands Wellness Center Inc
Declaration of Klaris Terteryan

05/13/2019



Joinder

Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC
GreenMart of Nevada NLV LLC's Joinder to Clear River, LLC's Motion for Protective Order and To Quash Subpoena and GreenMart of Nevada NLV LLC's Joinder to Clear River, LLC's Objection to Plaintiff's Subpoena Duces Tecum Upon Non-Party State of Nevada, Department of Taxation.

05/14/2019



Notice

Filed By: Defendant State of Nevada Department of Taxation
Defendant State of Nevada Department of Taxation's Notice of Objection to Subpoena Duces Tecum

05/14/2019



Transcript of Proceedings

Transcript of Proceedings: Hearing to Coordinate Preliminary Injunction Hearings

05/15/2019



Notice of Entry of Order

Filed By: Intervenor Defendant Clear River, LLC
Notice of Entry of Defendant/Intervenor, Clear River, LLC's, Order Shortening Time on Motion For Protective Order and To Quash Subpoena

05/16/2019



Order

Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC
Order Granting in Part and Denying in Part Plaintiffs' Motion for Temporary Restraining Order

05/17/2019



Notice of Posting Bond

Filed By: Counter Defendant Serenity Wellness Center LLC
Notice of Posting Bond

05/17/2019



Transcript of Proceedings

Transcript of Proceedings: Hearing on Motion for TRO and Motion to Consolidate

05/17/2019



Objection

Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC
GreenMart of Nevada NLV LLC's Objections

05/17/2019



Joinder

Filed By: Other Compassionate Team of Las Vegas LLC
Joinder to Application for Temporary Restraining Order on OST

05/17/2019



Joinder

Filed By: Other Compassionate Team of Las Vegas LLC
Plaintiffs Joinder to Plaintiffs Mm Development Company, Inc., and Livfree Wellness Llc, Db a the Dispensarys Opposition to Defendant/intervenor Clear River, Llc s Motion for Protective Order and to Quash Subpoena Filed in Serenity Wellness Center, Llc, et Al. V. State of Nevada Department of Taxation (Case No. A-19-786962-b)

05/17/2019

CASE SUMMARY

CASE NO. A-19-786962-B

	 Joinder Filed By: Other Compassionate Team of Las Vegas LLC <i>Joinder to Motion for Preliminary Injunction or for Writ of Mandamus</i>
05/20/2019	 Supplement Filed by: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Supplement</i>
05/20/2019	 Exhibits Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Appendix of Exhibits in Support of Defendant-Intervenor GreenMart of Nevada NLV LLC's Supplement</i>
05/20/2019	 Answer Filed By: Defendant State of Nevada Department of Taxation <i>Answer to Complaint</i>
05/20/2019	 Joinder Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Plaintiffs' Joinder to Plaintiffs' MM Development Company, Inc., et al. Motion for Preliminary Injunction Filed in MM Development Company, Inc., et al. v. State of Nevada Department of Taxation</i>
05/21/2019	 Joinder Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>DEFENDANT INTERVENOR HELPING HANDS WELLNESS CENTER, INC.'S JOINDER TO LONE MOUNTAIN PARTNERS, LLC'S OPPOSITION TO PLAINTIFFS' /COUNTERDEFENDANTS' MOTION FOR PRELIMINARY INJUNCTION OR FOR WRIT OF MANDAMUS</i>
05/21/2019	 Objection Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>Helping Hands Wellness Center, Inc.'s Privilege Log and Objections</i>
05/22/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Motion to Quash, Motion for Protective Order, and Motion to Compel</i>
05/22/2019	 Commissioners Decision on Request for Exemption - Granted <i>Commissioner's Decision on Request for Exemption - GRANTED</i>
05/22/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Telephone Conference Re Search Terms</i>
05/22/2019	 Disclosure Statement Party: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Pre-Hearing Disclosure Statement and Notice of Compliance</i>

CASE SUMMARY
CASE NO. A-19-786962-B















05/22/2019	 Reply Filed by: Counter Defendant Serenity Wellness Center LLC <i>Plaintiffs' Omnibus Reply in Support of Motion for Preliminary Injunction</i>
05/23/2019	 Joinder to Opposition to Motion Filed by: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Intervening Defendants' Joinder and Supplemental Briefing in Support of the State of Nevada's and Nevada Organic Remedies, LLC's Opposition to Motion for Preliminary Injunction; and Lone Mountain Partners, LLC's Opposition to Motion for Preliminary Injunction or for Writ of Mandamus</i>
05/23/2019	 Disclosure Statement Party: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Amended Pre-Hearing Disclosure Statement and Notice of Compliance</i>
05/23/2019	 Notice Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Privilege and Confidentiality Log</i>
05/23/2019	 Order Granting Filed By: Intervenor Defendant Clear River, LLC <i>Defendant/Intervenor, Clear River, LLC's, Order Granting In Part and Denying in Part Motion For Protective Order</i>
05/23/2019	 NRCP 16.1 Initial List of Witnesses and Documents <i>MM Development Company, Inc.'s and Livfree Wellness, LLC's Initial List of Witnesses and Documents for Preliminary Injunction Hearing</i>
05/23/2019	 Notice Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Notice of Compliance</i>
05/23/2019	 Notice of Entry Filed By: Intervenor Defendant Clear River, LLC <i>Notice of Entry of Defendant/Intervenor, Clear River, LLC's, Order Granting In Part and Denying in Part Motion for Protective Order</i>
05/23/2019	 Objection Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Objections to Plaintiffs' Witnesses</i>
05/23/2019	 List of Witnesses Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Plaintiffs' Initial List of Witnesses and Documents for Preliminary Injunction Hearing</i>

CASE SUMMARY
CASE NO. A-19-786962-B

05/24/2019	 Joinder Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>LONE MOUNTAIN PARTNERS, LLC S JOINDER TO GREENMART OF NEVADA NLV LLC S OBJECTION TO PLAINTIFFS WITNESSES</i>
05/24/2019	 Supplement to List of Witnesses & Documents Party: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Plaintiffs' Amended List of Witnesses and Documents For Preliminary Injunction Hearing</i>
05/24/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/24/2019	 Order Filed By: Other MM Development Company, Inc.; Other LivFree Wellness, LLC <i>Protective Order Regarding Marijuana Applications</i>
05/28/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 1</i>
05/28/2019	 Joinder to Opposition to Motion Filed by: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Joinder to Nevada Organic Remedies, LLC's Opposition to Plaintiffs' Motion to Compel</i>
05/28/2019	 Joinder Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Serenity Wellness Center, LLC, et al.'s Joinder to Plaintiff ETW Management Group LLC, et al. Motion to Compel and for Sanctions on Order Shortening Time Filed in ETW Management Group LLC, et al. v. State of Nevada Department of Taxation</i>
05/28/2019	 Notice of Appearance Party: Subpoena'd (Non) Party Connor, Amanda N <i>Notice of Appearance</i>
05/28/2019	 Objection Filed By: Subpoena'd (Non) Party Connor, Amanda N <i>Written Objection to the Subpoena of nonparty Witness Amanda N. Connor, Esq.</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
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	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Subpoena Electronically Issued Filed by: Counter Defendant Serenity Wellness Center LLC <i>Civil Subpoena</i>
05/28/2019	 Motion for Protective Order Filed By: Subpoena'd (Non) Party Connor, Amanda N <i>Motion for a Protective Order on Order Shortening Time</i>
05/30/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Status Conference</i>
05/30/2019	 Affidavit of Service <i>Affidavit of Service</i>
06/03/2019	 Answer Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>DEFENDANT HELPING HANDS WELLNESS CENTER, INC. S ANSWER TO COMPLAINT</i>
06/05/2019	 Motion for Summary Judgment Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>DEFENDANT-INTERVENOR HELPING HANDS WELLNESS CENTER, INC. S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3)</i>

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

06/05/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>
06/05/2019	 Answer Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>Lone Mountain Partners, LLC's Answer to Complaint</i>
06/05/2019	 Initial Appearance Fee Disclosure Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>Lone Mountain Partners, LLC's Initial Appearance Fee Disclosure</i>
06/05/2019	 Motion Filed By: Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Intervening Defendants Motion to Dissolve Temporary Restraining Order on an Order Shortening Time</i>
06/07/2019	 Joinder to Motion For Partial Summary Judgment Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant-Intervenor Helping Hands Wellness Center, Inc.'s Motion for Summary Judgment (Claims 1-3)</i>
06/10/2019	 Supplement Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Plaintiffs' Supplemental Memorandum of Points and Authorities in Support of Motion for Preliminary Injunction</i>
06/10/2019	 Brief Filed By: Defendant State of Nevada Department of Taxation <i>Pocket Brief Regarding The Meaning Of The Phrase All Regulations Necessary Or Convenient To Carry Out The Provisions Of</i>
06/11/2019	 Order <i>Order Granting in Part and Denying in Part Motion for a Protective Order on Order Shortening Time</i>
06/12/2019	 Opposition Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Plaintiffs' Opposition to Intervening Defendants Motion to Dissolve Temporary Restraining Order on an Order Shortening Time</i>
06/13/2019	 Order <i>Order Granting in Part and Denying in Part Motion for a Protective Order on Order Shortening Time</i>

EIGHTH JUDICIAL DISTRICT COURT

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06/13/2019	 Notice of Entry Filed By: Subpoena'd (Non) Party Connor, Amanda N <i>Notice of Entry of Order</i>
06/13/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Intervenor Defendants' Motion to Dissolve TRO or To Increase Bond</i>
06/14/2019	 Transcript of Proceedings <i>Corrected Transcript of Proceedings: Evidentiary Hearing - Day 1</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 2, Volume I</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 2, Volume II</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 3, Volume I</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 3, Volume II</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Motion</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 4</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 5, Volume I</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 5, Volume II</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 6</i>
06/14/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 7</i>
06/14/2019	 Initial Appearance Fee Disclosure Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC <i>Initial Appearance Fee Disclosure (NRS Chapter 19)</i>
06/14/2019	 Answer and Counterclaim <i>Defendants' Answer to Plaintiffs' Complaint with Counterclaim</i>
06/17/2019	 Joinder to Motion For Summary Judgment Filed By: Intervenor Defendant Clear River, LLC

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

Clear River, LLC's Joinder to Defendant-Intervenor Helping Hands Wellness Center, Inc's Motion for Summary Judgment (Claims 1-3)

06/17/2019



Supplemental

Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC
Plaintiffs' Second Amended List of Witnesses and Documents for Preliminary Injunction Hearing

06/17/2019



Disclosure Statement

Party: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC
Second Amended Pre-Hearing Disclosure Statement and Notice of Compliance

06/18/2019



Supplemental

Filed by: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC
Plaintiffs' Third Amended List of Witnesses and Documents for Preliminary Injunction Hearing

06/18/2019



Motion for Summary Judgment

Filed By: Intervenor Defendant Clear River, LLC
Clear River, LLC's Motion for Summary Judgment

06/18/2019



Clerk's Notice of Hearing

Notice of Hearing

06/18/2019



Notice of Posting Bond

Filed By: Counter Defendant Serenity Wellness Center LLC
Notice of Posting Bond

06/19/2019



Motion to Release

Filed By: Counter Defendant Serenity Wellness Center LLC
Motion to Release Cash Bond

06/24/2019



Joinder To Motion

Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC
Joinder to Defendant-Intervenor Helping Hands Wellness Center, Inc.'s Motion for Summary Judgment

06/24/2019





Supplement

Filed by: Defendant State of Nevada Department of Taxation
Supplement to Pocket Brief Regarding the Meaning of the Phrase "All Regulations Necessary"

EIGHTH JUDICIAL DISTRICT COURT

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or Convenient to Carry Out the Provisions of"

06/24/2019	 Joinder to Motion For Summary Judgment Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant-Intervenor Clear River LLC's Motion for Summary Judgment</i>
06/24/2019	 Order Filed By: Counter Defendant Serenity Wellness Center LLC <i>Order Setting Hearing on Motion to Release Cash Bond</i>
06/24/2019	 Notice of Entry Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice of Entry of Order Setting Hearing on Plaintiffs' Motion to Release Cash Bond</i>
06/24/2019	 Opposition to Motion Filed By: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Opposition To Plaintiffs' Motion To Release Cash Bond</i>
06/24/2019	 Joinder To Motion Filed By: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Joinder To Defendant-Intervenor Lone Mountain Partners, LLC's Pocket Brief Regarding Interpretation of Statutes Enacted by Ballot Initiative</i>
06/24/2019	 Joinder to Opposition to Motion Filed by: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Joinder to Clear River, LLC's Opposition to Plaintiffs' Motion to Release Cash Bond</i>
06/25/2019	 Initial Expert Disclosure Filed By: Intervenor Defendant Clear River, LLC <i>Initial Appearance Fee Disclosure</i>
06/25/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 8, Volume I</i>
06/25/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 8, Volume II</i>
06/25/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 9, Volume I</i>
06/25/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 9, Volume II</i>
06/25/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 10, Volume I</i>
06/25/2019	 Joinder to Motion For Summary Judgment Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
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Joinder to Clear River, LLC's Motion for Summary Judgment

06/25/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 10, Volume II</i>
06/27/2019	 Notice of Posting Bond Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice of Posting Corrected Bond</i>
06/27/2019	 Motion for Leave to File Party: Counter Defendant Serenity Wellness Center LLC <i>Plaintiffs' Motion for Leave to File First Amended Complaint</i>
06/27/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>
06/28/2019	 Motion to Amend Complaint Filed By: Counter Defendant Serenity Wellness Center LLC <i>Plaintiffs' Motion for Leave to File First Amended Complaint on Order Shortening Time</i>
07/01/2019	 Opposition Filed By: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Opp to Plaintiff's Motion for Leave to File First Amended Complaint on an OST</i>
07/01/2019	 Opposition Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Plaintiffs' Opposition to Clear River, LLC's Motion for Summary Judgment</i>
07/01/2019	 Joinder to Opposition to Motion Filed by: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant-Intervenor Clear River LLC's Opposition to Plaintiffs' Motion for Leave to File First Amended Complaint on an Order Shortening Time</i>
07/01/2019	 Opposition Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant Paradise Wellness Center, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC PLAINTIFFS OPPOSITION TO DEFENDANT/INTERVENOR HELPING HANDS WELLNESS CENTER, INC.'S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3)
07/03/2019	 Amended Complaint Filed By: Counter Defendant Serenity Wellness Center LLC <i>(7/3/19 Withdrawn) First Amended Complaint</i>
07/03/2019	 Joinder to Opposition to Motion

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

MM Development Company, Inc.'s and Livfree Wellness, LLC's Joinder to Opposition to Motion for Summary Judgment

07/03/2019	 Notice of Withdrawal Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice of Withdrawal of Plaintiffs First Amended Complaint and Substitution of Corrected First Amended Complaint</i>
07/05/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 11</i>
07/05/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Motions to Seal Evidentiary Hearing Exhibits</i>
07/05/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Plaintiff's Motion for Leave to File First Amended Complaint</i>
07/05/2019	 Notice of Compliance Party: Intervenor Defendant Lone Mountain Partners, LLC <i>Lone Mountain Partners, LLC's Notice of Compliance</i>
07/08/2019	 Joinder Filed By: Other Compassionate Team of Las Vegas LLC <i>Compassionate Team of Las Vegas, LLC's Joinder to Opposition to Motion for Summary Judgment</i>
07/11/2019	 Amended Complaint Filed By: Counter Defendant Serenity Wellness Center LLC <i>Corrected First Amended Complaint</i>
07/11/2019	 Joinder to Opposition to Motion <i>MM Development Company, Inc.'s and Livfree Wellness, LLC's Joinder to Opposition to Defendant/Intervenor Helping Hands Wellness Center, Inc.'s Motion for Summary Judgment (Claims 1-3)</i>
07/11/2019	 Motion to Release Filed By: Counter Defendant Serenity Wellness Center LLC <i>Motion to Release Cash Bond</i>
07/12/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>
07/12/2019	 Answer to Counterclaim Filed By: Counter Defendant Serenity Wellness Center LLC <i>Plaintiffs / Counter Defendants Answer To Counterclaim</i>
07/15/2019	 Media Request and Order <i>Media Request And Order Allowing Camera Access To Court Proceedings</i>
07/15/2019	 Answer to Amended Complaint Filed By: Defendant State of Nevada Department of Taxation <i>Answer to Corrected First Amended Complaint</i>

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07/16/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 12</i>
07/16/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 13, Volume I</i>
07/16/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 13, Volume II</i>
07/16/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 14</i>
07/17/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 15, Volume I</i>
07/17/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 15, Volume II</i>
07/17/2019	 Reply Filed by: Intervenor Defendant Helping Hands Wellness Center Inc <i>DEFENDANT-INTERVENOR HELPING HANDS WELLNESS CENTER, INC.'S REPLY TO PLAINTIFFS AND JOINDERS IN OPPOSITION TO MOTION FOR SUMMARY JUDGMENT</i>
07/17/2019	 Reply to Opposition Filed by: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Reply to Serenity's Opposition to Clear River's Motion for Summary Judgment</i>
07/17/2019	 Amended Answer Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>GreenMart of Nevada NLV LLC's Answer to Plaintiffs' Corrected First Amended Complaint</i>
07/19/2019	 Opposition to Motion Filed By: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Opposition to Plaintiffs' Renewed Motion To Release Cash Bond</i>
07/19/2019	 Exhibits Filed By: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Opposition to Plaintiffs' Renewed Motion to Release Cash Bond - Exhibits 1 - 8</i>
07/19/2019	 Joinder to Opposition to Motion Filed by: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Joinder to Clear River, LLC's Opposition to Plaintiffs' Renewed Motion to Release Cash Bond Including Exhibits 1-8</i>
07/22/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 16</i>
07/22/2019	 Answer to Amended Complaint Filed By: Intervenor Defendant Lone Mountain Partners, LLC




EIGHTH JUDICIAL DISTRICT COURT

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Lone Mountain Partners, LLC's Answer to Plaintiffs' Corrected First Amended Complaint














07/22/2019	 Notice of Compliance Party: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Notice of Compliance</i>
07/26/2019	 Notice of Hearing Filed By: Intervenor Defendant Clear River, LLC <i>Notice of Hearing re: Motion to Release Funds</i>
07/26/2019	 Answer to Amended Complaint Filed By: Intervenor Defendant Clear River, LLC <i>Clear River, LLC's Answer to Plaintiffs' Corrected First Amended Complaint</i>
07/26/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Motions for Summary Judgment and Motion to Seal Exhibits A-F Attached to Plaintiffs' Motion to Compel</i>
07/31/2019	 Notice of Appearance Party: Counter Claimant Integral Associates, LLC <i>Notice of Appearance</i>
08/01/2019	 Application Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC <i>Application for Temporary Restraining Order on an Order Shortening Time</i>
08/02/2019	 Opposition Filed By: Other Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's Opposition to Application for Temporary Restraining Order on and Order Shortening Time</i>
08/06/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Application for Temporary Restraining Order and Scheduling Conference</i>
08/07/2019	 Motion Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Intervening Defendant's Motion to Dissolve Temporary Restraining Order, or, Alternatively, Increase The Bond Amount on Order Shortening Time</i>
08/08/2019	 Application Filed By: Counter Defendant Serenity Wellness Center LLC <i>Application for Temporary Restraining Order on an Order Shortening Time</i>
08/09/2019	 Notice of Posting Bond Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice of Posting Bond</i>

CASE SUMMARY
CASE NO. A-19-786962-B

08/09/2019	 Notice of Appearance Filed By: Counter Claimant Integral Associates, LLC <i>Notice of Appearance</i>
08/09/2019	 Opposition Filed By: Other Nevada Organic Remedies LLC <i>Opposition to Application for Temporary Restraining Order on an Order Shortening Time</i>
08/13/2019	 Notice of Posting Bond Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice of Posting Bond</i>
08/14/2019	 Order Granting Filed By: Counter Defendant Serenity Wellness Center LLC <i>Order Granting Application for Temporary Restraining Order</i>
08/14/2019	 Order Granting Filed By: Counter Defendant Serenity Wellness Center LLC <i>Order Granting Application for Temporary Restraining Order</i>
08/14/2019	 Notice of Entry of Order Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice of Entry of Order Granting Plaintiffs' Application for Temporary Restraining Order</i>
08/14/2019	 Notice of Entry of Order Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice of Entry of Order Granting Plaintiffs' Application for Temporary Restraining Order</i>
08/14/2019	 Brief Filed By: Other Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's Pocket Brief Regarding the Interpretation of NRS 453D.200 (6) and the Mandate to Conduct Background Checks of Each Owner of an Applicant for a Recreational Marijuana License</i>
08/14/2019	 Order Filed By: Other Nevada Organic Remedies LLC <i>Order Granting in Part and Denying in Part Plaintiffs' Motion for Temporary Restraining Order</i>
08/14/2019	 Order Filed By: Other Nevada Organic Remedies LLC <i>Order Granting in Part and Denying in Part Plaintiffs' Motion for Temporary Restraining Order</i>
08/14/2019	 Trial Memorandum Filed by: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC; Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Intervening Defendants' 7.27 Trial Memorandum</i>
08/14/2019	 Brief Filed By: Counter Claimant Integral Associates, LLC <i>The Essence Entities' Bench Brief</i>

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

08/14/2019	 Errata Filed By: Counter Claimant CPCM Holdings, LLC <i>Errata to Intervening Defendants' 7.27 Trial Memorandum</i>
08/15/2019	 Brief Filed By: Other MM Development Company, Inc.; Other LivFree Wellness, LLC <i>MM Development Company, Inc. s and Livfree Wellness, LLC s Bench Brief in Support of Motion for Preliminary Injunction or for Writ of Mandamus</i>
08/15/2019	 Trial Brief <i>Clear River, LLC's Trial Brief</i>
08/15/2019	 Memorandum Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Trial Memorandum</i>
08/15/2019	 Notice of Entry of Order Filed By: Other Nevada Organic Remedies LLC <i>Notice of Entry of Orders</i>
08/15/2019	 Brief Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>LONE MOUNTAIN PARTNERS, LLC S SUPPLEMENTAL AUTHORITIES FOR CLOSING ARGUMENTS</i>
08/15/2019	 Brief <i>State of Nevada Ex REL. Department of Taxation's Pocket Brief Ahead of Closing Arguments</i>
08/15/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 17, Volume I</i>
08/15/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 17, Volume II</i>
08/15/2019	 Brief Filed By: Counter Claimant Integral Associates, LLC <i>The Essence Entities' Bench Brief (Corrected)</i>
08/15/2019	 Opposition to Motion Filed By: Counter Defendant Serenity Wellness Center LLC <i>Plaintiffs Opposition To Intervening Defendants Motion To Dissolve Temporary Restraining Order, Or, Alternatively, Increase The Bond Amount On An Order Shortening Time</i>
08/16/2019	 Opposition to Motion Filed By: Counter Defendant Serenity Wellness Center LLC <i>Plaintiffs' (Corrected) Opposition To Intervening Defendants Motion To Dissolve Temporary Restraining Order, Or, Alternatively, Increase The Bond Amount On An Order Shortening Time</i>
08/16/2019	 Receipt <i>Receipt for Hearing Exhibits</i>
08/16/2019	 Receipt <i>Receipt for Hearing Exhibits</i>

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

08/16/2019	 Receipt <i>Receipt for Hearing Exhibits</i>
08/20/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 18</i>
08/20/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 19</i>
08/20/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Evidentiary Hearing - Day 20</i>
08/20/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Motion to Release Cash Bond and Intervenor Defendants' Motion to Dissolve TRO, or, Alternatively Increase the Bond Amount</i>
08/23/2019	 Findings of Fact, Conclusions of Law and Judgment <i>Findings of Fact and Conclusions of Law Granting Preliminary Injunction</i>
08/26/2019	 Objection Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Objections to Court's Exhibit 3</i>
08/26/2019	 Objection <i>MM Development Company, Inc.'s and Livfree Wellness, LLC's Objection to State's Response Regarding Compliance with NRS 453D.200(6)</i>
08/26/2019	 Response Filed by: Intervenor Defendant Lone Mountain Partners, LLC <i>Lone Mountain Partners, LLC'S Response to the Department of Taxation's Submission Regarding Completeness of Application in Compliance With NRS 453D.200(6)</i>
08/26/2019	 Response Filed by: Other Nevada Organic Remedies LLC <i>Nevada Organic Remedies' Response to the Department of Taxation's Statement Regarding Completeness of Applications With Reference to NRS 453D.200(6)</i>
08/26/2019	 Response Filed by: Intervenor Defendant Helping Hands Wellness Center Inc <i>Defendant Intervenor Helping Hands Wellness Center, Inc.'s Response and Objection To The State Of Nevada s Submission To The Court On Completeness As To Applications Pertaining To NRS 453D.200(6)</i>
08/26/2019	 Appendix <i>MM Development Company, Inc.'s and Livfree Wellness, LLC's Appendix in Support of Objection to State's Response Regarding Compliance with NRS453D.200(6), Vol. 1</i>
08/26/2019	 Appendix <i>MM Development Company, Inc.'s and Livfree Wellness, LLC's Appendix in Support of Objection to State's Response Regarding Compliance with NRS453D.200(6) Vol. 2</i>
08/26/2019	 Media Request and Order <i>Media Request And Order Allowing Camera Access To Court Proceedings</i>

CASE SUMMARY **CASE NO. A-19-786962-B**

08/26/2019	 Brief Filed By: Intervenor Defendant Clear River, LLC <i>Defendant Intervenor Clear River LLC's Bence Brief Regarding Compliance with NRS 453D.200(6)</i>
08/26/2019	 Errata Filed By: Intervenor Defendant Helping Hands Wellness Center Inc <i>Errata to Helping Hands Wellness Center, Inc.'s Response and Objection to the State of Nevada's Submission to the Court on Completeness as to Applications Pertaining to NRS 453D.200(6)</i>
08/26/2019	 Motion <i>Plaintiff Nevada Wellness Center's Motion Regarding Compliance With Physical Address Requirements of NRS 453D.210(5)(B), NAC 453D.265(1)(B), and NAC 453D.268(2)(E) on Order Shortening Time</i>
08/27/2019	 Errata Filed By: Intervenor Defendant Clear River, LLC <i>Clear River, LLC -Notice of Errata re Affidavit of Robert R. Black, Sr.</i>
08/27/2019	 Supplement Filed by: Other Nevada Organic Remedies LLC <i>Nevada Organic Remedies' Limited Supplement in Response to MM Development company, Inc.'s and Livfree Wellness's Objection to State's Response Regarding Compliance with NRS 453D.200(6)</i>
08/27/2019	 Joinder Filed By: Intervenor Defendant Lone Mountain Partners, LLC <i>Lone Mountain Partners, LLC's Joinder to Nevada Organic Remedies, LLC's Response to the Department of Taxation's Statement Regarding Completeness of Applications with Reference to NRS 453D.200(6)</i>
08/27/2019	 Joinder Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Plaintiff's Joinder to MM Development Company, Inc.'s and Livfree Wellness Center, LLC's Objection to The State's Response Regarding Compliance with NRS 453D.200(6)</i>
08/28/2019	 Opposition to Motion Filed By: Defendant State of Nevada Department of Taxation <i>Opposition to Plaintiff Nevada Wellness Center's Motion Regarding Compliance with Physical Address Requirements of NRS 453D.210(5)(b), NAC 453D.264(1)(b), and NAC 453D.268(2)(e) on Order Shortening Time</i>
08/28/2019	 Notice of Entry Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC <i>Notice Of Entry</i>
08/28/2019	 Opposition Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

Essence's Opposition to Nevada Wellness Center's Motion Re Compliance with Physical Address Requirements of NRS 453D.210(5)(B), NAC 453D.265(1)(B), and NAC 453D.268(2)(E) on Order Shortening Time

08/28/2019



Joinder to Opposition to Motion

Filed by: Intervenor Defendant GreenMart of Nevada NLV LLC
Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant State of Nevada Department of Taxation's Opposition to Plaintiff Nevada Wellness Center's Motion Regarding Compliance with Physical Address Requirements of NRS 453D.210(5)(b), NAC 453D.264(1)(b), and NAC 453D.268(2)(e) on Order Shortening Time

08/28/2019



Joinder to Opposition to Motion

Filed by: Intervenor Defendant GreenMart of Nevada NLV LLC
Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant in Intervention Essence's Opposition to Nevada Wellness Center's Motion Re Compliance with Physical Address Requirements of NRS 453D.210(5)(b), NAC 453D.265(1)(b), and NAC 453D.268(2)(e) on Order Shortening Time

08/28/2019



Motion to Strike

Filed By: Intervenor Defendant Lone Mountain Partners, LLC
Lone Mountain Partners, LLC's Motion to Strike MM Development Company, Inc. and Livfree Wellness, LLC's Objection to State's Response Regarding Compliance with NRS 453D.200(6) on Order Shortening Time

08/28/2019



Joinder to Opposition to Motion

Filed by: Intervenor Defendant Lone Mountain Partners, LLC
Lone Mountain Partners, LLC's Joinder to Essence's Opposition to Nevada Wellness Center's Motion Re Physical Address Requirements of NRS 453D.210(5)(B), NAC 453D.265(1)(B), and NAC 453D.268(2)(E) on Order Shortening Time

08/28/2019



Errata

MM Development Company, Inc.'s and Livfree Wellness, LLC's Notice of Errata to Appendix in Support of Objection to State's Response Regarding Compliance with NRS 453D.200(6)

08/28/2019



Joinder to Opposition to Motion

Filed by: Counter Claimant CPCM Holdings, LLC
Thrive's Joinder to Essence's Opposition to Nevada Wellness Center's Motion Re Compliance with Physical Address Requirements of NRS 453D.210(5)(B), NAC 453D.265(1)(B), and NAC 453D.268(2)(E)

08/28/2019



Joinder

Filed By: Intervenor Defendant Helping Hands Wellness Center Inc
Defendant Intervenor Helping Hands Wellness Center Inc's Joinder to Nevada Organic Remedies LLC's Response to the Department of Taxation's Statement Regarding Completeness of Application with Reference to NRS 153D.200(6)

08/28/2019



Joinder

Filed By: Intervenor Defendant Helping Hands Wellness Center Inc
Defendant Intervenor Helping Hands Wellness Center Inc's Joinder to Defendant State of Nevada Department of Taxation's Opposition to Plaintiff Nevada Wellness Center's Motion Regarding Compliance With Physical Address Requirements of NRS 453.D210(5), NAC 453D.264(1)(B), and NAC 453.D268(2)(E) on Order Shortening Time








08/28/2019



Joinder

Filed By: Intervenor Defendant Helping Hands Wellness Center Inc
Defendant Intervenor Helping Hands Wellness Center Inc's Joinder to Essence's Opposition to Nevada Wellness Center's Motion Re Compliance with Physical Address Requirements of NRS 453.D210(5)(B), NAC 453D.265(1)(B), and NAC 453D.268(2)(E)

CASE SUMMARY **CASE NO. A-19-786962-B**

08/29/2019	 Receipt <i>Receipt of Hearing Exhibits</i>
08/29/2019	 Receipt <i>Receipt of Hearing Exhibits</i>
08/30/2019	 Order Granting Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Order Granting Plaintiffs' Motion to Release Cash Bond</i>
08/30/2019	 Notice of Entry of Order Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant Nuleaf Incline Dispensary, LLC; Counter Defendant TGIG, LLC; Counter Defendant Nevada Holistic Medicine, LLC; Counter Defendant Tryke Companies SO NV, LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant Gravitas Nevada, LLC; Counter Defendant Nevada Pure, LLC; Counter Defendant Medifarm, LLC; Counter Defendant Tryke Companies Reno, LLC <i>Notice of Entry of Order Granting Plaintiffs' Motion to Release Cash Bond</i>
09/03/2019	 Business Court Order <i>Business Court Order</i>
09/03/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Objections to State's Response, Nevada Wellness Center's Motion Re Compliance Re Physical Address, And Bond Amount Setting</i>
09/05/2019	 Media Request and Order <i>Media Request And Order Allowing Camera Access To Court Proceedings</i>
09/06/2019	 Discovery Case Plan Report Filed By: Counter Defendant Serenity Wellness Center LLC <i>Joint Expedited Discovery Statement</i>
09/06/2019	 Objection Filed By: Counter Claimant Integral Associates, LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC <i>The Essence Entities' Objection To Joint Expedited Discovery Statement</i>
09/09/2019	 Joinder Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant in Intervention The Essence Entities' Objection to Joint Expedited Discovery Statement</i>
09/12/2019	 Notice of Firm Name Change Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice Of Change of Firm Affiliation and Address</i>
09/12/2019	 Joinder To Motion Filed By: Counter Defendant Serenity Wellness Center LLC; Counter Defendant GBS Nevada Partners, LLC; Counter Defendant Fidelis Holdings, LLC; Counter Defendant


EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

Gravitas Nevada, LLC
Joinder to Plaintiff's Motion to Compel on Order Shortening Time

09/13/2019	 Notice of Posting Bond Filed By: Other MM Development Company, Inc. <i>Notice of Posting Bond</i>
09/16/2019	 Motion to Release Filed By: Counter Claimant CPCM Holdings, LLC <i>Motion to Release Surety Bond</i>
09/17/2019	 Clerk's Notice of Hearing <i>Notice of Hearing</i>
09/17/2019	 Transcript of Proceedings <i>Transcript of Proceedings: Hearing on Motion to Compel Attendance at Settlement Conference and Mandatory Rule 16 Conference</i>
09/17/2019	 Demand Filed By: Counter Defendant Serenity Wellness Center LLC <i>Demand for Settlement</i>
09/18/2019	 Notice of Withdrawal Filed By: Counter Defendant Serenity Wellness Center LLC <i>Notice of Withdrawal of Demand for Settlement</i>
09/19/2019	 Scheduling and Trial Order <i>Business Court Scheduling Order and Order Setting Civil Jury Trial, Pre-Trial Conference and Calendar Call</i>
09/19/2019	 Notice of Appeal Filed By: Other Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's Notice of Appeal</i>
09/19/2019	 Case Appeal Statement Filed By: Other Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's Case Appeal Statement</i>
09/19/2019	 Amended Notice of Entry of Order Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Amended Notice of Entry of Order</i>
09/19/2019	 Notice of Appeal Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Notice of Appeal</i>
09/19/2019	 Case Appeal Statement Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Case Appeal Statement</i>

HEARINGS

03/01/2019	 Motion to Intervene (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Motion Granted;
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CASE SUMMARY
CASE NO. A-19-786962-B

Journal Entry Details:

Upon review of the papers and pleadings on file in this Matter, as proper service has been provided, this Court notes no opposition has been filed. Accordingly, pursuant to EDCR 2.20 (e) the Motion to Intervene is deemed unopposed. Therefore, good cause appearing, COURT ORDERED, motion is GRANTED. Moving Counsel is to prepare and submit an order within ten (10) days and distribute a filed copy to all parties involved in this matter. CLERK'S NOTE: Counsel are to ensure a copy of the foregoing minute order is distributed to all interested parties; additionally, a copy of the foregoing minute order was distributed to the registered service recipients via Odyssey eFileNV E-Service (3/1/19 amn).;

03/19/2019



Minute Order (8:48 AM) (Judicial Officer: Gonzalez, Elizabeth)

Minute Order Striking Motion filed on March 18, 2019

Minute Order - No Hearing Held;

Journal Entry Details:

Court noted the Motion for Preliminary Injunction filed on March 18, 2019 does not contain a "request for hearing" in compliance with Administrative Order 19-03. As such the motion is STRICKEN and may be resubmitted in compliance with the administrative order. CLERK'S NOTE: A copy of this minute order was distributed via the E-Service List. / dr 3-19-19 ;

03/20/2019



Minute Order (9:32 AM) (Judicial Officer: Gonzalez, Elizabeth)

Minute Order Striking Motion to Intervene filed March 19, 2019

Minute Order - No Hearing Held;

Journal Entry Details:

The Motion to Intervene as Defendants filed on March 19, 2019 does not contain a "request for hearing" in compliance with Administrative Order 19-03. As such the motion is STRICKEN and may be resubmitted in compliance with the administrative order. CLERK'S NOTE: A copy of this minute order was distributed to the parties via electronic mail. / dr 3-20-19 ;

04/01/2019

Motion to Intervene (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Events: 03/25/2019 Motion to Intervene

Lone Mountain Partners, LLC s Motion to Intervene on Order Shortening Time

Granted;

04/01/2019

Motion to Intervene (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Integral Associates LLC's Ex Parte Motion for Order Shortening Time on Motion to Intervene as Defendants

Granted;

04/01/2019



All Pending Motions (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

LONE MOUNTAIN PARTNERS, LLC S MOTION TO INTERVENE ON ORDER SHORTENING TIME...INTEGRAL ASSOCIATES LLC'S EX PARTE MOTION FOR ORDER SHORTENING TIME ON MOTION TO INTERVENE AS DEFENDANTS Court inquired about the State of Nevada, Defendant. Mr. Savarese stated he does not know why they are not here; they have not filed an answer to the complaint nor a response to the motion for preliminary injunction. Mr. Koch advised he spoke with the Attorney General's Office on Wednesday; there are multiple cases similar to this one, and the Attorney General's Office has appeared on one of them and filed a motion to dismiss; there are service issues; when he spoke with counsel on Wednesday he indicated he had not received the motion for preliminary injunction. Mr. Koch added that he filed a motion to strike the motion for preliminary injunction based on the number of pages and on the timing. Mr. Savarese advised the State has been served with both the complaint and the motion for preliminary injunction; this week he is planning to file a response to the motion to strike. Court encouraged the parties to get together and as a group be satisfied with the briefing on any motion for preliminary injunction so there is only one hearing; the Court will not have seriatim motions for preliminary injunction. Court informed Mr. Savarese he may submit an ex parte application for leave to extend the page limit. Mr. Savarese replied he will do so in a day or two. Mr. Koch noted the opposition to the motion for preliminary injunction is due tomorrow. COURT ORDERED, both motions to intervene GRANTED. Proposed orders signed in open court and returned to Ms. Butler and Mr. Hone respectively for filing. 4-15-19 9:00 AM MOTION TO STRIKE PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION, OR, IN THE ALTERNATIVE, MOTION TO CONTINUE THE HEARING ON PLAINTIFFS' MOTION FOR A PRELIMINARY INJUNCTION ON ORDER


EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

SHORTENING TIME 4-22-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION
CLERK'S NOTE: Motion to Intervene filed by Integral on March 20, 2019 and SET for April 26, 2019 VACATED as a duplicate of today's motion. A copy of this minute order was placed in the attorney folder for the Office of the Attorney General. / dr 4-1-19;

04/08/2019 **Motion to Intervene (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)
Events: 04/01/2019 Motion to Intervene
Helping Hands Wellness Center, Inc.'s Motion to Intervene as Defendants
Granted;

04/08/2019 **Motion to Intervene (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)
Events: 04/02/2019 Motion to Intervene
GreenMart of Nevada NLV LLC's Motion to Intervene on Order Shortening Time
Granted;

04/08/2019  **All Pending Motions (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)

MINUTES

Matter Heard;

Journal Entry Details:

GREENMART OF NEVADA NLV LLC'S MOTION TO INTERVENE ON ORDER SHORTENING TIME...HELPING HANDS WELLNESS CENTER, INC.'S MOTION TO INTERVENE AS DEFENDANTS Counsel for Plaintiff not present at call of the case. Matter TRAILED. Matter RECALLED with Mr. Savarese appearing by telephone. Court NOTED it has also been assigned A787004-B and asked how many cases there are about the transparency of the process with the Nevada Department of Taxation. Mr. Gutierrez advised there are 7; there is a case or are cases pending before Judge Barker that are not business court cases. Court noted it is trying to determine how many there are, since the State has not been involved and Mr. Savarese indicated last time that the State would be trying to dismiss, so the parties are not litigating in all these departments. Mr. Savarese advised he is only aware of Judge Barker having one or more matters before him but he is not aware of any others. Court noted Plaintiff is making a constitutional challenge, which is why the Court is trying to identify the cases to see if it is appropriate to pull the non-business court cases into business court for purposes of case management. COURT DIRECTED all counsel to research those cases and email the Law Clerk. Mr. Savarese advised he spoke with counsel for the Department of Taxation on Friday, he believes, and he mentioned the Court was concerned about the State's non-appearance, but the State is aware of this litigation and also suggested the matters perhaps be consolidated before Judge Barker. Court noted it has previously happened, such as in CityCenter, that non-business court cases were pulled into business court. COURT ORDERED, matter SET for status check on April 15 regarding the information. COURT ORDERED, today's motions to intervene GRANTED. Mr. Savarese further advised he owes the Court a motion to exceed his page limit. 4-15-19 9:00 AM MOTION TO STRIKE PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION, OR, IN THE ALTERNATIVE, MOTION TO CONTINUE THE HEARING ON PLAINTIFFS' MOTION FOR A PRELIMINARY INJUNCTION ON ORDER SHORTENING TIME...STATUS CHECK 5-6-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION;

SCHEDULED HEARINGS

Status Check (04/15/2019 at 9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

04/15/2019 **CANCELED Motion to Strike (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)
Vacated - per Stipulation and Order
Motion to Strike Plaintiffs' Motion for Preliminary Injunction, or, in the alternative, Motion to Continue the Hearing on Plaintiffs' Motion for a Preliminary Injunction on Order Shortening Time

04/15/2019 **Status Check (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)
Matter Heard;

04/15/2019 **Motion for Leave (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)
Plaintiff's Ex Parte Motion for Leave to File Brief in Support of Plaintiffs' Motion for Preliminary Injunction in Excess of Thirty (30) Pages in Length or in the Alternative for Leave to File Amended Brief Not to Exceed Thirty (30) Pages in Length
Granted;

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

04/15/2019



All Pending Motions (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

STATUS CHECK...PLAINTIFF'S EX PARTE MOTION FOR LEAVE TO FILE BRIEF IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION IN EXCESS OF THIRTY (30) PAGES IN LENGTH OR IN THE ALTERNATIVE FOR LEAVE TO FILE AMENDED BRIEF NOT TO EXCEED THIRTY (30) PAGES IN LENGTH Matter heard with A-19-787004-B ETW Management Group LLC vs. Nevada Dept of Taxation. Attorney Adam Bult, counsel for Plaintiffs in A-19-787004-B also present. Mr. Gentile appeared by telephone. *STATUS CHECK:* Court thanked counsel for the email identifying all the related cases. Colloquy regarding the DH Flamingo case, A-19-787035-C. Court noted it was included in the list. Counsel further advised a stipulation will be submitted to the Court moving the Motion for Preliminary Injunction two weeks from May 6. Mr. Savarese noted they have not yet agreed. Court advised it will be out of the jurisdiction on May 20 so it can hear the motion on May 13, June 3, or May 24. Per parties' agreement, a stipulation will be submitted moving the motion for preliminary injunction to May 24. *PLAINTIFF'S EX PARTE MOTION FOR LEAVE TO FILE BRIEF IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION IN EXCESS OF THIRTY (30) PAGES IN LENGTH OR IN THE ALTERNATIVE FOR LEAVE TO FILE AMENDED BRIEF NOT TO EXCEED THIRTY (30) PAGES IN LENGTH: COURT ORDERED, Plaintiff's Ex Parte Motion for Leave to File Brief in Excess of Thirty Pages ADVANCED from May 17, 2019 in chambers to today's date. COURT NOTED it would normally not grant this motion; however, the Court GRANTS Plaintiff's motion for leave because of the complexity of the issues.* 4-22-19 9:00 AM *STATUS CHECK* 5-24-19 9:00 AM *MOTION FOR PRELIMINARY INJUNCTION CLERK'S NOTE: Minutes updated to reflect that the Motion for Preliminary Injunction is now on May 24th, as reflected above and entered in Odyssey, per the parties' agreement in court on April 15. / dr 4-17-19;*

04/22/2019

CANCELED Motion to Intervene (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Vacated - Set in Error

Motion to Intervene as Defendants

04/22/2019



Status Check (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;


Journal Entry Details:

Mr. Kahn participated by telephone. Also present in court: A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department IX case): Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs A-18-786357-W - Compassionate Team of Las Vegas LLC vs. Nevada Department of Taxation (Department XIV case): Attorney Daniel Simon for the Plaintiff A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case): Attorney Adam Bult for the Plaintiffs A-19-787035-C - D H Flamingo Inc vs. State Ex Rel Department of Taxation (Department VI case); Attorney Kelly Stout for the Plaintiffs A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case); Attorney Theodore Parker for the Plaintiff A-19-787726-C - High Sierra Holistics vs. State of Nevada Department of Taxation (Department XIV case) Attorney James Puzey for the Plaintiff COURT advised today is a scheduling conference; these matters have been put on calendar because this Court has the lowest business court case and the motion for preliminary injunction. Mr. Kemp advised there are also cases in Washoe County and Lyon County; MM Development is the lowest case of all the cases locally; it is assigned to Department IX and has been administered by senior judges, although he understands Judge Silva will be the new judge in Department IX; he had informed Mr. Werbicky that they would not be opposed to coordination in general; however, the problem is that some cases are not in business court and they have a lot of missing parties; he will be filing an answer in a different case, and the proposition there is that even after a motion for coordination is granted a peremptory challenge may be filed; every time you coordinate you get a new bump which violates 48.1; the only way around that is to have a stipulation between all parties to go to one judge and keep that judge. Court stated its goal is to get the preliminary injunction hearing in the instant case finished and since this Court's ruling may affect all the people here today the Court is inviting everyone to participate; the Court is not consolidating the cases for the exact reason that counsel is identifying which could result in multiple things down the road. Mr. Kemp advised he supports the motion for preliminary injunction and can participate and submit briefing through Mr. Gentile; he points that out because they are already in the discovery process and have taken 6 depositions. At Ms. Stout's request for clarification, Court stated that at this point it is only planning to coordinate for purposes of the

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preliminary injunction hearing because of the primarily constitutional and business issue that is woven throughout all the cases. Mr. Bult advised he is probably in the same spot as Mr. Kemp and will help Mr. Gentile. Court noted if everyone is going to be relying on Mr. Gentile then that means all will be asking questions at the preliminary injunction hearing, which will triple the time if there are going to be witnesses. Mr. Bult further advised his only concern right now is a briefing schedule. Mr. Parker advised they were before the Discovery Commissioner a week and a half ago, and Nevada Wellness received a report and recommendation in their favor allowing them certain discovery; so, they may submit briefing which includes that additional discovery. Mr. Bhurud stated he would prefer to respond to one opposition although he would rather not have 7 different rulings either. As to whether parties will have witnesses at the hearing, Court stated it will be up to counsel. Mr. Bhurud added he would prefer that one or two attorneys on the Plaintiffs' side take the lead. Mr. Koch advised they had stipulated to May 2nd for the opposition; he is not sure if with regards to the hearing fact witnesses would help, because the motion for preliminary injunction as written is really legal argument regarding statutes. Court noted its only concern is that it was unclear when it read the briefing - because it stopped reading before granting a motion to exceed page limit - if there is an argument that it is unconstitutional as applied, if that is the case, they probably need witnesses. Upon Mr. Puzey's inquiry, Court stated it does not intend to have the cases in Washoe and Lyon counties come here unless those judges want it to; if those judges and parties want to participate this Court will be happy to have them participate on May 24th; the cases here have the approval of the Chief Judge for coordination given the status of some of the departments they are assigned to. Mr. Bhurud advised the State will stipulate to bring those cases here. Mr. Puzey replied they are not yet prepared to enter into that stipulation today. Court stated it will let counsel discuss that amongst themselves. Mr. Kemp further advised there are two applications pending in Reno for new licenses which are currently not on the Washoe County agenda but could be put on the agenda on 5 days' notice; there is some concern that they could be heard as early as next week, which would be before the preliminary injunction hearing; if noticed, they will ask Mr. Gentile to take appropriate action here to prevent those applications from becoming somehow moot. Court stated counsel can do whatever they want; the Court will sign an OST. Ms. Stout requested further clarification; her clients have sought slightly different relief and she wants to clarify whether the action that would be taken with respect to the motion for preliminary injunction here would not prevent other parties from seeking a preliminary injunction in other cases. Court stated yes if seeking on a different basis, but if the same basis as the instant case then it would be done here. Colloquy between Court and counsel regarding briefing. Per parties' STIPULATION, COURT ORDERED: Other Plaintiffs to make a decision by May 6, 2019 on whether they are formally joining the motion for preliminary injunction and adding to some of the facts and raising new issues; Opposition DUE by May 9, 2019; Reply brief DUE by May 22, 2019 at noon. Ms. Stout advised that to the extent this proceeding would prevent her clients from raising a preliminary injunction seeking similar relief later on they would have to OBJECT under EDCR 2.50 and 1.61. COURT SO NOTED. Mr. Bhurud inquired as to whether the Court would prefer to have a motion for preliminary injunction by D H Flamingo filed here. COURT NOTED, if something happens and counsel thinks it needs to be done differently; no one has filed a formal motion to coordinate or consolidate. The Court has invited participation in the preliminary injunction hearing of all interested parties in order to avoid potentially conflicting rulings. COURT FURTHER NOTED that on May 6th, the date for the other Plaintiff's elections, if there are any other issues that are unanticipated or beyond the pale the Court can discuss those with the parties on a conference call; if there are any discovery disputes that relate to the preliminary injunction hearing the Court can also do this on a conference call. After the May 24th hearing matter will be set for Rule 16 conference. 5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION;

04/26/2019 CANCELED Motion to Intervene (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Vacated - Duplicate Entry


05/02/2019  Motion to Intervene (1:14 PM) (Judicial Officer: Gonzalez, Elizabeth)
Clear River, LLC's Motion to Intervene on Order Shortening Time
Granted;
Journal Entry Details:

Motion ADVANCED from May 6, 2019. COURT ORDERED, given the non-opposition filed on May 1, 2019, pursuant to EDCR 2.23, the Court decides this matter without the necessity of oral argument. Upon review of the papers and pleadings on file in this Matter, as proper service has been provided, this Court notes no opposition has been filed. Accordingly, pursuant to EDCR 2.20(e) the Motion to Intervene is deemed unopposed. Therefore, good cause appearing, COURT ORDERED, motion is GRANTED. Moving Counsel to prepare and submit

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an order within ten (10) days and distribute a filed copy to all parties involved in this matter. 5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION CLERK'S NOTE: A copy of this minute order was distributed via electronic mail. / dr 5-2-19 ;

- 05/13/2019 **Motion for Temporary Restraining Order (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)
Events: 05/09/2019 Application
Application for Temporary Restraining Order
Granted; limited fashion; bond set at \$150,000.
- 05/13/2019 **Motion to Consolidate (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)
Events: 05/09/2019 Motion to Consolidate
Plaintiffs' Motion to Consolidate on Order Shortening Time
Matter Heard; coordination of issues related to 5/24/19 hearing granted.
- 05/13/2019  **All Pending Motions (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)
Matter Heard;
Journal Entry Details:
PLAINTIFFS' MOTION TO CONSOLIDATE ON ORDER SHORTENING TIME...APPLICATION FOR TEMPORARY RESTRAINING ORDER APPEARANCES CONTINUED: Philip Peckman, Mitchell Britten, and Dave Brown, Client Representatives for Thrive Cannabis Marketplace, introduced by Mr. Gutierrez. Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Dennis Kennedy for the Plaintiffs in A-19-787035-C - D H Flamingo Inc vs. State Ex Rel Department of Taxation (Department VI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case); Attorney Philip Byrnes for the Defendant in A-19-794473-C - Serenity Wellness Center, LLC vs. The City of Las Vegas, Nevada (Department I case); Attorney Adam Fulton for the Plaintiff in A-19-786888-J - ACC Enterprises, LLC vs. Nevada Department of Taxation (Department XXX case). Matter heard with A-19-787004-B ETW Management vs. Nevada Department of Taxation and A-19-794473-C Serenity Wellness Center, LLC vs. The City of Las Vegas, Nevada. STATE'S MOTION TO CONSOLIDATE in A-19-787004-B ETW Management: Argument in support of the motion by Mr. Shevorski, joinder by Mr. Koch to the State's Motion, and arguments in opposition by Mr. Kennedy and Mr. Fulton. COURT ORDERED, given the unique issues in A787035 related to the appeal and A786888 related to the mailing issues, the Court will NOT COORDINATE those issues in this department. However, the Court will GRANT the motion to the extent it seeks coordination of all the issues related to the preliminary injunction hearing scheduled next Friday (May 24, 2019). Court noting the Governor signed SB32 last Friday inquired whether it will impact any of the issues or exchange of information that needs to happen before the preliminary injunction hearing next Friday. Mr. Kemp advised the Department of Taxation filed a supplemental group of materials on their website on Friday that raises even more questions; he thinks it will help the process and speed up the preliminary injunction hearing but does not solve the issue. PROPOSED MOTION FOR ORDER COMPELLING PRODUCTION OF PRESERVED ELECTRONICALLY STORED INFORMATION in A-19-787004-B ETW Management: Per parties' agreement, Motion SET for Thursday, May 16, 2019 at 9 am. Order Shortening Time signed in open court and returned to counsel for filing. PLAINTIFFS' MOTION TO CONSOLIDATE ON ORDER SHORTENING TIME: Mr. Gentile argued in support of consolidating the instant case and with A-19-794473-C Serenity Wellness Center, LLC vs. The City of Las Vegas, noting they had to file a lawsuit against the City quickly; it makes sense to consolidate these cases as they are identical. Mr. Byrnes advised the City has not received anything in this case but received a copy of the complaint this morning; however, the City also filed this morning a Notice of Removal to Federal Court. COURT NOTED it cannot act today if a notice of removal has been filed. DISCUSSION REGARDING PRELIMINARY INJUNCTION HEARING ON MAY 24, 2019: Court stated it does not care as to what the parties decide on a consolidated date for the oppositions as the Court will read all the briefing; Plaintiffs' reply brief DUE May 22nd. Mr. Shevorski advised that with respect to the motion filed by MM Development their oppositions are due on the 20th. Colloquy regarding suspended rules and counting days. Court noted 14 days from May 6th, the date of service of the motion. Mr. Shevorski advised it is his preference not to have any witnesses on May 24. Mr. Gentile advised that he would like to call witnesses; there has been a good deal of coordination of the attorneys sitting at his table, and he has 3 experts; he also anticipates the hearing will not be completed in one day; 2 of his experts are flying in. Mr. Kemp estimated 2.5 to 3 days for the hearing, depending on how much argument there will be, and advised he is

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calling one limited witness. Mr. Bult advised he may have one limited witness as well. Mr. Parker advised he is in trial the week of May 27 in federal court in Reno; however, he does have 1 witness in the instant case and anticipated the hearing taking 3 days. COURT TRAILED the matter for the parties to confer on a number of days. Matter RECALLED. APPLICATION FOR TEMPORARY RESTRAINING ORDER (Serenity Wellness against Defendant-Intervenor CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace) : Following arguments by Mr. Gentile and Mr. Gutierrez, COURT ORDERED, after evaluating the balance of hardships and likelihood of success on the merits, the Court GRANTS the TRO in a limited respect PREVENTING Thrive from beginning operations at the 3500 Sahara location until after the preliminary injunction hearing which the Court SETS as the same time as the Motion for Preliminary Injunction on May 24, 2019. BOND SET at \$150,000, amount of a half month's rent. Following further discussion on the estimated length and scope of the hearing(s), COURT NOTED it will SET ASIDE May 24th to the 31st. COURT FURTHER DIRECTED anyone to obtain Mr. Parker's confirmation via email to all parties, since he will be in trial, that he will be fine with everyone else proceeding after his one witness. 5-16-19 9:00 AM DEFENDANT/INTERVENOR, CLEAR RIVER, LLC'S, ORDER SHORTENING TIME ON MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA... ..DEFENDANT INTERVENOR HELPING HANDS WELLNESS CENTER, INC.'S JOINDER TO CLEAR RIVER, LLC S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA ... LONE MOUNTAIN PARTNERS, LLC'S JOINDER TO CLEAR RIVER, LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA... ..NEVADA ORGANIC REMEDIES LLC'S JOINDER TO CLAR RIVER LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA... ..GREENMART OF NEVADA NLV LLC'S JOINDER TO CLEAR RIVER LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA AND GREEN OF NEVADA NLV LLC'S JOINDER TO CLEAR RIVER LLC'S OBJECTION TO PLAINTIFF'S SUBPOENA DUCES TECUM UPON NON-PARTY, STATE OF NEVADA, DEPARTMENT OF TAXATION 5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (Serenity Wellness against Defendant-Intervenor CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace);

- 05/16/2019 **Motion for Protective Order** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Defendant/Intervenor, Clear River, LLC's, Order Shortening Time on Motion for Protective Order and to Quash Subpoena
Granted in Part;
- 05/16/2019 **Joinder** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Defendant Intervenor Helping Hands Wellness Center, Inc. s Joinder To Clear River, Llc S Motion For Protective Order And To Quash Subpoena
Matter Heard;
- 05/16/2019 **Joinder** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Lone Mountain Partners, LLC's Joinder to Clear River, LLC's Motion for Protective Order and to Quash Subpoena
Matter Heard;
- 05/16/2019 **Joinder** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Nevada organic Remedies LLC's Joinder to Clar River LLC's Motion for Protective Order and to Quash Subpoena
Matter Heard;
- 05/16/2019 **Joinder** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Greenmart of Nevada NLV LLC's Joinder to Clear River LLC's Motion for Protective Order and to Quash Subpoena and Green of Nevada NLV LLC's Joinder to Clear River LLC's Objection to Plaintiff's Subpoena Duces Tecum Upon Non-Party, State of Nevada, Department of Taxation
Matter Heard;
- 05/16/2019  **All Pending Motions** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Matter Heard;
Journal Entry Details:
DEFENDANT/INTERVENOR, CLEAR RIVER, LLC'S, ORDER SHORTENING TIME ON MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA... ..LONE MOUNTAIN PARTNERS, LLC'S JOINDER TO CLEAR RIVER, LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA... ..NEVADA ORGANIC REMEDIES LLC'S

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JOINDER TO CLAR RIVER LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA... ..GREENMART OF NEVADA NLV LLC'S JOINDER TO CLEAR RIVER LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA AND GREEN OF NEVADA NLV LLC'S JOINDER TO CLEAR RIVER LLC'S OBJECTION TO PLAINTIFF'S SUBPOENA DUCES TECUM UPON NON-PARTY, STATE OF NEVADA, DEPARTMENT OF TAXATION... ..DEFENDANT INTERVENOR HELPING HANDS WELLNESS CENTER, INC. S JOINDER TO CLEAR RIVER, LLC S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Matter heard with A-19-787004-B ETW Management vs. Nevada Department of Taxation, assigned to Department XI. Court inquired of Mr. Kemp whether a search protocol was developed when the mirror order was signed in his case. Mr. Kemp advised no, it was just a blanket download; they did not download the State's servers that the applications were on, but the State did preserve those; the key thing here is the 15 laptops used by the graders. Mr. Kemp further advised there was a control copy, the State's copy, and what is supposed to be his copy; no searches have been done by him. DEFENDANT/INTERVENOR, CLEAR RIVER, LLC'S, ORDER SHORTENING TIME ON MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA and JOINDERS thereto in A-19-786962-B Serenity Wellness Center, LLC vs. State of Nevada Department of Taxation (Department XI case): Arguments by Mr. Graf, Mr. Koch, Mr. Kemp, Mr. Gentile, and Mr. Shevorski. Upon Court's inquiry, Mr. Shevorski advised they have not yet done the searches subject to 16.1 in the MM case as the information is subject to security protocols; however, it has been preserved; they have produced their 16.1 and have not heard objections from the other side that their 16.1 was inadequate. Mr. Pope advised that when Judge Bailus was leaving, he said that all he was doing was preserving the information and the parties could fight about it later as to what could be released or not, what was confidential or not; the order even says the Plaintiffs were not to get the information until there was a process; MM wanted copying and then wanted forensic imaging, which requires special software and a lot of time to convert the information into something people are able to look at; money and time are involved; they did not have a vendor; the Department of Taxation I.T. staff thought they had to copy the drives, but when it came to forensic imaging, they had to find someone and the only vendor they could find who could do it was the Washoe County Sheriff's Department through the State's investigative department; he does not know what program but he is working on finding out what platform; their forensic specialist is "Kristy Funsaco" (phonetic), who is an investigator in their office, a State employee, and an expert in this area. Mr. Shevorski concurred searches have not been done but they have made their 16.1 disclosures to Mr. Kemp. Court noting the issue of privilege inquired if the State is in a position to do the redactions to the applications so only limited information is provided. Mr. Pope responded they are not as it would take a couple of employees one year to do that; procedurally they could give back the applicants their apps and have them redact the apps themselves. Mr. Graf replied it appears there has to be a methodology on what information gets disseminated and a methodology of contacting 400 or so applicants. Mr. Graf further argued as to how the State does their evaluations. COURT ORDERED, with respect to the motion for protective order, for those entities that are parties, the State will RELEASE the applications to those participating in this case. Those entities may provide appropriate redactions with a privilege log; however, the sections on diversity and financial will not be redacted; those two categories will be produced in unredacted form. There will also be an attorney's eyes only (AEO) protective order that also allows the Plaintiffs' statistician expert only to review that information. The production, with redactions, will be DONE by Tuesday (May 21, 2019). Thus, the State will do it expeditiously. After looking at that, if the Plaintiffs have any supplement they are to file that by Thursday morning (May 23, 2019). MOTION FOR ORDER COMPELLING PRODUCTION OF PRESERVED ELECTRONICALLY STORED INFORMATION ON ORDER SHORTENING TIME in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case): Statement by Mr. Kemp as to what had happened in the hearing before Judge Bailus which lasted 7 hours, noting that he offered to pay for the State's independent computer consultant. Colloquy regarding possible vendors. Further argument by Mr. Kemp as to 16.1 disclosures being filed but that the hard drives and cellphones have not been provided. Mr. Kemp asked for the 15 hard drives and 3 state cellphones, stating he could take it from there and make them AEO. Mr. Rulis advised HOLO could be a vendor. COURT ORDERED, the images originally designated as the Plaintiffs' copy will be DELIVERED to HOLO and it will be at Plaintiffs' expense, not at State expense; platform will be provided by HOLO. Custodian list as well as search terms will be PROVIDED to all parties and to HOLO by 10 am tomorrow, May 17; If anyone has an objection to a custodian or search term, it needs to be made by 2 pm tomorrow by email with a copy to the Law Clerk so the Court can conduct a conference call; If there are unobjected to custodians and search terms HOLO will begin the search process; If there is an issue related

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to a privilege that a party thinks they need to review, the party has 24 hours from the identification of the document by HOLO or when HOLO makes it available on the platform to either make a claim of privilege and review the document, order redactions, agree with redactions, or whatever. Any document to which there is no claim of privilege made will be released so it can be obtained in time for the hearing; Upon Mr. Koch's inquiry, Court concurred anything not part of MI through 4 is not privileged, so the Court is ordering that as well as the diversity and financial sections. All witnesses for the May 24th hearing must be identified by Thursday, May 23rd, at 3 pm; counsel need not say when the witnesses will be called and can work together on a schedule. Court further directed counsel to contact HOLO that they have a big job coming. 5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION;

05/17/2019



Telephonic Conference (2:45 PM) (Judicial Officer: Gonzalez, Elizabeth)

Telephonic Conference re: *Objections to Search Terms*

Matter Heard;

Journal Entry Details:


APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Travis Chance for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case). Court acknowledged receipt of objections. Mr. Rulis advised he was the one who drafted the custodians and search terms on the Plaintiffs' side. Court inquired as to why Amanda Connor, Derek Conner, and other people who do not work for the State or Manpower are appropriate custodians. Mr. Kemp stated Amanda Connor was the person who prepared the applications for, he believes, 4 of the groups and won applications; they are exploring any communications between her and the State. Court notes that is a search term, not a custodian. COURT ORDERED, objection as to the custodian for non-State, non-Manpower is GRANTED. Mr. Bhirud advised he, Mr. Rulis, and HOLO had spoken today; the documents are not organized by custodian. With regards to search terms, including the Connors, Mr. Hone advised that to the extent it is communications with the State they agree with the Court. COURT ORDERED, since the only computers being searched and only data being searched is data from the State, the Court does not see that there is any privilege related to communications by counsel for any of the applicants. Court inquired of Mr. Rulis and Mr. Kemp as to why RD numbers need to be searched. Counsel stated it would be to the extent any RD numbers are referenced in any communication. Mr. Kemp noted this is just a small number of RD numbers; they want to see if any comments were made regarding their specific application. Court further inquired about an additional issue of all the first names indicated for Essence and Thrive and why Riana Durrett and Jorge Pupo are appropriate. Mr. Kemp Riana advised Riana Durrett is an attorney with Connor and Connor and is not with the State; Mr. Pupo is the head of the Nevada Department of Taxation; this is again in relation to communications between them and the State. Mr. Bhirud responded the State is not looking to hide anything; their concern is they simply do not have custodians and are not searching a particular method of communication; right now they have 127,000 (inaudible) of files they need to review in 24 hours. Court asked where the State emails were. Mr. Kemp stated that he understands they are on separate servers the State has; they would like to do a search on the State emails at the same time HOLO is doing the search on the mirrors/forensic documents. Court then noted counsel are talking about that separately so the Court will not get involved in it at the moment. Ms. McLetchie advised it is her understanding Riana Durrett no longer works at Connor and Connor but is now an executive director of the Nevada Dispensary Association. Mr. Kemp stated that when the applications were filed Ms. Durrett was at Connor and Connor. Court asked when Ms. Durrett left. Ms. McLetchie stated she is not sure but she will follow up on that. Following colloquy regarding connectors used with the search terms, Mr. Kemp confirmed "or" would be the connector but he does not think there will be a lot. With regards to other objections, Mr. Koch, noting that they have 24 hours to review the documents for any privilege, objected as what would be searched is protected under statute; they filed a petition with the Supreme Court to preclude any production by the State and expect that to be heard as soon as possible; he does not see how there is a practical turnaround for the review. Court stated if the Nevada Supreme Court entertains that petition or if counsel file a stay request with this Court, the Court will discuss it with the parties. COURT ORDERED, objections from 5 parties MARKED collectively as Court's Exhibit 1 to this hearing. (See worksheet.) Court noted one of the other issues raised in the objections was well-founded, i.e. that the Plaintiffs' applications also need to be produced under the same format so the scoring issue can be evaluated, as to whether it is correct or not. Colloquy. Court noted it anticipates the Plaintiffs' applications will be made under the same protective order, under the same ruling, that the Court issued yesterday. Mr. Bhirud requested further clarification on connectors. COURT stated HOLO will run the search with "or" as connector and they will communicate to counsel

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how many documents were generated by that search; then, parties will meet and confer to decide whether they need to do narrowing before people start looking at documents; if the parties are unable to, they are to contact the Law Clerk by email that they need to speak with the Court, and the Court will figure out how to talk to the parties; HOLO will figure out the number of hits and if it is a huge amount then parties may need to narrow the search. Colloquy regarding amount of data on laptops and the review. Mr. Rulis advised HOLO indicated they would prioritize searching the cellphones; secondly, the concept was that they would not only produce a number of hits but also some sort of shortened privilege log. Ms. McLetchie requested clarification on unrepresented parties such as Circle S. Mr. Kemp explained what Circle S' significance was with regards to scoring. Court noted it assumes that would be produced in redacted form, except for diversity and financial, as with everyone else. Ms. McLetchie suggested Circle S be notified; she is their registered agent, she would be happy to talk to them, and they need an opportunity to redact their own information. Court stated this was a lovely idea and DIRECTED everyone else serving as registered agents for anyone with an application that may be produced or an attorney-client relationship they are welcome to notify those people with the potential production of their information. Mr. Gutierrez inquired about the timing for the OST on the motion to stay. COURT STATED it will be able to hear that motion for Thursday, May 23rd at 10:30 am. Court addressing Mr. Koch's concern stated he has the ability to redact personal identifiers from bank accounts of individuals. Colloquy regarding the protective order and who is drafting it. Mr. Rulis advised they circulated one to the State previously but he can circulate one again to everyone for comment. Colloquy regarding AEO. Mr. Kemp advised they are not really interested in the specific financial information; to the extent they want to be liberal in their redaction of financial information he understands that. COURT added it is NOT OPPOSED to parties redacting the financial information of individuals and not providing or totally redacting bank statements. Ms. McLetchie stated she does not know whether Circle S has to intervene to protect records concerning their application but she would simply request that they be allowed to be involved in the discovery process. Court noted this if Circle S wants to participate only to the extent of making sure their protected confidential information remains protected in accordance the ruling the Court made, they are welcome to do so. Court recommended they notify the Plaintiffs and HOLO. Colloquy regarding applications. Court inquired whether the State is intending to exclude the applications from the search HOLO is doing. Mr. Bhirud stated that is his preference. Mr. Kemp stated he does not have a problem with that, if HOLO can figure out. COURT NOTED the applications will not be searched then so the State may want to provide applications to people such as Ms. McLetchie's clients for any redaction. COURT FURTHER NOTED it is not anticipating bank statements as part of this process and assumes parties will redact bank statements; that does not mean, however, that the question will not be asked at the evidentiary hearing. 5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC d/b/a THRIVE CANNABIS MARKETPLACE;

05/22/2019

 **Telephonic Conference (11:30 AM)** (Judicial Officer: Gonzalez, Elizabeth)

Telephonic Conference at Request of Court

Matter Heard;

Journal Entry Details:

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case). Court acknowledged receipt of the proposed order for last week's hearing as well as a protective order, advised it made a couple of changes, and asked if anyone else had any substantive changes as the Law Clerk did not receive any additional proposals. Mr. Koch stated he and Mr. Rulis have spoken about the issue regarding names of documents HOLO has provided; they cannot tell what the document is and do not know what is in them and would request that the documents be described a little bit better. Upon Court's inquiry, Mr. Koch stated they received a list from the 15 laptops of 11,000 documents / hits. Mr. Kemp noted, for example, a document named \$100QSMISLS; he has no idea what that is. Mr. Rulis added that the State has a Relativity workspace that was set up for them. Mr. Bhirud responded that he would like the burden to not be pushed back to the State and explained the Relativity platform. Mr. Bhirud further advised that Mr. Pope and Mr. Werbicky are working on this and that the State has already done its part. Mr. Kemp volunteered to review the documents. Mr. Koch stated he believes only the State and HOLO should be able to do that. Mr. Bhirud proposed that counsel for the State go back and identify a document; if a specific applicant is named, they will identify who the applicant is; if it is more, then the State will say multiple applicants; they will have two of their attorneys start working on it, not work on

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

anything else, and they will not stop until they are done and will keep the parties updated on their progress. Court stated this was a reasonable proposal. Mr. Kemp advised the Plaintiffs have produced their applications but the Defendants' redactions are outrageous; for example, Lone Mountain, which won 11 licenses and is doing business as Verano, had 643 out of 647 pages redacted; the other 4 pages, which he has in his hand, are maybe 50% redacted; Lone Mountain has only given them the names of the 3 people they have put down for diversity, so that production is not in good faith; he will be happy to provide the Court with copies of what he has. COURT ORDERED, this matter will be discussed tomorrow at 10:30 am. Counsel can bring whatever they like. Hearing no other concerns, COURT stated it will APPROVE the latest version of the protective order with the single statistician and a requirement of a privilege log with the production. 5-23-19 10:30 AM STATUS CHECK 5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC d/b/a THRIVE CANNABIS MARKETPLACE);

05/23/2019



Status Check (10:30 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case). COURT ORDERED, items MARKED as Court's Exhibits 1A, 1B, 2, 3, and 4 for today's hearing. (See worksheet.) Exhibits 2 and 3 are SEALED by ORDER OF THE COURT. Court and counsel discussed documents as they relate to diversity, building plans, addresses and/or lack thereof. Court RECESSED for Mr. Hymanson to make phone call. Matter RECALLED. Mr. Hymanson provided an update as to the production. Court directed counsel to inform everyone by 2 pm today as pages are totally redacted. Further discussion regarding locations and building plans, scheduling, witnesses, and exhibits. Proposed order on Clear River's motion for protective order signed with interlineations and returned to Mr. Graf for filing. 5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC d/b/a THRIVE CANNABIS MARKETPLACE);

05/24/2019

Motion for Preliminary Injunction (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

05/24/2019, 05/28/2019-05/31/2019, 06/10/2019-06/11/2019, 06/18/2019-06/20/2019, 07/01/2019, 07/10/2019-07/12/2019, 07/15/2019, 07/18/2019, 08/13/2019-08/16/2019

Events: 03/19/2019 Motion for Preliminary Injunction

Matter Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

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Decision Made;

Matter Continued;

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EIGHTH JUDICIAL DISTRICT COURT
CASE SUMMARY
CASE NO. A-19-786962-B

Hearing Continued;
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CASE NO. A-19-786962-B

Hearing Continued;
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CASE SUMMARY
CASE NO. A-19-786962-B

Hearing Continued;
Hearing Continued;
Decision Made:

AA 006082

CASE SUMMARY

CASE NO. A-19-786962-B

(A-19-787540-W) Upon Court's inquiry, exhibits presented and Stipulated exhibits admitted. (See worksheets) Opening statements by counsel. Testimony presented. (See worksheets) Colloquy regarding scheduling. No objection noted. Proposed Findings of Fact, Conclusions of Law are to be submitted to the Court by Wednesday (May 26, 2019) at noon. Court recessed for the day. Court advised parties Court will entertain Motion to Compel next date. 5/28/19 9:45 a.m. Further Proceedings: Preliminary Injunction Hearing;

05/28/2019



All Pending Motions (9:45 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 2 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Court noted a motion for protective order was filed in the Department VIII case. Mr. Koch advised they subpoenaed Amanda Connor to testify tomorrow. No objection by all parties to having the motion heard by this Court. Testimony and exhibits presented. (See worksheet.) COURT ORDERED, hearing CONTINUED tomorrow, May 29, at 9:00 am, as well as the motion to compel filed in the ETW case and calendared today for 1 pm.;

05/29/2019

Motion for Protective Order (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Motion for Protective Order on Order Shortening Time

Granted in Part;

05/29/2019



All Pending Motions (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 3 APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Derek Connor for Witness Amanda Connor Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME (filed in A-18-785818-W MM Development Company, Inc vs. State of Nevada, Department)....MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME (filed in A-19-786962-B Serenity Wellness Center, LLC vs. State of Nevada Department of Taxation): Mr. Connor requested Ms. Connor not testify, noting attorney-client privileged relationship. Court noted it does not think anyone here will ask questions that would invade true attorney-client privileged communications, but to the extent of the third parties there is a gray line, which is why there is a case by case determination. Mr. Koch stated they do not intend to ask about attorney-client communications. Mr. Gentile argued John Ritter has waived his attorney-client privilege with A. Connor with regards to what they are here about; based on the waiver, it is their intention to go into some of the communications she had with Ritter and with the Department of Taxation where there is no privilege. Colloquy regarding scheduling. COURT ORDERED, witness will testify Thursday after lunch and be done. Motions GRANTED IN PART. PLAINTIFF'S MOTION TO COMPEL ON ORDER SHORTENING TIME (filed in A-19-787004-B ETW Management Group LLC vs. Nevada Dept of Taxation): Mr. Bult argued that they need to understand exactly what was graded; witness should be compelled to produce the information ordered on the 16th and what is consistent with what the Plaintiffs have. Mr. Cristalli advised his side joined, and argued. Mr. Hone responded all of this information is confidential by statute. Statement by Ms. Shell as to GreenMart's ownership at the time of application. Mr. Koch argued that for purposes of this motion they have already complied. Further argument by Mr. Bult, Mr. Hone, and Mr. Cristalli. COURT ORDERED, copy of license application provided by Mr. Hone MARKED as Court's Exhibit 1 to the Motion to Compel Hearing for today. (See worksheet.) COURT STATED it is satisfied the information that has been redacted related to the attachments is generally appropriate except for information redacted on attachment A's by the applicant even

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

though those individuals were not owners, board members; if the names are redacted they need to be unredacted for purposes of the analysis on diversity; this applies to all parties whether Plaintiff or Intervenor except for the State. MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) Testimony and exhibits presented. (See worksheet.) LUNCH RECESS. Testimony and exhibits continued. (See worksheet.) COURT ORDERED, preliminary injunction hearing CONTINUED tomorrow, May 30th at 9:30 am. CLERK'S NOTE: Court's Exhibit 1 to the Motion to Compel Hearing LODGED with the Vault under A-19-787004-B. / dr;

05/29/2019

CANCELED All Pending Motions (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Vacated - Duplicate Entry

05/30/2019



All Pending Motions (9:30 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 4 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Attorney Christian Balducci for witness Stacey Dugan. Colloquy regarding scheduling and availability. Mr. Koch advised as an update on ownership that they have provided Proposed Intervenor Defendants' Exhibits 5025 and 5026 which should provide clarity. Mr. Balducci stated he is here on behalf of Ms. Dugan with GreenMart; she is subject to a subpoena served in the last 48 hours; he was retained recently; Ms. Dugan is not available today and he is here today to object on her behalf; however, he will be happy to work with everyone on available dates and times. Mr. Kemp advised it was his firm that served Ms. Dugan and he is willing to accommodate her. Court noted parties to work this out. Mr. Parker advised he and Mr. Shevorski spoke yesterday about the QC notes and evaluation notes; Mr. Shevorski said they were not produced and are subject to a privilege log. COURT NOTED it has to see that privilege log before it can tell counsel that it will look at the documents in camera. Mr. Parker stated they will provide that to the Court. Testimony and exhibits presented. (See worksheet.) LUNCH RECESS. Testimony and exhibits presented. (See worksheet.) Further discussion held regarding Ms. Stacey Dugan's appearance. Mr. Balducci appearing by telephone. COURT ORDERED, witness Stacey Dugan to testify at 3 pm tomorrow. Additional discussion regarding the priv log and QC notes. Ms. Haar stated those were identified as MM 16. 1 disclosures. Mr. Parker noted proposed process of redacting the score cards. COURT ORDERED, PRODUCE as AEO. Colloquy regarding scheduling. Proposed findings of fact and conclusions of law due by close of business on Monday, June 10th. COURT ORDERED, hearing CONTINUED tomorrow, May 31st, at 9 am.;

05/31/2019



All Pending Motions (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 5 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Attorney Christian Balducci for witness Stacey Dugan. Following arguments by counsel, COURT ORDERED, 5A ADMITTED and counsel can argue the importance of the

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

existence of 5 and 5A. Testimony and exhibits presented. (See worksheet.) LUNCH RECESS. Testimony and exhibits continued. (See worksheet.) COURT ORDERED, hearing CONTINUED. ;

06/10/2019



All Pending Motions (10:30 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 6 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Court disclosed flowers received. Disclosure MARKED as Court's Exhibit 1. Colloquy regarding scheduling. Testimony and exhibits presented. (See worksheet.) COURT ORDERED, motion to dissolve TRO scheduled for June 12 RESET on June 13, 2019 at 9 am. LUNCH RECESS. Testimony and exhibits continued. (See worksheet.) COURT ORDERED, hearing CONTINUED tomorrow, June 11, 2019 at 9:45 am. ;

06/10/2019

All Pending Motions (10:30 AM) (Judicial Officer: Gonzalez, Elizabeth)

Vacate; duplicate entry

06/11/2019



All Pending Motions (9:15 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 7 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Testimony and exhibits presented. (See worksheet.) LUNCH RECESS. Testimony and exhibits continued. (See worksheet.) COURT ORDERED, hearing CONTINUED to Tuesday, June 18, 2019 at 9:30 am.;

06/13/2019



Motion (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Intervening Defendants Motion to Dissolve Temporary Restraining Order on an Order Shortening Time

Denied; Bond increased by \$300,000 = \$450,000 total.

Journal Entry Details:

APPEARANCES CONTINUED: Attorney William Kemp for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiffs in A-19-787540-W Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation. Mr. Kahn and Ms. Zimmerman appeared by telephone. Following arguments by Mr. Gutierrez, Mr. Kemp, Mr. Savarese, Mr. Bult, and Mr. Parker, COURT ORDERED, based on the evidence that the Court has currently heard during the evidentiary hearing, recognizing that the Court has not heard much of the Defendants' case other than Mr. Jolley, the Court FINDS there is no basis to dissolve the Temporary Restraining Order. However, the BOND will be INCREASED by \$300,000 for a total of \$450,000. Additional bond to be posted by next Wednesday (June 19, 2019). 6-18-19 9:30 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

787540-W, A-19-787726-C) 7-8-19 9:00 AM DEFENDANT-INTERVENOR GREENMART OF NEVADA NLV LLC'S JOINDER TO DEFENDANT-INTERVENOR HELPING HANDS WELLNESS CENTER, INC.'S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3)...DEFENDANT-INTERVENOR HELPING HANDS WELLNESS CENTER, INC.'S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3);

06/18/2019



All Pending Motions (9:30 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 8 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCMHOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Testimony and exhibits presented. (See worksheet.) LUNCH RECESS. Testimony and exhibits continued. (See worksheet.) COURT ORDERED, hearing CONTINUED tomorrow, June 19, at 9:00 am. Colloquy regarding scheduling.;

06/19/2019



All Pending Motions (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 9 APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Testimony and exhibits presented. (See worksheet.) LUNCH RECESS. Testimony and exhibits continued. (See worksheet.) COURT ORDERED, hearing CONTINUED tomorrow, June 20, at 9:15 am. Counsel to provide a printed copy of the slides used by Mr. Miller to be marked as a demonstrative exhibit. Per counsel's request, the Motion for Summary Judgment and Joinders previously scheduled for July 8 are CONTINUED to July 22 at 9 am. - Defendant-Intervenor Helping Hands Wellness Center, Inc.'s Motion for Summary Judgment (Claims 1-3) - Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant-Intervenor Helping Hands Wellness Center, Inc.'s Motion for Summary Judgment (Claims 1-3) - Clear River LLC's Joinder to Defendant-Intervenor Helping Hands Wellness Center Inc's Motion for Summary Judgment (Claims 1-3) ;

06/20/2019



All Pending Motions (9:15 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 10 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCMHOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Court acknowledged receipt of motion to release cash bond from Mr. Gentile's office and shared her copy with Mr. Gutierrez. Mr. Graf stated he would object to that motion and like to be heard as to when it will be set. Testimony and exhibits presented. (See worksheet.) Brief RECESS for witness to address privilege issues with counsel. Testimony and exhibits continued. (See worksheet.) LUNCH RECESS. Proceeding resumed. Per the parties' agreement, COURT ORDERED, motion to release cash bond SET for Wednesday, June 26, at 9 am. Order shortening time signed and returned to Mr. Cristalli for filing. Testimony and exhibits presented. (See worksheet.) Mr. Graf moved to strike every reference to adequacy of

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

size in Mr. Parker's examination of Mr. Pupo and argued. COURT stated findings, ORDERED, OBJECTION OVERRULED. Mr. Graf further argued as to 453(d)(268)(4)(11) and 453(d)(272), noting as to the latter that he will leave to the Court as the trier of fact what or who the applicant is and who is actually issued the license; he objects to the loose determination that the entity cannot be a person to whom the license is issued. Court NOTED it is listening to all the evidence that is being presented. RECESS. Testimony and exhibits continued. (See worksheet.) Counsel estimated 5 more days for this hearing. COURT NOTING its schedule STATED continued date for this hearing to be determined. COURT FURTHER ORDERED, motion to release cash bond (to be filed under A-19-786962-B) and motion for temporary restraining order (to be filed under A-19-787004-B) shall be HEARD on Tuesday, June 25 at 8:45 am per agreement of the parties.;

06/25/2019



Minute Order (3:16 PM) (Judicial Officer: Gonzalez, Elizabeth)

Minute Order - No Hearing Held;

Journal Entry Details:

Due to a clerical error with the attachment, the filing on 6/25/19 at 12:30 pm of the Day 10, Vol. II transcript is stricken to be refiled in a corrected version by the court recorder.

CLERK'S NOTE: This Minute Order was electronically served to all registered parties for Odyssey File & Serve. /mt;

06/25/2019



Motion (8:45 AM) (Judicial Officer: Gonzalez, Elizabeth)

Motion to Release Cash Bond on Order Shortening Time

Denied Without Prejudice;

Journal Entry Details:

Arguments by counsel. COURT ORDERED, motion DENIED WITHOUT PREJUDICE for Mr. Cristalli to fix the irregularities with the bond; the TRO is not ineffective, but the additional funds will not be released until the issues are resolved. Colloquy regarding schedule and bond evidence. COURT ORDERED, preliminary injunction CONTINUED. 7/1/19 10:00 AM PRELIMINARY INJUNCTION HEARING;

07/01/2019



All Pending Motions (10:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

Court noted a problem with the Motion to Seal exhibits as they are not confidential and would not seal the exhibits based on a cursory motion. Upon Court's inquiry, Mr. Graf requested time to file an opposition in response to the Motion for Leave. Testimony and exhibits presented. (See worksheets) COURT ORDERED, Motion to Seal GRANTED IN PART; Exhibit A sealed except for the DOT Clear River 100; Exhibit B sealed except for page one; Exhibit C sealed except for page one; Exhibit E sealed. Motion to Seal Exhibits D and F CONTINUED for Chambers Decision. 7/12/19 3:00 AM MOTION TO SEAL EXHIBITS D & F;

07/02/2019



Motion for Leave (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Events: 06/27/2019 Motion for Leave to File

Plaintiffs' Motion for Leave to File First Amended Complaint on an Order Shortening Time 6/28/19 Order Shortening Time

Denied in Part;

Journal Entry Details:

Also present: Maximilien Fetaz, Esq. and Steven Shevorski, Esq. Arguments by counsel. COURT ORDERED, Paradise Wellness Center permitted to WITHDRAW from the participation of the master complaint filed in A-19-786962-B; request to substitute MediFarm is DENIED; request to add MediFarm as a party is GRANTED. Colloquy regarding Mr. Parker not being available on 7/1/19. Mr. Cristalli requested the return of the \$150,000.00 cash posted. Upon Court's inquiry, Mr. Cristalli confirmed he has the bond and presented it to the Court. Opposition by Mr. Graf. Court instructed Mr. Cristalli the bond must match the current caption. Further colloquy regarding scheduling and remaining witnesses.;

07/10/2019



All Pending Motions (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 12 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Mr. Gentile advised the Plaintiff does NOT REST at this time. Court NOTED it will not allow parties to rest in parts. Mr. Gentile further advised the Plaintiff will not be calling a gaming enforcement expert but may still have a drug enforcement administration expert. Witnesses called out of order. Testimony and exhibits presented. (See worksheet.) RECESS. Testimony and exhibits continued. COURT ORDERED, hearing CONTINUED tomorrow, July 11, at 10:00 am.;

07/11/2019



All Pending Motions (10:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 13 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Mahogany Turfley for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Mr. Bhirud advised the State does not plan on doing anything after this case and before the Court's decision issues. Colloquy regarding scheduling. Witness(es) called out of order. Testimony and exhibits presented. (See worksheet.) RECESS. Testimony and exhibits continued. LUNCH RECESS. Proceeding resumed. Court advised its trial that was scheduled to take place next week has settled. Colloquy regarding scheduling and witnesses. Mr. Gutierrez detailed a list of witnesses he still intends to call, explaining that he intends to call them as it relates to the irreparable harm prong and would like to talk to them about their applications. Mr. Gutierrez estimated 30 minutes for each witness. Mr. Kemp stated he had 8 people. Mr. Gentile arrived and advised the Plaintiff has retained a gentleman from Colorado who is an expert in the evaluation of the cannabis business, but he will be called in rebuttal. At the hour of 2:16 PM, Plaintiffs ETW Management Group LLC, Serenity Wellness Center, MM Development Company, and Nevada Wellness Center, LLC et all RESTED. Testimony and exhibits continued as to the Defendants' witnesses. (See worksheet.) COURT DIRECTED Mr. Shevorski to determine scheduling and witnesses for next week. Testimony and exhibits presented.;

07/12/2019



All Pending Motions (10:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 14 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Testimony and exhibits presented. (See worksheet.) LUNCH RECESS. Testimony and exhibits continued. Colloquy regarding scheduling. COURT ORDERED, hearing CONTINUED to Monday, July 15 at 10 am.;

07/15/2019



All Pending Motions (10:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

CASE SUMMARY **CASE NO. A-19-786962-B**

DAY 15 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCMHOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Testimony and exhibits presented. (See worksheet.) LUNCH RECESS. Testimony and exhibits continued. COURT ORDERED, the motion to seal in A-19-787004-B will be continued to July 18, 2019 at 9:30 am. Court DIRECTED Mr. Koch to provide the documents with the proposed redaction. Colloquy regarding scheduling for the remainder of the hearing as well as witnesses. Mr. Kahn advised he will be out of state on August 1st and 2nd. Mr. Gentile reminded the Court he will be calling a rebuttal witness and will be able to report on availability on Thursday (July 18). COURT ORDERED, hearing CONTINUED to Thursday, July 18, at 9:30 am.;

07/18/2019



All Pending Motions (9:30 AM) (Judicial Officer: Gonzalez, Elizabeth)


Matter Heard;

Journal Entry Details:

DAY 16 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCMHOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Testimony and exhibits presented. (See worksheet.) Court noted its concern about waiting for Mr. Gentile's rebuttal witness until August. Mr. Gentile advised that expert will focus on valuation; however, he does not mean to pre-suppose how this Court will rule; one way would be to issue the preliminary injunction, and if the Court does that it will be asked to set bond; Plaintiff's witness will testify as to approaches and methods of valuation in the cannabis business, the evaluation of a start-up and pre-revenue cannabis business, how to interpret the valuation report, unique issues with regard to evaluating a cannabis business such as the Controlled Substances Act, the banking situation and how that impacts the valuation, and the impact that is being made on the industry as a whole because of California and the increase in production in what is for the most part a market that is pretty much a fixed market. Mr. Gentile proposed resuming on August 1st; his expert is available that day. Court stated it is available that day as well. Mr. Kahn advised he is out until August 5th. Mr. Koch offered that what Mr. Gentile is talking about sort of relates to the calculation of a bond, not as to the actual determination of whether a preliminary injunction is appropriate. Court stated, if anyone is willing to stipulate to having the bond hearing separately, after the Court makes a determination on the injunctive relief portion, the Court will be happy to hear the witness after it issues a decision, and it will only now be looking for a date for closing arguments. Mr. Kemp advised he would so stipulate. Defendants and Intervenor Defendants so STIPULATED. Court noted this is as to what Mr. Gentile is describing is a bond issue that can be handled after the Court makes its decision. Mr. Gentile stated he thinks it is both and that he is concerned about irreparable harm. Court stated it does not think it is an irreparable harm issue; the Court has heard sufficient testimony related to the limited availability of marketable licenses in the industry. Court inquired as to when it can hear closing arguments. Mr. Gentile advised he has canceled two trips but can do July 26. Ms. Shell and another party advised they are out of the jurisdiction that day. Mr. Gentile stated he cannot do closings tomorrow and that he will probably get back Wednesday night. Mr. Bult advised he is not available on July 25. Mr. Gentile advised his expert will be available on the 7th, 9th, and 12th. Court advised counsel of its upcoming trial stack and that it does not have any other availability it can guarantee at this time. COURT ORDERED, motions currently scheduled for Monday, July 22nd RESET on Tuesday, July 23rd at 1 pm. Parties to argue for one hour or less on the 23rd. CLERK'S NOTE: As the Motion for Order to Seal Exhibits A-F Attached to Plaintiffs' Motion to Compel on Order Shortening Time in A-19-787004-B was not addressed, that motion is CONTINUED to Tuesday, July 23rd at 1 pm. Parties notified via electronic mail. / dr;

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

07/23/2019	<p>Motion for Summary Judgment (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth) <i>Defendant-Intervenor Helping Hands Wellness Center, Inc's Motion for Summary Judgment (Claims 1-3)</i> Granted in Part;</p>
07/23/2019	<p>Joinder (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth) <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant-Intervenor Helping Hands Wellness Center, Inc.'s Motion for Summary Judgment (Claims 1-3)</i> Granted in Part;</p>
07/23/2019	<p>Joinder (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth) <i>Clear River LLC's Joinder to Defendant-Intervenor Helping Hands Wellness Center Inc's Motion for Summary Judgment (Claims 1-3)</i> Granted in Part;</p>
07/23/2019	<p>Motion for Summary Judgment (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth) Events: 06/18/2019 Motion for Summary Judgment <i>Clear River, LLC's Motion for Summary Judgment</i> Motion Denied;</p>
07/23/2019	<p>Joinder (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth) <i>Joinder to Defendant - Intervenor Helping Hands Wellness Center, Inc.'s Motion for Summary Judgment</i> Granted in Part;</p>
07/23/2019	<p>Joinder (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth) <i>Defendant - Intervenor Greenmart of Nevada NLV LLC's Joinder to Defendant -Intervenor Clear River LLC's Motion for Summary Judgment</i> Denied;</p>
07/23/2019	<p>Joinder (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth) <i>Joinder to Clear River, LLC's Motion for Summary Judgment</i> Denied;</p>
07/23/2019	<p> All Pending Motions (1:00 PM) (Judicial Officer: Gonzalez, Elizabeth) Matter Heard; Journal Entry Details:</p> <p>APPEARANCES CONTINUED: Adam Bult, Esq. and Maximilien Fetaz, Esq., for Pltfs' in A-19-787004-B - ETW Management Group, LLC vs. Nevada Department of Taxation (Department XI case) MOTION FOR ORDER TO SEAL EXHIBITS A-F ATTACHED TO PLTFS' MOTION TO COMPEL ON ORDER SHORTENING TIME FILED IN A-19-787004-B: Mr. Koch provided the Court redacted version of Exhibit "F". COURT ORDERED, motion GRANTED IN PART. Redacted version of Exhibit "F" will be for public view and the original Exhibit "F" will remain SEALED. DEFT/INTERVENOR HELPING HANDS WELLNESS CENTER, INC'S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3)...CLEAR RIVER LLC'S JOINDER TO DEFT/INTERVENOR HELPING HANDS WELLNESS CENTER INC'S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3)..DEFT/INTERVENOR GREENMART OF NEVADA NLV, LLC'S JOINDER TO DEFT/INTERVENOR HELPING HANDS WELLNESS CENTER, INC'S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3)...JOINDER TO DEFT/INTERVENOR HELPING HANDS WELLNESS CENTER, INC'S MOTION FOR SUMMARY JUDGMENT: Following arguments by counsel, Court FINDS license which was applied for in and of itself is not a property right that confers jurisdiction upon this Court to the extent that the claim is for a loss of a property right and for that reason, ORDERS, motion GRANTED IN PART as to those portions of the first cause of action in the Serenity claim and the second cause of action in the ETW claim that are based on the loss of a property right as opposed to the alternative issues plead in that claim. With respect to the remaining arguments, COURT ORDERED, motion DENIED. Department of Taxation had discretion to implement certain regulations related to ballot Question #2 others were mandatory for which no discretion existed on behalf of the department. The Court is in the process of hearing evidence and closing arguments related to those issues and genuine issues of material fact exist related to violations of the department. CLEAR RIVER, LLC'S MOTION</p>

CASE SUMMARY **CASE NO. A-19-786962-B**


FOR SUMMARY JUDGMENT...JOINDER TO CLEAR RIVER, LLC'S MOTION FOR SUMMARY JUDGMENT...DEFT/INTERVENOR GREENMART OF NEVADA NLV, LLC'S JOINDER TO DEFT/INTERVENOR CLEAR RIVER, LLC'S MOTION FOR SUMMARY JUDGMENT: Arguments by counsel. COURT ORDERED, motion DENIED. At the time of the filing of the two complaints that are assigned to Business Court on January 4, 2019, the process was confidential and it was difficult if not impossible for the Pltfs' in those matters to know who the other applicants were. FURTHER ORDERED, petition for judicial review DENIED. Court stated once communication is received as to scheduling, the Court will set for argument. Mr. Graf to prepare the order.;

08/05/2019 **Status Check (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)

Status Check: Scheduling Resumption of Preliminary Injunction Hearing
Matter Heard; hearing to resume 8/13/19

08/05/2019 **Motion for Temporary Restraining Order (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)

Application for Temporary Restraining Order on an Order Shortening Time
Granted; Bond set for a total of \$50,000.

08/05/2019  **All Pending Motions (9:00 AM)** (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;
Journal Entry Details:


STATUS CHECK: SCHEDULING RESUMPTION OF PRELIMINARY INJUNCTION HEARING ...APPLICATION FOR TEMPORARY RESTRAINING ORDER ON AN ORDER SHORTENING TIME APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker and Attorney Mahogany Turfley for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Ms. Higgins, Mr. Parker, and Mr. Kahn appeared by telephone. STATUS CHECK: SCHEDULING RESUMPTION OF PRELIMINARY INJUNCTION HEARING: Court noted the Law Clerk sent out an email asking about the parties' availability. Court asked if the parties will negotiate amongst themselves or allow the Court to unilaterally set a date. Mr. Koch advised he has trial beginning next Tuesday, August 13. Court further noted it will finish the hearing before the end of the stack. Mr. Gentile inquired whether the State and Intervenor Defendants have rested. Court asked if it can hear closing arguments tomorrow. Mr. Gutierrez advised he has 3 witnesses left. Mr. Graf advised he set a while back 3 depositions for tomorrow. Mr. Parker advised he has calendar call in Reno tomorrow at 1:30. Ms. Higgins advised she is out of town until tomorrow evening. Mr. Gutierrez advised they are not available this week, but next week and the week after his side is. Mr. Shevorski stated he had no more witnesses. Mr. Gentile confirmed his witness is a person who is more on a bond issue which can be done after the hearing. Mr. Prince advised he has trial on September 9 but is available the 3rd and 4th. Mr. Graf stated he cannot let someone else do his depositions, as that would still be Ms. Higgins. Mr. Prince noted they have witness availability problems. Colloquy between Court and counsel. COURT ORDERED, matter TRAILED for parties to confer. Matter RECALLED. Mr. Prince advised they would like a complete evidentiary record and that they will be filing additional motions before the end of the hearing. Court noted counsel may do so. Following further discussion on the Court and parties' availability, COURT ORDERED, hearing to RESUME on Tuesday, August 13 at 9:30 am, August 14 at 9 am, August 15 at 9:15 am, and August 16 at 9 am, and finish by August 16. If Mr. Parker's trial goes forward in federal court, the Court will determine with counsel where to put his closing argument. APPLICATION FOR TEMPORARY RESTRAINING ORDER ON AN ORDER SHORTENING TIME: Following arguments by Mr. Gentile and Mr. Koch, COURT ORDERED, on the same basis that the Court previously ruled on Thrive, the request is GRANTED to prevent opening but not pre-opening work. Court, noting information in the spreadsheet, inquired as to what an Xtreme Cube is. Mr. Koch stated it is a modular building and half has been paid. With regards to a bond, Mr. Gentile stated he does not think there should be any additional bond. COURT ORDERED, BOND SET at \$25,000 each for a TOTAL of \$50,000 which is taking into account utilities, rent, and salaried employees only. The Temporary Restraining Order will REMAIN in place pending the outcome of the preliminary injunction hearing. ~ Mr. Parker added that his trial next week starts on Monday and the judge said it is for 7 to 10 days; calendar call is tomorrow at 1:30. COURT DIRECTED Mr. Parker to inform the federal judge after calendar call tomorrow that this Court set a hearing with 30 other lawyers and if they need to speak they can. Mr. Parker further advised it is Federal Court Judge Hicks. Mr. Kemp advised they have also convinced Judge Togliatti to conduct their

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

mediation this Saturday; they have asked commitments from principals of each company to attend; it would be his request that the Court order or strongly encourage the principals' participation. Court stated it will **STRONGLY ENCOURAGE** that as it is always better to have the decision-makers attend.;

08/08/2019

 **Telephonic Conference** (11:45 AM) (Judicial Officer: Gonzalez, Elizabeth)

Telephonic Conference re: Scheduling

Matter Heard;

Journal Entry Details:

APPEARANCES BY PHONE CONTINUED: Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Mr. Parker advised his federal court case settled yesterday at 7 pm. Court stated it has confirmed with federal court Judge Hicks that even though he would have been unwilling to move the trial, the case has settled. The preliminary injunction hearing in the instant case will RESUME as scheduled on Tuesday (August 13, 2019) at 9:30 am despite any rumors to the contrary. Mr. Gentile inquired as to what time their new request for a TRO will be heard. Court advised it signed the order shortening time earlier, setting the application for Monday (August 12, 2019) at 9 am. Mr. Gutierrez requested that the application be moved to Tuesday as he has another hearing in another department. Mr. Koch noted his trial starts on Tuesday at 9 am. COURT ORDERED, the application will REMAIN on Monday, August 12, 2019 unless the parties reach an agreement. Mr. Gentile further advised there are critical motions on a homicide case before Judge Adair on Thursday (August 15, 2019) at 9:30 am; he will call the State to see if the motions can be moved to the following week; they will probably take one hour to argue. Court stated that if those motions cannot be moved, the hearing in the instant case will start later that day. Mr. Parker added that August 15 is also the third Thursday of the month, so he will have board meetings. Court so noted. 08/12/2019 9:30 AM - Department 11 APPLICATION FOR TEMPORARY RESTRAINING ORDER ON AN ORDER SHORTENING TIME 08/13/2019 9:30 AM - Department 11 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) 08/14/2019 9:00 AM - DEPARTMENT 11 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) 08/15/2019 9:15 AM - DEPARTMENT 11 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) 08/16/2019 9:00 AM - DEPARTMENT 11 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) 08/19/2019 9:00 AM - DEPARTMENT 11 INTERVENING DEFENDANT'S MOTION TO DISSOLVE TEMPORARY RESTRAINING ORDER, OR, ALTERNATIVELY, INCREASE THE BOND AMOUNT ON ORDER SHORTENING TIME...MOTION TO RELEASE CASH BOND;

08/12/2019

 **Motion for Temporary Restraining Order** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Application for Temporary Restraining Order on an Order Shortening Time

Granted; Bond SET at \$15,000.

Journal Entry Details:

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Counsel for the State of Nevada Department of Taxation, Defendant, not present.

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

Call attempted to the contact number for Attorney Jared Kahn, counsel for Helping Hands Wellness Center; call went to voicemail. COURT stated it will ALLOW Mr. Gentile to proceed. Mr. Gentile advised he has nothing to add. Mr. Koch argued they have continued to incur rent and payroll and the bond should be set at \$1 million. COURT ORDERED, Temporary Restraining Order GRANTED and BOND SET at \$15,000 because there appears to be irreparable harm given the limited licenses. The store is PRECLUDED from opening but not from seeking final approval from government agencies. Court NOTED it did not include payroll in the \$15,000 but added rent and securities. Mr. Koch advised that as far as the preliminary injunction hearing their I.T. techs here are also the techs in his trial before Judge Denton, and detailed his trial schedule; on Thursday and Friday he has half days. Court so noted, and directed anyone to inform Mr. Kahn and the attorneys for the State.;

08/13/2019



All Pending Motions (9:30 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 17 APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Mr. Gutierrez advised he has 3 witnesses today. All other parties advised they had no other witnesses. Mr. Gentile noted that as of right now, the Plaintiffs do not have a rebuttal case. Mr. Cristalli advised that with regards to Shane Terry, one of Mr. Gutierrez's witnesses, they do not have his application, not even in redacted form; if Mr. Terry is going to testify they would like the chance to review it. Mr. Rulis advised the company is no longer called Nevada but TRNVP098 LLC. COURT ORDERED the application be made available before they go forward. Mr. Gutierrez stated that while that is being done, they can start with another witness. Testimony and exhibits presented. (See worksheet.) RECESS. Testimony and exhibits continued. (See worksheet.) COURT DIRECTED the parties to check if there are any exhibits that have not been admitted that they want admitted and meet with the Clerk. LUNCH RECESS. Proceeding resumed. COURT NOTED that in comparing Exhibits 5 and 5A, they both have the same version number, from the Department, of 5.4, and DIRECTED Mr. Shevorski to give the Court an explanation as to the change, because the change was testified to and without any indication on the forms the Court is trying to determine whether it has the correct versions of 5 and 5A. Mr. Parker marked and offered Exhibits 308 through 311. (See worksheet.) All parties reviewed the exhibits and stated they had no objections, with the exception of Mr. Prince who objected to their admission based on relevance, foundation, and hearsay. COURT ORDERED, Mr. Parker to call a witness. Mr. Parker stated he will call Mr. Pupo in rebuttal. COURT NOTED Mr. Bhirud has confirmed 5 and 5A both include the same footer. Mr. Cristalli advised Serenity would like to admit 11 items, which were mostly produced by the State: Proposed Exhibits 219, 227, 232 through 234, 242 through 244, 247 through 249. Mr. Shevorski advised the State has no objection to their admission. Court noted the Defendants in Intervention would like the opportunity to review them. With regards to Mr. Shane Terry's application, Mr. Cristalli advised they have not had the time to review the applications. Testimony and exhibits presented. (See worksheet.) RECESS. Testimony and exhibits continued. (See worksheet.) COURT ORDERED, hearing CONTINUED tomorrow, August 14, 2019 at 9:30 am. Parties will be asked tomorrow individually if they rest. Any motions or pocket briefs prior to closing arguments are DUE by 3 pm on Wednesday. Court further noted it has also set aside Thursday and Friday morning for this hearing. Mr. Kahn advised he will be calling his client as a witness tomorrow.;

08/14/2019



All Pending Motions (9:30 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 18 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department

CASE SUMMARY

CASE NO. A-19-786962-B

XVIII case). Mr. Wight submitted to the Court two proposed orders, one of them for the operation in Reno. Court signed the orders and returned them to counsel for filing. Testimony and exhibits presented. (See worksheet.) Court SUSTAINED Mr. Gentile's objection to the admission of proposed exhibits 5065 and 5066 as to the documents themselves but not the testimonial evidence of the witness' personal knowledge. Mr. Kahn requested they submit unredacted versions of 5065 and 5066 and move to seal that portion. COURT stated it CANNOT SEAL the transcript nor these proceedings. Mr. Kahn requested an opportunity to meet with his client. RECESS. Proceeding resumed. Unredacted copies provided and marked. Court NOTED there is still an objection by Mr. Gentile. Mr. Kahn argued he wished to establish there was a purchaser and his client was not able to act on it. COURT ORDERED, it will not accept the exhibits for the value of the business but as to the prejudice to this client. The OBJECTIONS are OVER RULED and Exhibits 5065 and 5066, which are the redacted versions, are ADMITTED. Unredacted versions RETURNED to Mr. Kahn. Testimony and exhibits continued. (See worksheet.) Mr. Shevorsi requested an extension to the motion and pocket brief deadline. Mr. Gentile advised they will also be submitting additional authorities. COURT GRANTED the request and gave all parties until tomorrow, August 15, at 8 am. If filing additional authorities counsel to throw a cover sheet over them so they can be caught by the Department. LUNCH RECESS. Testimony and exhibits resumed. (See worksheet.) There being no objection, the following proposed exhibits were ADMITTED into evidence: ETW's 414 through 426, and 432 through 445; Serenity Wellness' 219, 227, 232 through 234, 242 through 244, 247 through 249. At the hour of 2:39 PM, ALL PARTIES RESTED. Redacted version of Shane Terry's application submitted, MARKED as 267, and ADMITTED. Mr. Graf made his record regarding leading objections and Ms. Shell about her concern regarding racist statements. Colloquy regarding scheduling. COURT ORDERED, hearing CONTINUED tomorrow, August 15 at 9:15 am, for closing arguments.;

08/15/2019



All Pending Motions (9:15 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;

Journal Entry Details:

DAY 19 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Exhibit 31A provided to the Clerk. Mr. Kahn advised the redactions to 31A were agreeable to him. COURT ORDERED, 31A ADMITTED. Court acknowledged briefs filed by counsel. COURT DIRECTED counsel to FOCUS on the following central questions in their closing arguments: whether the Department exceeded the scope of the provisions or acted arbitrarily and capriciously in implementing the provisions of ballot question no. 2, whether "all owners" is ambiguous, and whether the issue related to "all owners" can be cured. COURT ALSO DIRECTED counsel to FOCUS on the physical address issue and the diversity issue. Individual Plaintiffs to PROVIDE the specific RELIEF they are seeking. Court NOTED it is not discussing bond today. Matter TRAILED for the Court to finish its morning calendar. Matter RECALLED. Closing arguments by Mr. Gentile, Mr. Kemp, Mr. Parker, and Mr. Bult. COURT ORDERED, hearing will be in RECESS until tomorrow, August 16 at 9:15 am for the continuation of closing arguments. Mr. Bice advised the Court of an error on page 5 of his brief.;

08/16/2019



All Pending Motions (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

MINUTES

Matter Heard;

Journal Entry Details:

DAY 20 MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult for the Plaintiffs in A-19-

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Closing arguments by Mr. Shevorski on behalf of the State of Nevada Department of Taxation, Defendant, and Mr. Bice, Mr. Koch, Mr. Prince, Mr. Kahn, Mr. Graf, Ms. Shell, and Mr. Hone on behalf of the Intervenor Defendants. Rebuttal by Mr. Kemp, Mr. Gentile, Mr. Bult, and Mr. Parker. COURT DIRECTED Mr. Shevorski to answer this question as a homework assignment: Which successful applicants completed the application in compliance with NRS 453D.206 at the time the application was filed in September 2018? Mr. Shevorski stated his best estimate to provide an answer would be next Tuesday by 5 pm. Court DIRECTED Mr. Shevorski to circulate an email to everyone, including the Law Clerk. COURT ORDERED, matter will STAND SUBMITTED. Status Check SET on next Friday's (August 23, 2019) chambers calendar on the Court's decision. 8-19-19 9:00 AM INTERVENING DEFENDANT'S MOTION TO DISSOLVE TEMPORARY RESTRAINING ORDER, OR, ALTERNATIVELY, INCREASE THE BOND AMOUNT ON ORDER SHORTENING TIME... ..MOTION TO RELEASE CASH BOND 8-23-19 CHAMBERS STATUS CHECK: COURT'S DECISION;

SCHEDULED HEARINGS



Status Check (08/23/2019 at 3:00 AM) (Judicial Officer: Gonzalez, Elizabeth)
Status Check: Court's Decision

08/19/2019 **Motion to Release Funds** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Motion to Release Cash Bond
Granted;

08/19/2019 **Motion** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Events: 08/07/2019 Motion
Intervening Defendant's Motion to Dissolve Temporary Restraining Order, or, Alternatively, Increase The Bond Amount on Order Shortening Time
Denied;

08/19/2019 **All Pending Motions** (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard;
Journal Entry Details:
MOTION TO RELEASE CASH BOND...INTERVENING DEFENDANT'S MOTION TO DISSOLVE TEMPORARY RESTRAINING ORDER, OR, ALTERNATIVELY, INCREASE THE BOND AMOUNT ON ORDER SHORTENING TIME APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Counsel for Intervenor Defendants Helping Hands Wellness Center, Inc. and Nevada Organic Remedies LLC, not present. Following arguments by Mr. Cristalli, Mr. Graf, and Mr. Gutierrez, COURT ORDERED, motion to release cash bond GRANTED. While the Court understands the issues related to "Tertech" (phonetic) this does not mean the bond's obligations are extinguished. The Court DECLINES to dissolve the TRO or increase the bond given the extensive issues the Court has heard related to injunctive relief. Mr. Shevorski advised he has spoken with Director Young but he has not heard back from her this morning. Court directed counsel to let everyone, including Court, know if the timeframe is too aggressive. Mr. Parker advised that the question the Court posed to Mr. Shevorski last Friday made him think over the weekend, that if there are intervenors that did not submit a complete application relative to owners, directors, officers, would they have standing to make an argument regarding the bond? Court stated it does not know, but a bond hearing will be set after the Findings of Fact and Conclusions of Law are issued. If the Court grants the injunction it will probably keep the bond in place but will set an evidentiary hearing because Mr. Gentile had a witness to call. 8-23-19 CHAMBERS STATUS CHECK: COURT'S DECISION;

08/22/2019 **Minute Order** (10:08 AM) (Judicial Officer: Gonzalez, Elizabeth)

Minute Order re: State of Nevada Department of Taxation's Response to Court's Question on NRS 453D.200(6)
Minute Order - No Hearing Held;

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY
CASE NO. A-19-786962-B

Journal Entry Details:

The Court MARKS the email from Mr. Shevorski as Court's Exhibit next in order -- Court's Exhibit 3. (See worksheet.) Any party wishing to object may SUBMIT objections by Monday, August 26, 2019 at 2 PM. CLERK'S NOTE: Minute Order corrected to reflect the email is MARKED as Court's Exhibit 3, not 2. A copy of this minute order was distributed to all parties via electronic mail. / dr 8-22-19;

08/22/2019



Minute Order (10:53 AM) (Judicial Officer: Gonzalez, Elizabeth)

Minute Order Striking MM Development's Brief and Appendix filed 8/21/19 and Setting Objections for Hearing

MINUTES

Hearing Set;

Journal Entry Details:

The Court STRIKES the bench brief entitled MM Development Company Inc's and LivFree Wellness LLC Bench Brief Regarding Compliance with NRS 453D.200(6) as well as the Appendix in Support of Bench Brief Regarding Compliance with NRS 453D.200(6), both filed August 21, 2019, as not requested by the Court following the conclusion of the preliminary injunction hearing. The brief may be refiled as an objection to Court's Exhibit 3 lodged this morning and all objections will be HEARD on Thursday, August 29, at 9 am. 8-29-19 9:00 AM OBJECTIONS TO STATE OF NEVADA DEPARTMENT OF TAXATION'S RESPONSE TO COURT'S QUESTION ON NRS 453D.200(6) CLERK'S NOTE: Minute order updated to reflect that the appendix in support of the bench brief was also STRICKEN. A copy of the updated minute order was distributed to the parties via electronic mail. / dr 8-22-19;

SCHEDULED HEARINGS

Objection (08/29/2019 at 9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Objections to State of Nevada Department of Taxation's Response to Court's Question on NRS 453D.200(6)

08/23/2019



Status Check (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Status Check: Court's Decision

Decision Made;

Journal Entry Details:

Decision issued. 8-29-19 9:00 AM OBJECTIONS TO STATE OF NEVADA DEPARTMENT OF TAXATION'S RESPONSE TO COURT'S QUESTION ON NRS 453D.200(6);

08/29/2019

Objection (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Objections to State of Nevada Department of Taxation's Response to Court's Question on NRS 453D.200(6)

Matter Heard;

08/29/2019

Motion (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Plaintiff Nevada Wellness Center's Motion Regarding Compliance with Physical Address Requirements of NRS 453D.210(5)(b), NAC 453D265(1)(b), and NAC 453D.268(2)(e)

Denied;

08/29/2019



All Pending Motions (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

Matter Heard; BOND \$5 million in business court cases collectively

Journal Entry Details:

PLAINTIFF NEVADA WELLNESS CENTER'S MOTION REGARDING COMPLIANCE WITH PHYSICAL ADDRESS REQUIREMENTS OF NRS 453D.210(5)(B), NAC 453D265(1)(B), AND NAC 453D.268(2)(E)...OBJECTIONS TO STATE OF NEVADA DEPARTMENT OF TAXATION'S RESPONSE TO COURT'S QUESTION ON NRS 453D.200(6) APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case). Ms. Shell participated by telephone. Court advised that after it released its Findings of Fact and Conclusions of Law a copy was sent to each of the judges that are not in business court, notifying the judges that this Court has completed the hearing on the preliminary injunction

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY

CASE NO. A-19-786962-B

and that they are to handle the remainder of their cases; the Court has not heard from any of them. Court further inquired as to whether there would be any objection to advancing Lone Mountain's Motion to Strike, which was set for August 30th. Mr. Kemp stated they would like to file an Opposition. Mr. Gentile advised he did not file a written joinder to Mr. Parker's motion that is on today's calendar, so for the record they join. COURT FURTHER NOTED it will address the BOND issue today. Following arguments by counsel, COURT ORDERED as follows: PLAINTIFF NEVADA WELLNESS CENTER'S MOTION REGARDING COMPLIANCE WITH PHYSICAL ADDRESS REQUIREMENTS OF NRS 453D.210(5)(B), NAC 453D.265(1)(B), AND NAC 453D.268(2)(E): Everyone who participated in the hearing process recognizes that the process used by the Nevada Department of Taxation was flawed; it was adversely impacted by changing the physical address location midstream in the application distribution process; given the Nevada Supreme Court's Decision in the NuLeaf case, the Court DENIES the motion. OBJECTIONS TO STATE OF NEVADA DEPARTMENT OF TAXATION'S RESPONSE TO COURT'S QUESTION ON NRS 453D.200(6): The question the Court asked the Department of Taxation at the conclusion of arguments was made based on a suggestion by one of the Defendants in Intervention that a narrower scope for injunctive relief might be appropriate. The question the Court asked was which successful applicants completed the application in compliance with NRS 453D.200(6) at the time the application was filed in September 2018. Because the Court did not have unredacted versions of the applications for all applicants, it was impossible and it remains impossible for the Court to make a determination, which is why the Court has asked the State to make that determination since that is within their records. The standard on injunctive relief is different from the standard that the parties will face at trial or at summary judgment if this matter should proceed, and based on the limited information that was provided to the parties through disclosures as part of the injunctive relief hearing, there was a hearing based on what the Court would characterize as extremely limited information, the Court is NOT GRANTING any affirmative relief to Clear River as requested, because that was not the purpose of this hearing. The Court previously made the determination that it would exclude applicants who properly completed the applications in accordance with NRS 453D.200(6) at the time the application was filed in September 2018. The applicants who fit into that category based upon the State's email to the Court are those in the first and second tier as identified by the State. While the Court understands the argument of some of the parties that certain other information was available that may not be within the scope of the Court's question, the Court's question was limited for a reason. Those in the third category will be subject to injunctive relief which is described in page 24 of the Findings of Fact and Conclusions of Law; those in the first and second category will be excluded from that relief. Any request for modifications by the State based on the State's review of the applications that were submitted by the applicant during the application period will be submitted by motion by the State, and all of the parties will have opportunities to submit briefs and argument that they think are appropriate. The Court is not precluding the State from making any other determinations in this very flawed process. The State will determine how to handle any corrections to this process. Any issues should be directed to the Department based on information that was in the applications at the time. The Court is not going to do the goose gander analysis urged upon the Court by one of the parties under the Whitehead decision. BOND: Mr. Kemp advised the Court of the availability of Mr. Gentile's expert. Court noted it has received no briefing on the bond. Arguments by Mr. Kahn, Mr. Koch, Mr. Hone, Mr. Prince, Mr. Gentile, and Mr. Kemp. COURT ORDERED, while it appreciates comments from all counsel related to the amount of the bond, the risks of businesses actually opening prior to trial in this matter as well as the risks of any business that is a start-up or new location make it difficult for the Court to place a value on the income stream of any of those entities, which is what the bond needs to be based on, as losses suffered as a result of injunctive relief. For that reason, the Court SETS a fair BOND of \$5 million TO BE POSTED in ten (10) days. Mr. Koch argued the \$5 million should be posted in each of the cases. COURT ORDERED it is only being posted in the business court cases, collectively. This does not include the amount previously posted. 9-9-19 9:00 AM MANDATORY RULE 16 CONFERENCE CLERK'S NOTE: Following this proceeding, Lone Mountain Partners, LLC's Motion to Strike MM Development Company, Inc. and Livfree Wellness, LLC's Objection to State's Response Regarding Compliance with NRS 453D.200(6) on Order Shortening Time, originally set for Friday, August 30th VACATED per counsel's request.;

08/30/2019	CANCELED Motion to Strike (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth) Vacated Lone Mountain Partners, LLC's Motion to Strike MM Development Company, Inc. and Livfree Wellness, LLC's Objection to State's Response Regarding Compliance with NRS 453D.200(6) on Order Shortening Time
09/09/2019	Mandatory Rule 16 Conference (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY

CASE NO. A-19-786962-B

<p>09/09/2019, 09/13/2019</p> <p>10/18/2019</p> <p>01/06/2020</p> <p>02/20/2020</p> <p>03/10/2020</p> <p>03/16/2020</p>	<p>Matter Continued; Matter Continued; Journal Entry Details: <i>APPEARANCES CONTINUED: Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation. Court acknowledged objections and joint proposal and noted that it wants this matter done by the December final inspection deadline; however, the parties' proposed schedule is through January. Mr. Shevorski advised he lost two of his people; one went to Washington and one got a promotion, so he is literally the only one left; from the State's perspective, he cannot get this done by the deadline. Mr. Bult stated that in terms of the ETW Plaintiffs they would like to get this done but they understand the State's position. Mr. Koch requested that the date not be a hard deadline because of the trial being after that. COURT ORDERED, matter CONTINUED for the State to provide an answer; Department of Taxation to make the determination whether or not there are extenuating circumstances; if there the Court will be willing to move the date beyond the December deadline, but if there are not extenuating circumstances, unfortunately the Court will have to make Mr. Shevoski's life difficult. Mr. Gentile advised they have mediation next Monday (September 16, 2019) at 9 am. 9-13-19 10:00 AM MANDATORY RULE 16 CONFERENCE;</i> Matter Continued; Matter Continued; Journal Entry Details: <i>APPEARANCES CONTINUED: Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group vs. Nevada Dept of Taxation. Court acknowledged objections and joint proposal and noted that it wants this matter done by the December final inspection deadline; however, the parties' proposed schedule is through January. Mr. Shevorski advised he lost two of his people; one went to Washington and one got a promotion, so he is literally the only one left; from the State's perspective, he cannot get this done by the deadline. Mr. Bult stated that in terms of the ETW Plaintiffs they would like to get this done but they understand the State's position. Mr. Koch requested that the date not be a hard deadline because of the trial being after that. COURT ORDERED, matter CONTINUED for the State to provide an answer; Department of Taxation to make the determination whether or not there are extenuating circumstances; if there are the Court will be willing to move the date beyond the December deadline, but if not unfortunately the Court will have to make Mr. Shevoski's life difficult. Mr. Gentile advised they have mediation next Monday (September 16, 2019) at 9 am. 9-13-19 10:00 AM MANDATORY RULE 16 CONFERENCE;</i></p> <p>Motion to Release (3:00 AM) (Judicial Officer: Gonzalez, Elizabeth) <i>Defendant's Motion to Release Surety Bond</i></p> <p>Status Check: Trial Readiness (9:00 AM) (Judicial Officer: Gonzalez, Elizabeth)</p> <p>Pre Trial Conference (9:15 AM) (Judicial Officer: Gonzalez, Elizabeth)</p> <p>Calendar Call (9:30 AM) (Judicial Officer: Gonzalez, Elizabeth)</p> <p>Bench Trial (1:30 PM) (Judicial Officer: Gonzalez, Elizabeth)</p>
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DATE	FINANCIAL INFORMATION
	<p>Defendant State of Nevada Department of Taxation</p> <p>Total Charges 223.00</p> <p>Total Payments and Credits 223.00</p> <p>Balance Due as of 9/23/2019 0.00</p>
	<p>Intervenor Defendant Clear River, LLC</p> <p>Total Charges 2,083.00</p> <p>Total Payments and Credits 1,883.00</p> <p>Balance Due as of 9/23/2019 200.00</p>
	<p>Intervenor Defendant GreenMart of Nevada NLV LLC</p> <p>Total Charges 1,907.00</p> <p>Total Payments and Credits 1,907.00</p> <p>Balance Due as of 9/23/2019 0.00</p>

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY

CASE NO. A-19-786962-B

Intervenor Defendant Helping Hands Wellness Center Inc	
Total Charges	1,683.00
Total Payments and Credits	1,683.00
Balance Due as of 9/23/2019	0.00
 Counter Claimant Integral Associates, LLC	
Total Charges	2,033.00
Total Payments and Credits	1,713.00
Balance Due as of 9/23/2019	320.00
 Intervenor Defendant Lone Mountain Partners, LLC	
Total Charges	1,483.00
Total Payments and Credits	1,483.00
Balance Due as of 9/23/2019	0.00
 Other MM Development Company, Inc.	
Total Charges	14.00
Total Payments and Credits	14.00
Balance Due as of 9/23/2019	0.00
 Other MM Development Company, Inc.	
Total Charges	3.50
Total Payments and Credits	3.50
Balance Due as of 9/23/2019	0.00
 Other Nevada Organic Remedies LLC	
Total Charges	1,507.00
Total Payments and Credits	1,507.00
Balance Due as of 9/23/2019	0.00
 Counter Defendant Serenity Wellness Center LLC	
Total Charges	1,891.50
Total Payments and Credits	1,891.50
Balance Due as of 9/23/2019	0.00
 Other Nevada Organic Remedies LLC	
Appeal Bond Balance as of 9/23/2019	500.00
 Counter Defendant Serenity Wellness Center LLC	
Temporary Restraining Order Balance as of 9/23/2019	0.00

BUSINESS COURT CIVIL COVER SHEET

A-19-786962-B

County, Nevada

Case No. _____

(Assigned by Clerk's Office)

Department 11

I. Party Information (provide both home and mailing addresses if different)

Plaintiff(s) (name/address/phone):

Defendant(s) (name/address/phone):

Serenity Wellness Center, LLC; TGIG, LLC; Nuleaf Incline Dispensary, LLC;
 Nevada Holistic Medicine, LLC; Tryke Companies So NV, LLC; Tryke
 Companies Reno, LLC; Paradise Wellness Center, LLC; GBS Nevada Partners, LLC, et al.

The State of Nevada, Dept. of Taxation

Attorney (name/address/phone):

Attorney (name/address/phone):

Dominic P. Gentile NV Bar 1923 / Vincent S. Savarese NV Bar 2467
 Gentile Cristalli Miller Armeni Savarese
 410 S. Rampart Blvd., Suite 420, LV, NV 89145 / (702) 880-0000


II. Nature of Controversy (Please check the applicable boxes for both the civil case type and business court case type)☐ Arbitration Requested

Civil Case Filing Types		Business Court Filing Types
Real Property Landlord/Tenant <input type="checkbox"/> Unlawful Detainer <input type="checkbox"/> Other Landlord/Tenant Title to Property <input type="checkbox"/> Judicial Foreclosure <input type="checkbox"/> Foreclosure Mediation Assistance <input type="checkbox"/> Other Title to Property Other Real Property <input type="checkbox"/> Condemnation/Eminent Domain <input type="checkbox"/> Other Real Property	Torts Negligence <input type="checkbox"/> Auto <input type="checkbox"/> Premises Liability <input type="checkbox"/> Other Negligence Malpractice <input type="checkbox"/> Medical/Dental <input type="checkbox"/> Legal <input type="checkbox"/> Accounting <input type="checkbox"/> Other Malpractice Other Torts <input type="checkbox"/> Product Liability <input type="checkbox"/> Intentional Misconduct <input type="checkbox"/> Employment Tort <input type="checkbox"/> Insurance Tort <input type="checkbox"/> Other Tort	CLARK COUNTY BUSINESS COURT <input type="checkbox"/> NRS Chapters 78-89 <input type="checkbox"/> Commodities (NRS 91) <input type="checkbox"/> Securities (NRS 90) <input type="checkbox"/> Mergers (NRS 92A) <input type="checkbox"/> Uniform Commercial Code (NRS 104) <input type="checkbox"/> Purchase/Sale of Stock, Assets, or Real Estate <input type="checkbox"/> Trademark or Trade Name (NRS 600) <input type="checkbox"/> Enhanced Case Management <input checked="" type="checkbox"/> Other Business Court Matters
Construction Defect & Contract Construction Defect <input type="checkbox"/> Chapter 40 <input type="checkbox"/> Other Construction Defect Contract Case <input type="checkbox"/> Uniform Commercial Code <input type="checkbox"/> Building and Construction <input type="checkbox"/> Insurance Carrier <input type="checkbox"/> Commercial Instrument <input type="checkbox"/> Collection of Accounts <input type="checkbox"/> Employment Contract <input type="checkbox"/> Other Contract	Civil Writs <input type="checkbox"/> Writ of Habeas Corpus <input type="checkbox"/> Writ of Mandamus <input type="checkbox"/> Writ of Quo Warrant <input type="checkbox"/> Writ of Prohibition <input type="checkbox"/> Other Civil Writ	WASHOE COUNTY BUSINESS COURT <input type="checkbox"/> NRS Chapters 78-88 <input type="checkbox"/> Commodities (NRS 91) <input type="checkbox"/> Securities (NRS 90) <input type="checkbox"/> Investments (NRS 104 Art.8) <input type="checkbox"/> Deceptive Trade Practices (NRS 598) <input type="checkbox"/> Trademark/Trade Name (NRS 600) <input type="checkbox"/> Trade Secrets (NRS 600A) <input type="checkbox"/> Enhanced Case Management <input type="checkbox"/> Other Business Court Matters
Judicial Review/Appeal/Other Civil Filing Appeal Other <input type="checkbox"/> Appeal from Lower Court Other Civil Filing <input type="checkbox"/> Foreign Judgment <input checked="" type="checkbox"/> Other Civil Matters		

1/7/2019

Date

Signature of initiating party or representative



1 FFCL

2
3
4 DISTRICT COURT

5 CLARK COUNTY, NEVADA

6 SERENITY WELLNESS CENTER, LLC, a
7 Nevada limited liability company, TGIG, LLC,
8 a Nevada limited liability company, NULEAF
9 INCLINE DISPENSARY, LLC, a Nevada
10 limited liability company, NEVADA
11 HOLISTIC MEDICINE, LLC, a Nevada limited
12 liability company, TRYKE COMPANIES SO
13 NV, LLC, a Nevada limited liability company,
14 TRYKE COMPANIES RENO, LLC, a Nevada
15 limited liability company, PARADISE
16 WELLNESS CENTER, LLC, a Nevada limited
17 liability company, GBS NEVADA PARTNERS,
18 LLC, a Nevada limited liability company,
19 FIDELIS HOLDINGS, LLC, a Nevada limited
20 liability company, GRAVITAS NEVADA,
21 LLC, a Nevada limited liability company,
22 NEVADA PURE, LLC, a Nevada limited
23 liability company, MEDIFARM, LLC, a Nevada
24 limited liability company, DOE PLAINTIFFS I
25 through X; and ROE ENTITY PLAINTIFFS I
26 through X,

27 Plaintiff(s),

28 vs.

THE STATE OF NEVADA, DEPARTMENT
OF TAXATION,

Defendant(s).

and

29 NEVADA ORGANIC REMEDIES, LLC;
30 INTEGRAL ASSOCIATES LLC d/b/a
31 ESSENCE CANNABIS DISPENSARIES, a
32 Nevada limited liability company; ESSENCE
33 TROPICANA, LLC, a Nevada limited liability
34 company; ESSENCE HENDERSON, LLC, a
35 Nevada limited liability company; CPCM
36 HOLDINGS, LLC d/b/a THRIVE CANNABIS
37 MARKETPLACE, COMMERCE PARK
38 MEDICAL, LLC, a Nevada limited liability
company; and CHEYENNE MEDICAL, LLC, a
Nevada limited liability company; LONE
MOUNTAIN PARTNERS, LLC, a Nevada

Case No. A-19-786962-B
Dept. No. 11

FINDINGS OF FACT AND
CONCLUSIONS OF LAW GRANTING
PRELIMINARY INJUNCTION

CLERK OF THE COURT

ASG 23 2019
RECEIVED

1 limited liability partnership; HELPING HANDS
2 WELLNESS CENTER, INC., a Nevada
3 corporation; GREENMART OF NEVADA
4 NLV LLC, a Nevada limited liability company;
5 and CLEAR RIVER, LLC,

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Intervenors.

5 This matter having come before the Court for an evidentiary hearing on Plaintiffs' Motion for
6 Preliminary Injunction beginning on May 24, 2019, and occurring day to day thereafter until its
7 completion on August 16, 2019;¹ Dominic P. Gentile, Esq., Vincent Savarese III, Esq., Michael V.
8 Cristalli, Esq., and Ross J. Miller, Esq., of the law firm Gentile Cristalli Miller Armeni Savarese,
9 appeared on behalf of Serenity Wellness Center, LLC, TGIG, LLC, Nuleaf Incline Dispensary, LLC,
10 Nevada Holistic Medicine, LLC, Tryke Companies SO NV, LLC, Tryke Companies Reno, LLC,
11 Paradise Wellness Center, LLC, GBS Nevada Partners, LLC, Fidelis Holdings, LLC, Gravitas Nevada,
12 LLC, Nevada Pure, LLC, Medifarm, LLC (Case No. A786962-B) (the "Serenity Plaintiffs"); Adam K.
13 Bult, Esq. and Maximilien D. Fetaz, Esq., of the law firm Brownstein Hyatt Farber Schreck, LLP,
14 appeared on behalf of Plaintiffs ETW Management Group LLC, Global Harmony LLC, Green Leaf
15 Farms Holdings LLC, Green Therapeutics LLC, Herbal Choice INC., Just Quality, LLC, Libra
16 Wellness Center, LLC, Rombough Real Estate Inc. dba Mother Herb, NevCann LLC, Red Earth LLC,
17 THC Nevada LLC, Zion Gardens LLC, and MMOF Vegas Retail, Inc. (Case No. A787004-B) (the
18 "ETW Plaintiffs"); William S. Kemp, Esq. and Nathaniel R. Rulis, Esq., of the law firm Kemp, Jones
19 & Coulthard LLP, appeared on behalf of MM Development Company, Inc. and LivFree Wellness LLC
20 (Case No. A785818-W) (the "MM Plaintiffs"); Theodore Parker III, Esq., of the law firm Parker
21 Nelson & Associates, appeared on behalf of Nevada Wellness Center (Case No. A787540-W)
22 (collectively the "Plaintiffs"); Steven G. Shevorski, Esq., Ketan D. Bhirud, Esq., and Theresa M. Haar,
23 Esq., of the Office of the Nevada Attorney General, appeared on behalf of the State of Nevada,
24 Department of Taxation; David R. Koch, Esq., of the law firm Koch & Scow LLC, appeared on behalf

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¹ Although a preservation order was entered on December 13, 2018, in A785818, no discovery in any case was done
prior to the commencement of the evidentiary hearing, in part due to procedural issues and to statutory restrictions on
disclosure of certain information modified by SB 32 just a few days before the commencement of the hearing. As a result,
the hearing was much longer than anticipated by any of the participating counsel. In compliance with SB 32, the State
produced previously confidential information on May 21, 2019. These documents were reviewed for confidentiality by the
Defendants in Intervention and certain redactions were made prior to production consistent with the protective order entered
on May 24, 2019.

1 of Nevada Organic Remedies, LLC; Brigid M. Higgins, Esq. and Rusty Graf, Esq., of the law firm
2 Black & Lobello, appeared on behalf of Clear River, LLC; Eric D. Hone, Esq., of the law firm H1 Law
3 Group, appeared on behalf of Lone Mountain Partners, LLC; Alina M. Shell, Esq., of the law firm
4 McLetchie Law, appeared on behalf of GreenMart of Nevada NLV LLC; Jared Kahn, Esq., of the law
5 firm JK Legal & Consulting, LLC, appeared on behalf of Helping Hands Wellness Center, Inc.; and
6 Joseph A. Gutierrez, Esq., of the law firm Maier Gutierrez & Associates, and Philip M. Hymanson,
7 Esq., of the law firm Hymanson & Hymanson; Todd Bice, Esq. and Jordan T. Smith, Esq. of the law
8 firm Pisanelli Bice; and Dennis Prince, Esq. of the Prince Law Group appeared on behalf of Integral
9 Associates LLC d/b/a Essence Cannabis Dispensaries, Essence Tropicana, LLC, Essence Henderson,
10 LLC, CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace, Commerce Park Medical, LLC, and
11 Cheyenne Medical, LLC (the "Essence/Thrive Entities"). The Court, having read and considered the
12 pleadings filed by the parties; having reviewed the evidence admitted during the evidentiary hearing;
13 and having heard and carefully considered the testimony of the witnesses called to testify; having
14 considered the oral and written arguments of counsel, and with the intent of deciding the Motion for a
15 Preliminary Injunction,² makes the following preliminary findings of fact and conclusions of law:

16 ***PROCEDURAL POSTURE***

17 Plaintiffs are a group of unrelated commercial entities who applied for, but did not receive,
18 licenses to operate retail recreational marijuana establishments in various local jurisdictions throughout
19 the state. Defendant is Nevada's Department of Taxation ("DoT"), which is the administrative agency
20 responsible for issuing the licenses. Some successful applicants for licensure intervened as Defendants.

21 The Serenity Plaintiffs filed a Motion for Preliminary Injunction on March 19, 2019, asking for
22 a preliminary injunction to:

- 23 a. Enjoin the denial of Plaintiffs applications;
- 24 b. Enjoin the enforcement of the licenses granted;
- 25 c. Enjoin the enforcement and implementation of NAC 453D;

26
27 ² The findings made in this Order are preliminary in nature based upon the limited evidence presented after very
28 limited discovery permitted on an expedited basis and may be modified based upon additional evidence presented to the
Court at the ultimate trial of the business court matters.

- 1 d. An order restoring the *status quo ante* prior to the DoT's adoption of NAC 453D;
2 and
3 e. Several orders compelling discovery.

4 This Court reviewed the Serenity Plaintiffs' Motion for Preliminary Injunction and at a hearing on
5 April 22, 2019, invited Plaintiffs in related cases, not assigned to Business Court, to participate in the
6 evidentiary hearing on the Motion for Preliminary Injunction being heard in Department 11 for the
7 purposes of hearing and deciding the Motions for Preliminary Injunction.³

8 **PRELIMINARY STATEMENT**

9 The Attorney General's Office was forced to deal with a significant impediment at the early
10 stages of the litigation. This inability to disclose certain information was outside of its control because
11 of confidentiality requirements that have now been slightly modified by SB 32. Although the parties
12 stipulated to a protective order on May 24, 2019, many documents produced in preparation for the
13 hearing and for discovery purposes were heavily redacted because of the highly competitive nature of
14 the industry and sensitive financial and commercial information being produced.

15 All parties agree that the language of an initiative takes precedence over any regulation that is in
16 conflict and that an administrative agency has some discretion in determining how to implement the
17 initiative. The Court gives deference to the agency in establishing those regulations and creating the
18 framework required to implement those provisions in conformity with the initiative.

19
20
21 ³ The complaints filed by the parties participating in the hearing seek declaratory relief, injunctive relief and writs of
22 mandate, among other claims. The motions and joinders seeking injunctive relief which have been reviewed by the Court in
conjunction with this hearing include:

23 A786962-B Serenity: Serenity Plaintiffs' Motion for Preliminary Injunction filed 3/19/19 (Joinder to Motion by
24 Compassionate Team: 5/17; Joinder to Motion by ETW: 5/6 (filed in A787004); and Joinder to Motion by Nevada
25 Wellness: 5/10 (filed in A787540)); Opposition by the State filed 5/9/19 (Joinder by Essence/Thrive Entities: 5/23);
26 Opposition by Nevada Organic Remedies: 5/9 (Joinder by Lone Mountain: 5/13; Joinder by Helping Hands: 5/21; and
Joinder by Essence/Thrive Entities: 5/23). Application for TRO on OST filed 5/9/19 (Joinder by Compassionate Team:
5/17; and Joinder by ETW: 5/10 (filed in A787004)); Opposition by Nevada Organic Remedies: 5/9 (Joinder by Clear River:
5/9); Opposition by Essence/Thrive Entities: 5/10 (Joinder by GreenMart: 5/10; Joinder by Lone Mountain: 5/11; and
Joinder by helping Hands: 5/12).

27 A785818-W MM Development: MM Plaintiffs' Motion for Preliminary Injunction or Writ of Mandamus filed 5/9/19
28 (Joinder by Serenity: 5/20 (filed in A786962); Joinder by ETW: 5/6 (filed in A787004 and A785818); and Joinder by
Nevada Wellness: 5/10 (filed in A787540)).

1 The initiative to legalize recreational marijuana, Ballot Question 2 ("BQ2"), went to the voters
2 in 2016. The language of BQ2 is independent of any regulations that were adopted by the DoT. The
3 Court must balance the mandatory provisions of BQ2 (which the DoT did not have discretion to
4 modify);⁴ those provisions with which the DoT was granted some discretion in implementation;⁵ and
5 the inherent discretion of an administrative agency to implement regulations to carry out its statutory
6 duties. The Court must give great deference to those activities that fall within the discretionary
7 functions of the agency. Deference is not given where the actions of the DoT were in violation of BQ2
8 or were arbitrary and capricious.

9 FINDINGS OF FACT

10 1. Nevada allows voters to amend its Constitution or enact legislation through the initiative
11 process. Nevada Constitution, Article 19, Section 2.

12 ⁴ Article 19, Section 2(3) provides the touchstone for the mandatory provisions:

13 An initiative measure so approved by the voters shall not be amended, annulled, repealed, set aside or
14 suspended by the Legislature within 3 years from the date it takes effect.

15 ⁵ NRS 453D.200(1) required the adoption of regulations for the licensure and oversight of recreational marijuana
16 cultivation, manufacturing/production, sales and distribution, but provides the DoT discretion in exactly what those
17 regulations would include.

18 . . . the Department shall adopt all regulations necessary or convenient to carry out the provisions of this chapter.
19 The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations
20 that make their operation unreasonably impracticable. The regulations shall include:

21 (a) Procedures for the issuance, renewal, suspension, and revocation of a license to operate a marijuana
22 establishment;

23 (b) Qualifications for licensure that are directly and demonstrably related to the operation of a marijuana
24 establishment;

25 (c) Requirements for the security of marijuana establishments;

26 (d) Requirements to prevent the sale or diversion of marijuana and marijuana products to persons under 21
27 years of age;

28 (e) Requirements for the packaging of marijuana and marijuana products, including requirements for child-
resistant packaging;

(f) Requirements for the testing and labeling of marijuana and marijuana products sold by marijuana
establishments including a numerical indication of potency based on the ratio of THC to the weight of a product
intended for oral consumption;

(g) Requirements for record keeping by marijuana establishments;

(h) Reasonable restrictions on signage, marketing, display, and advertising;

(i) Procedures for the collection of taxes, fees, and penalties imposed by this chapter;

(j) Procedures and requirements to enable the transfer of a license for a marijuana establishment to another
qualified person and to enable a licensee to move the location of its establishment to another suitable location;

(k) Procedures and requirements to enable a dual licensee to operate medical marijuana establishments and
marijuana establishments at the same location;

(l) Procedures to establish the fair market value at wholesale of marijuana; and

(m) Civil penalties for the failure to comply with any regulation adopted pursuant to this section or for any
violation of the provisions of NRS 453D.300.

1 2. In 2000, the voters amended Nevada's Constitution to allow for the possession and use
2 of marijuana to treat various medical conditions. Nevada Constitution, Article 4, Section 38(1)(a). The
3 initiative left it to the Legislature to create laws "[a]uthoriz[ing] appropriate methods for supply of the
4 plant to patients authorized to use it." Nevada Constitution, Article 4, Section 38(1)(e).

5 3. For several years prior to the enactment of BQ2, the regulation of medical marijuana
6 dispensaries had not been taken up by the Legislature. Some have argued in these proceedings that the
7 delay led to the framework of BQ2.

8 4. In 2013, Nevada's legislature enacted NRS 453A, which allows for the cultivation and
9 sale of medical marijuana. The Legislature described the requirements for the application to open a
10 medical marijuana establishment. NRS 453A.322. The Nevada Legislature then charged the Division of
11 Public and Behavioral Health with evaluating the applications. NRS 453A.328.

12 5. The materials circulated to voters in 2016 for BQ2 described its purpose as the
13 amendment of the Nevada Revised Statutes as follows:
14

15 Shall the *Nevada Revised Statutes* be amended to allow a person, 21 years old or older, to
16 purchase, cultivate, possess, or consume a certain amount of marijuana or concentrated
17 marijuana, as well as manufacture, possess, use, transport, purchase, distribute, or sell marijuana
18 paraphernalia; impose a 15 percent excise tax on wholesale sales of marijuana; require the
19 regulation and licensing of marijuana cultivators, testing facilities, distributors, suppliers, and
20 retailers; and provide for certain criminal penalties?

21 6. BQ2 was enacted by the Nevada Legislature and is codified at NRS 453D.⁶

22 7. BQ2 specifically identified regulatory and public safety concerns:

23 The People of the State of Nevada proclaim that marijuana should be regulated in a manner
24 similar to alcohol so that:

25 (a) Marijuana may only be purchased from a business that is licensed by the State of
26 Nevada;

27 (b) Business owners are subject to a review by the State of Nevada to confirm that the
28 business owners and the business location are suitable to produce or sell marijuana;

 (c) Cultivating, manufacturing, testing, transporting and selling marijuana will be strictly
controlled through State licensing and regulation;

⁶ As the provisions of BQ2 and the sections NRS 453D currently in effect (with the exception of NRS 453D.205) are identical, for ease of reference the Court cites to BQ2 as enacted by the Nevada Legislature in NRS 453D.

- (d) Selling or giving marijuana to persons under 21 years of age shall remain illegal;
- (e) Individuals will have to be 21 years of age or older to purchase marijuana;
- (f) Driving under the influence of marijuana will remain illegal; and
- (g) Marijuana sold in the State will be tested and labeled.

NRS 453D.020(3).

8. BQ2 mandated the DoT to “conduct a background check of each prospective owner, officer, and board member of a marijuana establishment license applicant.” NRS 453D.200(6).

9. On November 8, 2016, by Executive Order 2017-02, Governor Brian Sandoval established a Task Force composed of 19 members to offer suggestions and proposals for legislative, regulatory, and executive actions to be taken in implementing BQ2.

10. The Task Force’s findings, issued on May 30, 2017, referenced the 2014 licensing process for issuing Medical Marijuana Establishment Registration Certificates under NRS 453A. The Task Force recommended that “the qualifications for licensure of a marijuana establishment and the impartial numerically scored bidding process for retail marijuana stores be maintained as in the medical marijuana program except for a change in how local jurisdictions participate in selection of locations.”

11. Some of the Task Force’s recommendations appear to conflict with BQ2.⁷

⁷ The Final Task Force report (Exhibit 2009) contained the following statements:

The Task Force recommends that retail marijuana ownership interest requirements remain consistent with the medical marijuana program. . . .
at 2510.

The requirement identified by the Task Force at the time was contained in NAC 453A.302(1) which states:

Except as otherwise required in subsection 2, the requirements of this chapter concerning owners of medical marijuana establishments only apply to a person with an aggregate ownership interest of 5 percent or more in a medical marijuana establishment.

The second recommendation of concern is:

The Task Force recommends that NRS 453A be changed to address companies that own marijuana establishment licenses in which there are owners with less than 5% ownership interest in the company. The statute should be amended to:

*Limit fingerprinting, background checks and renewal of agent cards to owners officers and board members with 5% or less cumulatively of the company to once every five years;

*Only require owners officers and board members with 5% or more cumulatively and employees of the company to obtain agent registration cards; and

12. During the 2017 legislative session Assembly Bill 422 transferred responsibility for the registration, licensing, and regulation of marijuana establishments from the State of Nevada Division of Public and Behavioral Health to the DoT.⁸

13. On February 27, 2018, the DoT adopted regulations governing the issuance, suspension, or revocation of retail recreational marijuana licenses in LCB File No. R092-17, which were codified in NAC 453D (the "Regulations").

14. The Regulations for licensing were to be "directly and demonstrably related to the operation of a marijuana establishment." NRS 453D.200(1)(b). The phrase "directly and demonstrably related to the operation of a marijuana establishment" is subject to more than one interpretation.

*Use the marijuana establishments governing documents to determine who has approval rights and signatory authority for purposes of signing ownership transfers, applications and any other appropriate legal or regulatory documents.

There was Task Force dissent on the recommendation. The concern with this recommendation was that by changing the requirements on fingerprinting and background checks, the state would have less knowledge of when an owner, officer, and board member commits an offense not allowed under current marijuana law, potentially creating a less safe environment in the state.

at 2515-2516.

⁸ Those provisions (a portion of which became NRS 453D.205) are consistent with BQ2:

1. When conducting a background check pursuant to subsection 6 of NRS 453D.200, the Department may require each prospective owner, officer and board member of a marijuana establishment license applicant to submit a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

2. When determining the criminal history of a person pursuant to paragraph (c) of subsection 1 of NRS 453D.300, a marijuana establishment may require the person to submit to the Department a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

1 15. A person holding a medical marijuana establishment registration certificate could apply
2 for one or more recreational marijuana establishment licenses within the time set forth by the DoT in
3 the manner described in the application. NAC 453D.268.⁹
4

5 ⁹ Relevant portions of that provision require that application be made

6 . . . by submitting an application in response to a request for applications issued pursuant to NAC 453D.260 which
7 must include:

8 ***

9 2. An application on a form prescribed by the Department. The application must include, without limitation:

10 (a) Whether the applicant is applying for a license for a marijuana establishment for a marijuana cultivation
11 facility, a marijuana distributor, a marijuana product manufacturing facility, a marijuana testing facility or a retail
12 marijuana store;

13 (b) The name of the proposed marijuana establishment, as reflected in both the medical marijuana establishment
14 registration certificate held by the applicant, if applicable, and the articles of incorporation or other documents filed
15 with the Secretary of State;

16 (c) The type of business organization of the applicant, such as individual, corporation, partnership, limited-liability
17 company, association or cooperative, joint venture or any other business organization;

18 (d) Confirmation that the applicant has registered with the Secretary of State as the appropriate type of business,
19 and the articles of incorporation, articles of organization or partnership or joint venture documents of the applicant;

20 (e) The physical address where the proposed marijuana establishment will be located and the physical address of
21 any co-owned or otherwise affiliated marijuana establishments;

22 (f) The mailing address of the applicant;

23 (g) The telephone number of the applicant;

24 (h) The electronic mail address of the applicant;

25 (i) A signed copy of the Request and Consent to Release Application Form for Marijuana Establishment License
26 prescribed by the Department;

27 (j) If the applicant is applying for a license for a retail marijuana store, the proposed hours of operation during
28 which the retail marijuana store plans to be available to sell marijuana to consumers;

(k) An attestation that the information provided to the Department to apply for the license for a marijuana
establishment is true and correct according to the information known by the affiant at the time of signing; and

(l) The signature of a natural person for the proposed marijuana establishment as described in subsection 1 of NAC
453D.250 and the date on which the person signed the application.

3. Evidence of the amount of taxes paid, or other beneficial financial contributions made, to this State or its
political subdivisions within the last 5 years by the applicant or the persons who are proposed to be owners, officers
or board members of the proposed marijuana establishment.

4. A description of the proposed organizational structure of the proposed marijuana establishment, including,
without limitation:

(a) An organizational chart showing all owners, officers and board members of the proposed marijuana
establishment;

(b) A list of all owners, officers and board members of the proposed marijuana establishment that contains the
following information for each person:

(1) The title of the person;

(2) The race, ethnicity and gender of the person;

(3) A short description of the role in which the person will serve for the organization and his or her
responsibilities;

(4) Whether the person will be designated by the proposed marijuana establishment to provide written notice to
the Department when a marijuana establishment agent is employed by, volunteers at or provides labor as a
marijuana establishment agent at the proposed marijuana establishment;

(5) Whether the person has served or is currently serving as an owner, officer or board member for another
medical marijuana establishment or marijuana establishment;

(6) Whether the person has served as an owner, officer or board member for a medical marijuana establishment
or marijuana establishment that has had its medical marijuana establishment registration certificate or license, as
applicable, revoked;

1 NRS 453D.210(6) mandated the DoT to use "an impartial and numerically scored competitive bidding
2 process" to determine successful applicants where competing applications were submitted.

3 16. NAC 453D.272(1) provides the procedure for when the DoT receives more than one
4 "complete" application. Under this provision the DoT will determine if the "application is complete and

5 (7) Whether the person has previously had a medical marijuana establishment agent registration card or
6 marijuana establishment agent registration card revoked;

7 (8) Whether the person is an attending provider of health care currently providing written documentation for the
8 issuance of registry identification cards or letters of approval;

9 (9) Whether the person is a law enforcement officer;

10 (10) Whether the person is currently an employee or contractor of the Department; and

11 (11) Whether the person has an ownership or financial investment interest in any other medical marijuana
12 establishment or marijuana establishment.

13 5. For each owner, officer and board member of the proposed marijuana establishment:

14 (a) An attestation signed and dated by the owner, officer or board member that he or she has not been convicted of
15 an excluded felony offense, and that the information provided to support the application for a license for a
16 marijuana establishment is true and correct;

17 (b) A narrative description, not to exceed 750 words, demonstrating:

18 (1) Past experience working with governmental agencies and highlighting past experience in giving back to the
19 community through civic or philanthropic involvement;

20 (2) Any previous experience at operating other businesses or nonprofit organizations; and

21 (3) Any demonstrated knowledge, business experience or expertise with respect to marijuana; and

22 (c) A resume.

23 6. Documentation concerning the size of the proposed marijuana establishment, including, without limitation,
24 building and general floor plans with supporting details.

25 7. The integrated plan of the proposed marijuana establishment for the care, quality and safekeeping of marijuana
26 from seed to sale, including, without limitation, a plan for testing and verifying marijuana, a transportation or
27 delivery plan and procedures to ensure adequate security measures, including, without limitation, building security
28 and product security.

8. A plan for the business which includes, without limitation, a description of the inventory control system of the
proposed marijuana establishment to satisfy the requirements of NRS 453D.300 and NAC 453D.426.

9. A financial plan which includes, without limitation:

(a) Financial statements showing the resources of the applicant;

(b) If the applicant is relying on money from an owner, officer or board member, evidence that the person has
unconditionally committed such money to the use of the applicant in the event the Department awards a license to
the applicant and the applicant obtains the necessary approvals from the locality to operate the proposed marijuana
establishment; and

(c) Proof that the applicant has adequate money to cover all expenses and costs of the first year of operation.

10. Evidence that the applicant has a plan to staff, educate and manage the proposed marijuana establishment on a
daily basis, which must include, without limitation:

(a) A detailed budget for the proposed marijuana establishment, including pre-opening, construction and first-year
operating expenses;

(b) An operations manual that demonstrates compliance with this chapter;

(c) An education plan which must include, without limitation, providing educational materials to the staff of the
proposed marijuana establishment; and

(d) A plan to minimize the environmental impact of the proposed marijuana establishment.

11. If the application is submitted on or before November 15, 2018, for a license for a marijuana distributor,
proof that the applicant holds a wholesale dealer license issued pursuant to chapter 369 of NRS, unless the
Department determines that an insufficient number of marijuana distributors will result from this limitation.

12. A response to and information which supports any other criteria the Department determines to be relevant,
which will be specified and requested by the Department at the time the Department issues a request for
applications which includes the point values that will be allocated to the applicable portions of the application
pursuant to subsection 2 of NAC 453D.260.

1 in compliance with this chapter and Chapter 453D of NRS, the Department will rank the applications . .
2 . in order from first to last based on the compliance with the provisions of this chapter and chapter
3 453D of NRS and on the content of the applications relating to . . .” several enumerated factors. NAC
4 453D.272(1).

5 17. The factors set forth in NAC 453D.272(1) that are used to rank competing applications
6 (collectively, the “Factors”) are:

- 7 (a) Whether the owners, officers or board members have experience operating another kind
8 of business that has given them experience which is applicable to the operation of a marijuana
9 establishment;
10 (b) The diversity of the owners, officers or board members of the proposed marijuana
11 establishment;
12 (c) The educational achievements of the owners, officers or board members of the proposed
13 marijuana establishment;
14 (d) The financial plan and resources of the applicant, both liquid and illiquid;
15 (e) Whether the applicant has an adequate integrated plan for the care, quality and
16 safekeeping of marijuana from seed to sale;
17 (f) The amount of taxes paid and other beneficial financial contributions, including, without
18 limitation, civic or philanthropic involvement with this State or its political subdivisions, by the
19 applicant or the owners, officers or board members of the proposed marijuana establishment;
20 (g) Whether the owners, officers or board members of the proposed marijuana establishment
21 have direct experience with the operation of a medical marijuana establishment or marijuana
22 establishment in this State and have demonstrated a record of operating such an establishment in
23 compliance with the laws and regulations of this State for an adequate period of time to
24 demonstrate success;
25 (h) The (unspecified) experience of key personnel that the applicant intends to employ in
26 operating the type of marijuana establishment for which the applicant seeks a license; and
27 (i) Any other criteria that the Department determines to be relevant.

28 18. Each of the Factors is within the DoT’s discretion in implementing the application
process provided for in BQ2. The DoT had a good-faith basis for determining that each of the Factors
is “directly and demonstrably related to the operation of a marijuana establishment.”

19 19. The DoT posted the application on its website and released the application for
20 recreational marijuana establishment licenses on July 6, 2018.¹⁰

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27 ¹⁰ The DoT made a change to the application after circulating the first version of the application to delete the
28 requirement of a physical location. The modification resulted in a different version of the application bearing the same
“footer” with the original version remaining available on the DoT’s website.

1 20. The DoT utilized a question and answer process through a generic email account at
2 marijuana@tax.state.nv.us to allow applicants to ask questions and receive answers directly from the
3 Department, which were not consistent with NRS 453D, and that information was not further
4 disseminated by the DoT to other applicants.

5 21. In addition to the email question and answer process, the DoT permitted applicants and
6 their representatives to personally contact the DoT staff about the application process.

7 22. The application period ran from September 7, 2018 through September 20, 2018.

8 23. The DoT accepted applications in September 2018 for retail recreational marijuana
9 licenses and announced the award of conditional licenses in December 2018.

10 24. The DoT used a listserv to communicate with prospective applicants.

11 25. The DoT published a revised application on July 30, 2018. This revised application was
12 sent to all participants in the DoT's listserv directory. The revised application modified a sentence on
13 attachment A of the application. Prior to this revision, the sentence had read, "Marijuana
14 Establishment's proposed physical address (this must be a Nevada address and cannot be a P.O. Box)."
15 The revised application on July 30, 2018, read: "Marijuana Establishment's proposed physical address
16 if the applicant owns property or has secured a lease or other property agreement (this must be a
17 Nevada address and not a P.O. Box). Otherwise, the applications are virtually identical.

18 26. The DoT sent a copy of the revised application through the listserv service used by the
19 DoT. Not all Plaintiffs' correct emails were included on this listserv service.

20 27. The July 30, 2018 application, like its predecessor, described how applications were to
21 be scored. The scoring criteria was divided into identified criteria and non-identified criteria. The
22 maximum points that could be awarded to any applicant based on these criteria was 250 points.

23 28. The identified criteria consisted of organizational structure of the applicant (60 points);
24 evidence of taxes paid to the State of Nevada by owners, officers, and board members of the applicant
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1 in the last 5 years (25 points); a financial plan (30 points); and documents from a financial institution
2 showing unencumbered liquid assets of \$250,000 per location for which an application is submitted.

3 29. The non-identified criteria consisted of documentation concerning the integrated plan of
4 the proposed marijuana establishment for the care, quality and safekeeping of marijuana from seed to
5 sale (40 points); evidence that the applicant has a plan to staff, educate and manage the proposed
6 recreational marijuana establishment on a daily basis (30 points); a plan describing operating
7 procedures for the electronic verification system of the proposed marijuana establishment and
8 describing the proposed establishment's inventory control system (20 points); building plans showing
9 the proposed establishment's adequacy to serve the needs of its customers (20 points); and, a proposal
10 explaining likely impact of the proposed marijuana establishment in the community and how it will
11 meet customer needs (15 points).
12

13 30. An applicant was permitted to submit a single application for all jurisdictions in which it
14 was applying, and the application would be scored at the same time.
15

16 31. By September 20, 2018, the DoT received a total of 462 applications.

17 32. In order to grade and rank the applications the DoT posted notices that it was seeking to
18 hire individuals with specified qualifications necessary to evaluate applications. The DoT interviewed
19 applicants and made decisions on individuals to hire for each position.

20 33. When decisions were made on who to hire, the individuals were notified that they would
21 need to register with "Manpower" under a pre-existing contract between the DoT and that company.
22 Individuals would be paid through Manpower, as their application-grading work would be of a
23 temporary nature.
24

25 34. The DoT identified, hired, and trained eight individuals to grade the applications,
26 including three to grade the identified portions of the applications, three to grade the non-identified
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1 portions of the applications, and one administrative assistant for each group of graders (collectively the
2 “Temporary Employees”).

3 35. It is unclear how the DoT trained the Temporary Employees. While portions of the
4 training materials were introduced into evidence, testimony regarding the oral training based upon
5 example applications was insufficient for the Court to determine the nature and extent of the training of
6 the Temporary Employees.¹¹

7 36. NAC 453D.272(1) required the DoT to determine that an Application is “complete and
8 in compliance” with the provisions of NAC 453D in order to properly apply the licensing criteria set
9 forth therein and the provisions of the Ballot Initiative and the enabling statute.

10 37. When the DoT received applications, it undertook no effort to determine if the
11 applications were in fact “complete and in compliance.”

12 38. In evaluating whether an application was “complete and in compliance” the DoT made
13 no effort to verify owners, officers or board members (except for checking whether a transfer request
14 was made and remained pending before the DoT).

15 39. For purposes of grading the applicant’s organizational structure and diversity, if an
16 applicant’s disclosure in its application of its owners, officers, and board members did not match the
17 DoT’s own records, the DoT did not penalize the applicant. Rather the DoT permitted the grading, and
18 in some cases, awarded a conditional license to an applicant under such circumstances, and dealt with
19 the issue by simply informing the winning applicant that its application would have to be brought into
20 conformity with DoT records.

21 40. The DoT created a Regulation that modified the mandatory BQ2 provision “[t]he
22 Department shall conduct a background check of each prospective owner, officer, and board member of
23 a marijuana establishment license applicant” and determined it would only require information on the
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28 ¹¹ Given the factual issues related to the grading raised by MM and LivFree, these issues may be subject to additional
evidentiary proceedings in the assigned department.

1 application from persons “with an aggregate ownership interest of 5 percent or more in a marijuana
2 establishment.” NAC 453D.255(1).

3 41. NRS 453D.200(6) provides that “[t]he DoT shall conduct a background check of each
4 prospective owner, officer, and board member of a marijuana establishment license applicant.” The
5 DoT departed from this mandatory language in NAC 453D.255(1) and made no attempt in the
6 application process to verify that the applicant’s complied with the mandatory language of the BQ2 or
7 even the impermissibly modified language.

8 42. The DoT made the determination that it was not reasonable to require industry to
9 provide every owner of a prospective licensee. The DOT’s determination that only owners of a 5% or
10 greater interest in the business were required to submit information on the application was not a
11 permissible regulatory modification of BQ2. This determination violated Article 19, Section 3 of the
12 Nevada Constitution. The determination was not based on a rational basis.

13 43. The limitation of “unreasonably impracticable” in BQ2¹² does not apply to the
14 mandatory language of BQ2, but to the Regulations which the DoT adopted.

15 44. The adoption of NAC 453D.255(1), as it applies to the application process is an
16 unconstitutional modification of BQ2.¹³ The failure of the DoT to carry out the mandatory provisions
17 of NRS 453D.200(6) is fatal to the application process.¹⁴ The DoT’s decision to adopt regulations in
18 direct violation of BQ2’s mandatory application requirements is violative of Article 19, Section 2(3) of
19 the Nevada Constitution.

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22 ¹² NRS 453D.200(1) provides in part:

23 The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations
24 that make their operation unreasonably impracticable.

25 ¹³ For administrative and regulatory proceedings other than the application, the limitation of 5% or greater ownership
26 appears within the DoT’s discretion.

27 ¹⁴ That provision states:

28 6. The Department shall conduct a background check of each prospective owner, officer, and board member of a
marijuana establishment license applicant.

1 45. Given the lack of a robust investigative process for applicants, the requirement of the
2 background check for each prospective owner, officer, and board member as part of the application
3 process impedes an important public safety goal in BQ2.

4 46. Without any consideration as to the voters mandate in BQ2, the DoT determined that
5 requiring each prospective owner be subject to a background check was too difficult for
6 implementation by industry. This decision was a violation of the Nevada Constitution, an abuse of
7 discretion, and arbitrary and capricious.

8 47. The DoT did not comply with BQ2 by requiring applicants to provide information for
9 each prospective owner, officer and board member or verify the ownership of applicants applying for
10 retail recreational marijuana licenses. Instead the DoT issued conditional licenses to applicants who
11 did not identify each prospective owner, officer and board member.¹⁵

12 48. The DoT's late decision to delete the physical address requirement on some application
13 forms while not modifying those portions of the application that were dependent on a physical location
14 (i.e. floor plan, community impact, security plan, and the sink locations) after the repeated
15 communications by an applicant's agent; not effectively communicating the revision; and, leaving the
16 original version of the application on the website, is evidence of conduct that is a serious issue.

17 49. Pursuant to NAC 453D.295, the winning applicants received a conditional license that
18 will not be finalized unless within twelve months of December 5, 2018, the licensees receive a final
19 inspection of their marijuana establishment.
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25 ¹⁵ Some applicants apparently provided the required information for each prospective owner, officer and board
26 member. Accepting as truthful these applicants' attestations regarding who their owners, officers, and board members were
27 at the time of the application, these applications were complete at the time they were filed with reference to NRS
28 453D.200(6). These entities are Green Therapeutics LLC, Eureka NewGen Farms LLC, Circle S Farms LLC, Deep Roots
Medical LLC, Pure Tonic Concentrates LLC, Wellness Connection of Nevada LLC, Polaris Wellness Center LLC, and
TRNVP098 LLC, Clear River LLC, Cheyenne Medical LLC, Essence Tropicana LLC, Essence Henderson LLC, and
Commerce Park Medical LLC. See Court Exhibit 3 (post-hearing submission by the DoT).

50. The few instances of clear mistakes made by the Temporary Employees admitted in evidence do not, in and of themselves, result in an unfair process as human error occurs in every process.

51. Nothing in NRS 453D or NAC 453D provides for any right to an appeal or review of a decision denying an application for a retail recreational marijuana license.

52. There are an extremely limited number of licenses available for the sale of recreational marijuana.

53. The number of licenses available was set by BQ2 and is contained in NRS 453D.210(5)(d).

54. Since the Court does not have authority to order additional licenses in particular jurisdictions, and because there are a limited number of licenses that are available in certain jurisdictions, injunctive relief is necessary to permit the Plaintiffs, if successful in the NRS 453D.210(6) process, to actually obtaining a license, if ultimately successful in this litigation.

55. The secondary market for the transfer of licenses is limited.¹⁶

56. If any findings of fact are properly conclusions of law, they shall be treated as if appropriately identified and designated.

CONCLUSIONS OF LAW

57. "Any person...whose rights, status or other legal relations are affected by a statute, municipal ordinance, contract or franchise, may have determined any question of construction or validity arising under the instrument, statute, ordinance, contract or franchise and obtain a declaration of rights, status or other legal relations thereunder." NRS 30.040.

58. A justiciable controversy is required to exist prior to an award of declaratory relief. *Doe v. Bryan*, 102 Nev. 523, 525, 728 P.2d 443, 444 (1986).

¹⁶ The testimony elicited during the evidentiary hearing established that multiple changes in ownership have occurred since the applications were filed. Given this testimony, simply updating the applications previously filed would not comply with BO2.

1 59. NRS 33.010 governs cases in which an injunction may be granted. The applicant must
2 show (1) a likelihood of success on the merits; and (2) a reasonable probability that the non-moving
3 party's conduct, if allowed to continue, will cause irreparable harm for which compensatory damage is
4 an inadequate remedy.

5 60. Plaintiffs have the burden to demonstrate that the DoT's conduct, if allowed to continue,
6 will result in irreparable harm for which compensatory damages is an inadequate remedy.

7 61. The purpose of a preliminary injunction is to preserve the *status quo* until the matter can
8 be litigated on the merits.
9

10 62. In *City of Sparks v. Sparks Mun. Court*, the Supreme Court explained, "[a]s a
11 constitutional violation may be difficult or impossible to remedy through money damages, such a
12 violation may, by itself, be sufficient to constitute irreparable harm." 129 Nev. 348, 357, 302 P.3d
13 1118, 1124 (2013).

14 63. Article 19, Section 2 of the Constitution of the State of Nevada provides, in pertinent
15 part:
16

17 "1. Notwithstanding the provisions of section 1 of article 4 of this constitution, but subject to the
18 limitations of section 6 of this article, **the people reserve to themselves the power to propose,**
19 **by initiative petition, statutes and amendments to statutes and amendments to this**
20 **constitution, and to enact or reject them at the polls.**

21 ...

22 3. If the initiative petition proposes a statute or an amendment to a statute, the person who
23 intends to circulate it shall file a copy with the secretary of state before beginning circulation
24 and not earlier than January 1 of the year preceding the year in which a regular session of the
25 legislature is held. After its circulation, it shall be filed with the secretary of state not less than
26 30 days prior to any regular session of the legislature. The circulation of the petition shall cease
27 on the day the petition is filed with the secretary of state or such other date as may be prescribed
28 for the verification of the number of signatures affixed to the petition, whichever is earliest. The
secretary of state shall transmit such petition to the legislature as soon as the legislature
convenes and organizes. The petition shall take precedence over all other measures except
appropriation bills, and the statute or amendment to a statute proposed thereby shall be enacted
or rejected by the legislature without change or amendment within 40 days. If the proposed
statute or amendment to a statute is enacted by the legislature and approved by the governor in
the same manner as other statutes are enacted, such statute or amendment to a statute shall
become law, but shall be subject to referendum petition as provided in section 1 of this article.

1 If the statute or amendment to a statute is rejected by the legislature, or if no action is taken
2 thereon within 40 days, the secretary of state shall submit the question of approval or
3 disapproval of such statute or amendment to a statute to a vote of the voters at the next
4 succeeding general election. If a majority of the voters voting on such question at such election
5 votes approval of such statute or amendment to a statute, it shall become law and take effect
6 upon completion of the canvass of votes by the supreme court. **An initiative measure so**
7 **approved by the voters shall not be amended, annulled, repealed, set aside or suspended**
8 **by the legislature within 3 years from the date it takes effect.”**

9 (Emphasis added.)

10 64. The Nevada Supreme Court has recognized that “[i]nitiative petitions must be kept
11 substantively intact; otherwise, the people’s voice would be obstructed. . . [I]nitiative legislation is not
12 subject to judicial tampering-the substance of an initiative petition should reflect the unadulterated will
13 of the people and should proceed, if at all, as originally proposed and signed. For this reason, our
14 constitution prevents the Legislature from changing or amending a proposed initiative petition that is
15 under consideration.” Rogers v. Heller, 117 Nev. 169, 178, 18 P.3d 1034,1039–40 (2001).

16 65. BQ2 provides, “the Department shall adopt all regulations necessary or convenient to
17 carry out the provisions of this chapter.” NRS 453D.200(1). This language does not confer upon the
18 DoT unfettered or unbridled authority to do whatever it wishes without constraint. The DoT was not
19 delegated the power to legislate amendments because this is initiative legislation. The Legislature itself
20 has no such authority with regard to NRS 453D until three years after its enactment under the
21 prohibition of Article 19, Section 2 of the Constitution of the State of Nevada.

22 66. Where, as here, amendment of a voter-initiated law is temporally precluded from
23 amendment for three years, the administrative agency may not modify the law.

24 67. NRS 453D.200(1) provides that “the Department shall adopt all regulations necessary or
25 convenient to carry out the provisions of this chapter.” The Court finds that the words “necessary or
26 convenient” are susceptible to at least two reasonable interpretations. This limitation applies only to
27 Regulations adopted by the DoT.
28

1 68. While the category of diversity is not specifically included in the language of BQ2, the
2 evidence presented in the hearing demonstrates that a rational basis existed for the inclusion of this
3 category in the Factors and the application.

4 69. The DoT's inclusion of the diversity category was implemented in a way that created a
5 process which was partial and subject to manipulation by applicants.

6 70. The DoT staff provided various applicants with different information as to what would
7 be utilized from this category and whether it would be used merely as a tiebreaker or as a substantive
8 category.
9

10 71. Based upon the evidence adduced, the Court finds that the DoT selectively discussed
11 with applicants or their agents the modification of the application related to physical address
12 information.

13 72. The process was impacted by personal relationships in decisions related to the
14 requirements of the application and the ownership structures of competing applicants. This in and of
15 itself is insufficient to void the process as urged by some of the Plaintiffs.
16

17 73. The DoT disseminated various versions of the 2018 Retail Marijuana Application, one
18 of which was published on the DoT's website and required the applicant to provide an actual physical
19 Nevada address for the proposed marijuana establishment, and not a P.O. Box, (*see Exhibit 5*), whereas
20 an alternative version of the DoT's application form, which was not made publicly available and was
21 distributed to some, but not all, of the applicants via a DoT listserv service, deleted the requirement that
22 applicants disclose an actual physical address for their proposed marijuana establishment. *See Exhibit*
23 *5A.*
24

25 74. The applicants were applying for conditional licensure, which would last for 1 year.
26 NAC 453D.282. The license was conditional based on the applicant's gaining approval from local
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1 authorities on zoning and land use, the issuance of a business license, and the Department of Taxation
2 inspections of the marijuana establishment.

3 75. The DoT has only awarded conditional licenses which are subject to local government
4 approval related to zoning and planning and may approve a location change of an existing license, the
5 public safety aspects of the failure to require an actual physical address can be cured prior to the award
6 of a final license.

7 76. By selectively eliminating the requirement to disclose an actual physical address for
8 each and every proposed retail recreational marijuana establishment, the DoT limited the ability of the
9 Temporary Employees to adequately assess graded criteria such as (i) prohibited proximity to schools
10 and certain other public facilities, (ii) impact on the community, (iii) security, (iv) building plans, and
11 (v) other material considerations prescribed by the Regulations.

12 77. The hiring of Temporary Employees was well within the DoT's discretionary power.

13 78. The evidence establishes that the DoT failed to properly train the Temporary
14 Employees. This is not an appropriate basis for the requested injunctive relief unless it makes the
15 grading process unfair.

16 79. The DoT failed to establish any quality assurance or quality control of the grading done
17 by Temporary Employees.¹⁷ This is not an appropriate basis for the requested injunctive relief unless it
18 makes the grading process unfair.

19 80. The DoT made licensure conditional for one year based on the grant of power to create
20 regulations that develop "[p]rocedures for the issuance, renewal, suspension, and revocation of a
21 license to operate a marijuana establishment." NRS 453D.200(1)(a). This was within the DoT's
22 discretion.

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28 ¹⁷ The Court makes no determination as to the extent which the grading errors alleged by MM and Live Free may be
subject to other appropriate writ practice related to those individualized issues by the assigned department.

1 81. Certain of DoT's actions related to the licensing process were nondiscretionary
2 modifications of BQ2's mandatory requirements. The evidence establishes DoT's deviations
3 constituted arbitrary and capricious conduct without any rational basis for the deviation.

4 82. The DoT's decision to not require disclosure on the application and to not conduct
5 background checks of persons owning less than 5% prior to award of a conditional license is an
6 impermissible deviation from the mandatory language of BQ2, which mandated "a background check
7 of each prospective owner, officer, and board member of a marijuana establishment license applicant."
8 NRS 453D.200(6).
9

10 83. The argument that the requirement for each owner to comply with the application
11 process and background investigation is "unreasonably impracticable" is misplaced. The limitation of
12 unreasonably impracticable applied only to the Regulations not to the language and compliance with
13 BQ2 itself.

14 84. Under the circumstances presented here, the Court concludes that certain of the
15 Regulations created by the DoT are unreasonable, inconsistent with BQ2 and outside of any discretion
16 permitted to the DoT.
17

18 85. The DoT acted beyond its scope of authority when it arbitrarily and capriciously
19 replaced the mandatory requirement of BQ2, for the background check of each prospective owner,
20 officer and board member with the 5% or greater standard in NAC 453.255(1). This decision by the
21 DoT was not one they were permitted to make as it resulted in a modification of BQ2 in violation of
22 Article 19, Section 2(3) of the Nevada Constitution.
23

24 86. As Plaintiffs have shown that the DoT clearly violated NRS Chapter 453D, the claims
25 for declaratory relief, petition for writ of prohibition, and any other related claims is likely to succeed
26 on the merits.

27 87. The balance of equities weighs in favor of Plaintiffs.
28

1 88. "[N]o restraining order or preliminary injunction shall issue except upon the giving of
2 adequate security by the applicant, in such sum as the court deems proper, for the payment of such
3 costs and damages as may be incurred or suffered by any party who is found to be wrongfully enjoined
4 or restrained." NRCP 65(d).

5 89. The DoT stands to suffer no appreciable losses and will suffer only minimal harm as a
6 result of an injunction.

7 90. Therefore, a security bond already ordered in the amount of \$400,000 is sufficient for
8 the issuance of this injunctive relief.¹⁸

9 91. If any conclusions of law are properly findings of fact, they shall be treated as if
10 appropriately identified and designated.

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27 ¹⁸ As discussed during the preliminary injunction hearing, the Court sets a separate evidentiary hearing on whether to
28 increase the amount of this bond. That hearing is set for August 29, 2019, at 9:00 a.m.

ORDER

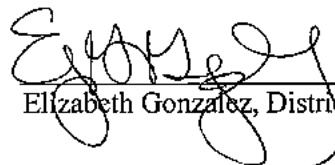
IT IS HEREBY ADJUDGED ORDERED AND DECREED that Plaintiffs' Motions for Preliminary Injunction are granted in part.

The State is enjoined from conducting a final inspection of any of the conditional licenses issued in or about December 2018 who did not provide the identification of each prospective owner, officer and board member as required by NRS 453D.200(6) pending a trial on the merits.¹⁹

The issue of whether to increase the existing bond is set for hearing on August 29, 2019, at 9:00 am.

The parties in A786962 and A787004 are to appear for a Rule 16 conference September 9, 2019, at 9:00 am and submit their respective plans for discovery on an expedited schedule by noon on September 6, 2019.

DATED this 23rd day of August 2019.

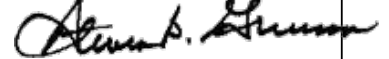

Elizabeth Gonzalez, District Court Judge

Certificate of Service

I hereby certify that on the date filed, this Order was electronically served, pursuant to N.E.F.C.R. Rule 9, to all registered parties in the Eighth Judicial District Court Electronic Filing Program.


Dan Kutinac

¹⁹ As Court Exhibit 3 is a post-hearing submission by the DoT, the parties may file objections and/or briefs related to this issue. Any issues related to the inclusion or exclusion from this group will be heard August 29, 2019, at 9:00 am.



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Integral Associates LLC d/b/a Essence Cannabis Dispensaries,
Essence Tropicana, LLC, Essence Henderson, LLC*

DISTRICT COURT

CLARK COUNTY, NEVADA

SERENITY WELLNESS CENTER, LLC, a
Nevada limited liability company, TGIG, LLC,
a Nevada limited liability company, NULEAF
INCLINE DISPENSARY, LLC, a Nevada
limited liability company, NEVADA
HOLISTIC MEDICINE, LLC, a Nevada
limited liability company, TRYKE
COMPANIES SO NV, LLC, a Nevada limited
liability company, TRYKE COMPANIES
RENO, LLC, a Nevada limited liability
company, PARADISE WELLNESS CENTER,
LLC, a Nevada limited liability company, GBS
NEVADA PARTNERS, LLC, a Nevada
limited liability company, FIDELIS
HOLDINGS, LLC, a Nevada limited liability
company, GRAVITAS NEVADA, LLC, a
Nevada limited liability company, NEVADA
PURE, LLC, a Nevada limited liability
company, MEDIFARM, LLC, a Nevada limited
liability company, DOE PLAINTIFFS I
through X; and ROE ENTITY PLAINTIFFS I
through X,

Plaintiffs,

vs.

THE STATE OF NEVADA, DEPARTMENT
OF TAXATION,

Defendants.

INTEGRAL ASSOCIATES LLC d/b/a
ESSENCE CANNABIS DISPENSARIES, a
Nevada limited liability company; ESSENCE

Case No.: A-19-786962-B

Dept. No.: XI

NOTICE OF ENTRY

1 TROPICANA, LLC, a Nevada limited liability
2 company; ESSENCE HENDERSON, LLC, a
3 Nevada limited liability company; CPCM
4 HOLDINGS, LLC d/b/a THRIVE CANNABIS
MEDICAL, LLC, a Nevada limited liability
company; and CHEYENNE MEDICAL, LLC,
a Nevada limited liability company,

5 Defendants in Intervention.

6
7 PLEASE TAKE NOTICE that a "Findings of Fact and Conclusions of Law Granting
8 Preliminary Injunction" was entered in the above-captioned matter on August 23, 2019, a true and
9 correct copy of which is attached hereto.

10 DATED this 28th day of August, 2019.

11 PISANELLI BICE PLLC

12 By: /s/ Todd L. Bice

13 James J. Pisanelli, Esq., Bar No. 4027
14 Todd L. Bice, Esq., Bar No. 4534
15 Jordan T. Smith, Esq., Bar No. 12097
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101

16 *Attorneys for Defendants in Intervention,*
17 *Integral Associates LLC d/b/a Essence Cannabis*
18 *Dispensaries, Essence Tropicana, LLC, Essence*
19 *Henderson, LLC*
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of Pisanelli Bice PLLC, and that on this 28th day of August, 2019, I caused to be served via the Court's e-filing/e-service system true and correct copies of the above **NOTICE OF ENTRY** to all parties listed on the Court's Master Service List.

/s/ Shannon Dinkel
An employee of Pisanelli Bice PLLC

Steven D. Grierson

1 FFCL

2
3
4 DISTRICT COURT

5 CLARK COUNTY, NEVADA

6 SERENITY WELLNESS CENTER, LLC, a
7 Nevada limited liability company, TGIG, LLC,
8 a Nevada limited liability company, NULEAF
9 INCLINE DISPENSARY, LLC, a Nevada
10 limited liability company, NEVADA
11 HOLISTIC MEDICINE, LLC, a Nevada limited
12 liability company, TRYKE COMPANIES SO
13 NV, LLC, a Nevada limited liability company,
14 TRYKE COMPANIES RENO, LLC, a Nevada
15 limited liability company, PARADISE
16 WELLNESS CENTER, LLC, a Nevada limited
17 liability company, GBS NEVADA PARTNERS,
18 LLC, a Nevada limited liability company,
19 FIDELIS HOLDINGS, LLC, a Nevada limited
20 liability company, GRAVITAS NEVADA,
21 LLC, a Nevada limited liability company,
22 NEVADA PURE, LLC, a Nevada limited
23 liability company, MEDIFARM, LLC, a Nevada
24 limited liability company, DOE PLAINTIFFS I
25 through X; and ROE ENTITY PLAINTIFFS I
26 through X,

27 Plaintiff(s),

28 vs.

THE STATE OF NEVADA, DEPARTMENT
OF TAXATION,

Defendant(s).

and

NEVADA ORGANIC REMEDIES, LLC;
INTEGRAL ASSOCIATES LLC d/b/a
ESSENCE CANNABIS DISPENSARIES, a
Nevada limited liability company; ESSENCE
TROPICANA, LLC, a Nevada limited liability
company; ESSENCE HENDERSON, LLC, a
Nevada limited liability company; CPCM
HOLDINGS, LLC d/b/a THRIVE CANNABIS
MARKETPLACE, COMMERCE PARK
MEDICAL, LLC, a Nevada limited liability
company; and CHEYENNE MEDICAL, LLC, a
Nevada limited liability company; LONE
MOUNTAIN PARTNERS, LLC, a Nevada

Case No. A-19-786962-B
Dept. No. 11

FINDINGS OF FACT AND
CONCLUSIONS OF LAW GRANTING
PRELIMINARY INJUNCTION

CLERK OF THE COURT
AUG 23 2019
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1 limited liability partnership; HELPING HANDS
2 WELLNESS CENTER, INC., a Nevada
3 corporation; GREENMART OF NEVADA
4 NLV LLC, a Nevada limited liability company;
5 and CLEAR RIVER, LLC,

6
7 Intervenor.

8 This matter having come before the Court for an evidentiary hearing on Plaintiffs' Motion for
9 Preliminary Injunction beginning on May 24, 2019, and occurring day to day thereafter until its
10 completion on August 16, 2019;¹ Dominic P. Gentile, Esq., Vincent Savarese III, Esq., Michael V.
11 Cristalli, Esq., and Ross J. Miller, Esq., of the law firm Gentile Cristalli Miller Armeni Savarese,
12 appeared on behalf of Serenity Wellness Center, LLC, TGIG, LLC, Nuleaf Incline Dispensary, LLC,
13 Nevada Holistic Medicine, LLC, Tryke Companies SO NV, LLC, Tryke Companies Reno, LLC,
14 Paradise Wellness Center, LLC, GBS Nevada Partners, LLC, Fidelis Holdings, LLC, Gravitas Nevada,
15 LLC, Nevada Pure, LLC, Medifarm, LLC (Case No. A786962-B) (the "Serenity Plaintiffs"); Adam K.
16 Bult, Esq. and Maximilien D. Fetaz, Esq., of the law firm Brownstein Hyatt Farber Schreck, LLP,
17 appeared on behalf of Plaintiffs ETW Management Group LLC, Global Harmony LLC, Green Leaf
18 Farms Holdings LLC, Green Therapeutics LLC, Herbal Choice INC., Just Quality, LLC, Libra
19 Wellness Center, LLC, Rombough Real Estate Inc. dba Mother Herb, NevCann LLC, Red Earth LLC,
20 THC Nevada LLC, Zion Gardens LLC, and MMOF Vegas Retail, Inc. (Case No. A787004-B) (the
21 "ETW Plaintiffs"); William S. Kemp, Esq. and Nathaniel R. Rulis, Esq., of the law firm Kemp, Jones
22 & Coulthard LLP, appeared on behalf of MM Development Company, Inc. and LivFree Wellness LLC
23 (Case No. A785818-W) (the "MM Plaintiffs"); Theodore Parker III, Esq., of the law firm Parker
24 Nelson & Associates, appeared on behalf of Nevada Wellness Center (Case No. A787540-W)
25 (collectively the "Plaintiffs"); Steven G. Shevorski, Esq., Ketan D. Bhirud, Esq., and Theresa M. Haar,
26 Esq., of the Office of the Nevada Attorney General, appeared on behalf of the State of Nevada,
27 Department of Taxation; David R. Koch, Esq., of the law firm Koch & Scow LLC, appeared on behalf
28

¹ Although a preservation order was entered on December 13, 2018, in A785818, no discovery in any case was done prior to the commencement of the evidentiary hearing, in part due to procedural issues and to statutory restrictions on disclosure of certain information modified by SB 32 just a few days before the commencement of the hearing. As a result, the hearing was much longer than anticipated by any of the participating counsel. In compliance with SB 32, the State produced previously confidential information on May 21, 2019. These documents were reviewed for confidentiality by the Defendants in Intervention and certain redactions were made prior to production consistent with the protective order entered on May 24, 2019.

1 of Nevada Organic Remedies, LLC; Brigid M. Higgins, Esq. and Rusty Graf, Esq., of the law firm
2 Black & Lobello, appeared on behalf of Clear River, LLC; Eric D. Hone, Esq., of the law firm H1 Law
3 Group, appeared on behalf of Lone Mountain Partners, LLC; Alina M. Shell, Esq., of the law firm
4 McLetchie Law, appeared on behalf of GreenMart of Nevada NLV LLC; Jared Kahn, Esq., of the law
5 firm JK Legal & Consulting, LLC, appeared on behalf of Helping Hands Wellness Center, Inc.; and
6 Joseph A. Gutierrez, Esq., of the law firm Maier Gutierrez & Associates, and Philip M. Hymanson,
7 Esq., of the law firm Hymanson & Hymanson; Todd Bice, Esq. and Jordan T. Smith, Esq. of the law
8 firm Pisanelli Bice; and Dennis Prince, Esq. of the Prince Law Group appeared on behalf of Integral
9 Associates LLC d/b/a Essence Cannabis Dispensaries, Essence Tropicana, LLC, Essence Henderson,
10 LLC, CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace, Commerce Park Medical, LLC, and
11 Cheyenne Medical, LLC (the "Essence/Thrive Entities"). The Court, having read and considered the
12 pleadings filed by the parties; having reviewed the evidence admitted during the evidentiary hearing;
13 and having heard and carefully considered the testimony of the witnesses called to testify; having
14 considered the oral and written arguments of counsel, and with the intent of deciding the Motion for a
15 Preliminary Injunction,² makes the following preliminary findings of fact and conclusions of law:

16 ***PROCEDURAL POSTURE***

17 Plaintiffs are a group of unrelated commercial entities who applied for, but did not receive,
18 licenses to operate retail recreational marijuana establishments in various local jurisdictions throughout
19 the state. Defendant is Nevada's Department of Taxation ("DoT"), which is the administrative agency
20 responsible for issuing the licenses. Some successful applicants for licensure intervened as Defendants.

21 The Serenity Plaintiffs filed a Motion for Preliminary Injunction on March 19, 2019, asking for
22 a preliminary injunction to:

- 23 a. Enjoin the denial of Plaintiffs applications;
24 b. Enjoin the enforcement of the licenses granted;
25 c. Enjoin the enforcement and implementation of NAC 453D;

26
27 ² The findings made in this Order are preliminary in nature based upon the limited evidence presented after very
28 limited discovery permitted on an expedited basis and may be modified based upon additional evidence presented to the
Court at the ultimate trial of the business court matters.

- 1 d. An order restoring the *status quo ante* prior to the DoT's adoption of NAC 453D;
2 and
3 e. Several orders compelling discovery.

4 This Court reviewed the Serenity Plaintiffs' Motion for Preliminary Injunction and at a hearing on
5 April 22, 2019, invited Plaintiffs in related cases, not assigned to Business Court, to participate in the
6 evidentiary hearing on the Motion for Preliminary Injunction being heard in Department 11 for the
7 purposes of hearing and deciding the Motions for Preliminary Injunction.³

8 **PRELIMINARY STATEMENT**

9 The Attorney General's Office was forced to deal with a significant impediment at the early
10 stages of the litigation. This inability to disclose certain information was outside of its control because
11 of confidentiality requirements that have now been slightly modified by SB 32. Although the parties
12 stipulated to a protective order on May 24, 2019, many documents produced in preparation for the
13 hearing and for discovery purposes were heavily redacted because of the highly competitive nature of
14 the industry and sensitive financial and commercial information being produced.

15 All parties agree that the language of an initiative takes precedence over any regulation that is in
16 conflict and that an administrative agency has some discretion in determining how to implement the
17 initiative. The Court gives deference to the agency in establishing those regulations and creating the
18 framework required to implement those provisions in conformity with the initiative.

19
20
21 ³ The complaints filed by the parties participating in the hearing seek declaratory relief, injunctive relief and writs of
22 mandate, among other claims. The motions and joinders seeking injunctive relief which have been reviewed by the Court in
conjunction with this hearing include:

23 A786962-B Serenity: Serenity Plaintiffs' Motion for Preliminary Injunction filed 3/19/19 (Joinder to Motion by
24 Compassionate Team: 5/17; Joinder to Motion by ETW: 5/6 (filed in A787004); and Joinder to Motion by Nevada
25 Wellness: 5/10 (filed in A787540)); Opposition by the State filed 5/9/19 (Joinder by Essence/Thrive Entities: 5/23);
26 Opposition by Nevada Organic Remedies: 5/9 (Joinder by Lone Mountain: 5/13; Joinder by Helping Hands: 5/21; and
Joinder by Essence/Thrive Entities: 5/23). Application for TRO on OST filed 5/9/19 (Joinder by Compassionate Team:
5/17; and Joinder by ETW: 5/10 (filed in A787004)); Opposition by Nevada Organic Remedies: 5/9 (Joinder by Clear River:
5/9); Opposition by Essence/Thrive Entities: 5/10 (Joinder by GreenMart: 5/10; Joinder by Lone Mountain: 5/11; and
Joinder by helping Hands: 5/12).

27 A785818-W MM Development: MM Plaintiffs' Motion for Preliminary Injunction or Writ of Mandamus filed 5/9/19
28 (Joinder by Serenity: 5/20 (filed in A786962); Joinder by ETW: 5/6 (filed in A787004 and A785818); and Joinder by
Nevada Wellness: 5/10 (filed in A787540)).

1 The initiative to legalize recreational marijuana, Ballot Question 2 ("BQ2"), went to the voters
2 in 2016. The language of BQ2 is independent of any regulations that were adopted by the DoT. The
3 Court must balance the mandatory provisions of BQ2 (which the DoT did not have discretion to
4 modify);⁴ those provisions with which the DoT was granted some discretion in implementation;⁵ and
5 the inherent discretion of an administrative agency to implement regulations to carry out its statutory
6 duties. The Court must give great deference to those activities that fall within the discretionary
7 functions of the agency. Deference is not given where the actions of the DoT were in violation of BQ2
8 or were arbitrary and capricious.

9 FINDINGS OF FACT

10 1. Nevada allows voters to amend its Constitution or enact legislation through the initiative
11 process. Nevada Constitution, Article 19, Section 2.

12 ⁴ Article 19, Section 2(3) provides the touchstone for the mandatory provisions:

13 An initiative measure so approved by the voters shall not be amended, annulled, repealed, set aside or
14 suspended by the Legislature within 3 years from the date it takes effect.

15 ⁵ NRS 453D.200(1) required the adoption of regulations for the licensure and oversight of recreational marijuana
16 cultivation, manufacturing/production, sales and distribution, but provides the DoT discretion in exactly what those
17 regulations would include.

18 . . . the Department shall adopt all regulations necessary or convenient to carry out the provisions of this chapter.
19 The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations
20 that make their operation unreasonably impracticable. The regulations shall include:

21 (a) Procedures for the issuance, renewal, suspension, and revocation of a license to operate a marijuana
22 establishment;

23 (b) Qualifications for licensure that are directly and demonstrably related to the operation of a marijuana
24 establishment;

25 (c) Requirements for the security of marijuana establishments;

26 (d) Requirements to prevent the sale or diversion of marijuana and marijuana products to persons under 21
27 years of age;

28 (e) Requirements for the packaging of marijuana and marijuana products, including requirements for child-
resistant packaging;

(f) Requirements for the testing and labeling of marijuana and marijuana products sold by marijuana
establishments including a numerical indication of potency based on the ratio of THC to the weight of a product
intended for oral consumption;

(g) Requirements for record keeping by marijuana establishments;

(h) Reasonable restrictions on signage, marketing, display, and advertising;

(i) Procedures for the collection of taxes, fees, and penalties imposed by this chapter;

(j) Procedures and requirements to enable the transfer of a license for a marijuana establishment to another
qualified person and to enable a licensee to move the location of its establishment to another suitable location;

(k) Procedures and requirements to enable a dual licensee to operate medical marijuana establishments and
marijuana establishments at the same location;

(l) Procedures to establish the fair market value at wholesale of marijuana; and

(m) Civil penalties for the failure to comply with any regulation adopted pursuant to this section or for any
violation of the provisions of NRS 453D.300.

1 2. In 2000, the voters amended Nevada's Constitution to allow for the possession and use
2 of marijuana to treat various medical conditions. Nevada Constitution, Article 4, Section 38(1)(a). The
3 initiative left it to the Legislature to create laws "[a]uthoriz[ing] appropriate methods for supply of the
4 plant to patients authorized to use it." Nevada Constitution, Article 4, Section 38(1)(e).

5 3. For several years prior to the enactment of BQ2, the regulation of medical marijuana
6 dispensaries had not been taken up by the Legislature. Some have argued in these proceedings that the
7 delay led to the framework of BQ2.

8 4. In 2013, Nevada's legislature enacted NRS 453A, which allows for the cultivation and
9 sale of medical marijuana. The Legislature described the requirements for the application to open a
10 medical marijuana establishment. NRS 453A.322. The Nevada Legislature then charged the Division of
11 Public and Behavioral Health with evaluating the applications. NRS 453A.328.

12 5. The materials circulated to voters in 2016 for BQ2 described its purpose as the
13 amendment of the Nevada Revised Statutes as follows:
14

15 Shall the *Nevada Revised Statutes* be amended to allow a person, 21 years old or older, to
16 purchase, cultivate, possess, or consume a certain amount of marijuana or concentrated
17 marijuana, as well as manufacture, possess, use, transport, purchase, distribute, or sell marijuana
18 paraphernalia; impose a 15 percent excise tax on wholesale sales of marijuana; require the
19 regulation and licensing of marijuana cultivators, testing facilities, distributors, suppliers, and
20 retailers; and provide for certain criminal penalties?

21 6. BQ2 was enacted by the Nevada Legislature and is codified at NRS 453D.⁶

22 7. BQ2 specifically identified regulatory and public safety concerns:

23 The People of the State of Nevada proclaim that marijuana should be regulated in a manner
24 similar to alcohol so that:

25 (a) Marijuana may only be purchased from a business that is licensed by the State of
26 Nevada;

27 (b) Business owners are subject to a review by the State of Nevada to confirm that the
28 business owners and the business location are suitable to produce or sell marijuana;

 (c) Cultivating, manufacturing, testing, transporting and selling marijuana will be strictly
controlled through State licensing and regulation;

⁶ As the provisions of BQ2 and the sections NRS 453D currently in effect (with the exception of NRS 453D.205) are identical, for ease of reference the Court cites to BQ2 as enacted by the Nevada Legislature in NRS 453D.

- (d) Selling or giving marijuana to persons under 21 years of age shall remain illegal;
- (e) Individuals will have to be 21 years of age or older to purchase marijuana;
- (f) Driving under the influence of marijuana will remain illegal; and
- (g) Marijuana sold in the State will be tested and labeled.

NRS 453D.020(3).

8. BQ2 mandated the DoT to “conduct a background check of each prospective owner, officer, and board member of a marijuana establishment license applicant.” NRS 453D.200(6).

9. On November 8, 2016, by Executive Order 2017-02, Governor Brian Sandoval established a Task Force composed of 19 members to offer suggestions and proposals for legislative, regulatory, and executive actions to be taken in implementing BQ2.

10. The Task Force’s findings, issued on May 30, 2017, referenced the 2014 licensing process for issuing Medical Marijuana Establishment Registration Certificates under NRS 453A. The Task Force recommended that “the qualifications for licensure of a marijuana establishment and the impartial numerically scored bidding process for retail marijuana stores be maintained as in the medical marijuana program except for a change in how local jurisdictions participate in selection of locations.”

11. Some of the Task Force’s recommendations appear to conflict with BQ2.⁷

⁷ The Final Task Force report (Exhibit 2009) contained the following statements:

The Task Force recommends that retail marijuana ownership interest requirements remain consistent with the medical marijuana program. . . .
at 2510.

The requirement identified by the Task Force at the time was contained in NAC 453A.302(1) which states:

Except as otherwise required in subsection 2, the requirements of this chapter concerning owners of medical marijuana establishments only apply to a person with an aggregate ownership interest of 5 percent or more in a medical marijuana establishment.

The second recommendation of concern is:

The Task Force recommends that NRS 453A be changed to address companies that own marijuana establishment licenses in which there are owners with less than 5% ownership interest in the company. The statute should be amended to:

*Limit fingerprinting, background checks and renewal of agent cards to owners officers and board members with 5% or less cumulatively of the company to once every five years;

*Only require owners officers and board members with 5% or more cumulatively and employees of the company to obtain agent registration cards; and

12. During the 2017 legislative session Assembly Bill 422 transferred responsibility for the registration, licensing, and regulation of marijuana establishments from the State of Nevada Division of Public and Behavioral Health to the DoT.⁸

13. On February 27, 2018, the DoT adopted regulations governing the issuance, suspension, or revocation of retail recreational marijuana licenses in LCB File No. R092-17, which were codified in NAC 453D (the "Regulations").

14. The Regulations for licensing were to be "directly and demonstrably related to the operation of a marijuana establishment." NRS 453D.200(1)(b). The phrase "directly and demonstrably related to the operation of a marijuana establishment" is subject to more than one interpretation.

*Use the marijuana establishments governing documents to determine who has approval rights and signatory authority for purposes of signing ownership transfers, applications and any other appropriate legal or regulatory documents.

There was Task Force dissent on the recommendation. The concern with this recommendation was that by changing the requirements on fingerprinting and background checks, the state would have less knowledge of when an owner, officer, and board member commits an offense not allowed under current marijuana law, potentially creating a less safe environment in the state.

at 2515-2516.

⁸

Those provisions (a portion of which became NRS 453D.205) are consistent with BQ2:

1. When conducting a background check pursuant to subsection 6 of NRS 453D.200, the Department may require each prospective owner, officer and board member of a marijuana establishment license applicant to submit a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

2. When determining the criminal history of a person pursuant to paragraph (c) of subsection 1 of NRS 453D.300, a marijuana establishment may require the person to submit to the Department a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

1 15. A person holding a medical marijuana establishment registration certificate could apply
2 for one or more recreational marijuana establishment licenses within the time set forth by the DoT in
3 the manner described in the application. NAC 453D.268.⁹
4

5 ⁹ Relevant portions of that provision require that application be made

6 . . . by submitting an application in response to a request for applications issued pursuant to NAC 453D.260 which
7 must include:

8 ***

9 2. An application on a form prescribed by the Department. The application must include, without limitation:

10 (a) Whether the applicant is applying for a license for a marijuana establishment for a marijuana cultivation
11 facility, a marijuana distributor, a marijuana product manufacturing facility, a marijuana testing facility or a retail
12 marijuana store;

13 (b) The name of the proposed marijuana establishment, as reflected in both the medical marijuana establishment
14 registration certificate held by the applicant, if applicable, and the articles of incorporation or other documents filed
15 with the Secretary of State;

16 (c) The type of business organization of the applicant, such as individual, corporation, partnership, limited-liability
17 company, association or cooperative, joint venture or any other business organization;

18 (d) Confirmation that the applicant has registered with the Secretary of State as the appropriate type of business,
19 and the articles of incorporation, articles of organization or partnership or joint venture documents of the applicant;

20 (e) The physical address where the proposed marijuana establishment will be located and the physical address of
21 any co-owned or otherwise affiliated marijuana establishments;

22 (f) The mailing address of the applicant;

23 (g) The telephone number of the applicant;

24 (h) The electronic mail address of the applicant;

25 (i) A signed copy of the Request and Consent to Release Application Form for Marijuana Establishment License
26 prescribed by the Department;

27 (j) If the applicant is applying for a license for a retail marijuana store, the proposed hours of operation during
28 which the retail marijuana store plans to be available to sell marijuana to consumers;

(k) An attestation that the information provided to the Department to apply for the license for a marijuana
establishment is true and correct according to the information known by the affiant at the time of signing; and

(l) The signature of a natural person for the proposed marijuana establishment as described in subsection 1 of NAC
453D.250 and the date on which the person signed the application.

3. Evidence of the amount of taxes paid, or other beneficial financial contributions made, to this State or its
political subdivisions within the last 5 years by the applicant or the persons who are proposed to be owners, officers
or board members of the proposed marijuana establishment.

4. A description of the proposed organizational structure of the proposed marijuana establishment, including,
without limitation:

(a) An organizational chart showing all owners, officers and board members of the proposed marijuana
establishment;

(b) A list of all owners, officers and board members of the proposed marijuana establishment that contains the
following information for each person:

(1) The title of the person;

(2) The race, ethnicity and gender of the person;

(3) A short description of the role in which the person will serve for the organization and his or her
responsibilities;

(4) Whether the person will be designated by the proposed marijuana establishment to provide written notice to
the Department when a marijuana establishment agent is employed by, volunteers at or provides labor as a
marijuana establishment agent at the proposed marijuana establishment;

(5) Whether the person has served or is currently serving as an owner, officer or board member for another
medical marijuana establishment or marijuana establishment;

(6) Whether the person has served as an owner, officer or board member for a medical marijuana establishment
or marijuana establishment that has had its medical marijuana establishment registration certificate or license, as
applicable, revoked;

1 NRS 453D.210(6) mandated the DoT to use "an impartial and numerically scored competitive bidding
2 process" to determine successful applicants where competing applications were submitted.

3 16. NAC 453D.272(1) provides the procedure for when the DoT receives more than one
4 "complete" application. Under this provision the DoT will determine if the "application is complete and

5 (7) Whether the person has previously had a medical marijuana establishment agent registration card or
6 marijuana establishment agent registration card revoked;

7 (8) Whether the person is an attending provider of health care currently providing written documentation for the
8 issuance of registry identification cards or letters of approval;

9 (9) Whether the person is a law enforcement officer;

10 (10) Whether the person is currently an employee or contractor of the Department; and

11 (11) Whether the person has an ownership or financial investment interest in any other medical marijuana
12 establishment or marijuana establishment.

13 5. For each owner, officer and board member of the proposed marijuana establishment:

14 (a) An attestation signed and dated by the owner, officer or board member that he or she has not been convicted of
15 an excluded felony offense, and that the information provided to support the application for a license for a
16 marijuana establishment is true and correct;

17 (b) A narrative description, not to exceed 750 words, demonstrating:

18 (1) Past experience working with governmental agencies and highlighting past experience in giving back to the
19 community through civic or philanthropic involvement;

20 (2) Any previous experience at operating other businesses or nonprofit organizations; and

21 (3) Any demonstrated knowledge, business experience or expertise with respect to marijuana; and

22 (c) A resume.

23 6. Documentation concerning the size of the proposed marijuana establishment, including, without limitation,
24 building and general floor plans with supporting details.

25 7. The integrated plan of the proposed marijuana establishment for the care, quality and safekeeping of marijuana
26 from seed to sale, including, without limitation, a plan for testing and verifying marijuana, a transportation or
27 delivery plan and procedures to ensure adequate security measures, including, without limitation, building security
28 and product security.

8. A plan for the business which includes, without limitation, a description of the inventory control system of the
proposed marijuana establishment to satisfy the requirements of NRS 453D.300 and NAC 453D.426.

9. A financial plan which includes, without limitation:

(a) Financial statements showing the resources of the applicant;

(b) If the applicant is relying on money from an owner, officer or board member, evidence that the person has
unconditionally committed such money to the use of the applicant in the event the Department awards a license to
the applicant and the applicant obtains the necessary approvals from the locality to operate the proposed marijuana
establishment; and

(c) Proof that the applicant has adequate money to cover all expenses and costs of the first year of operation.

10. Evidence that the applicant has a plan to staff, educate and manage the proposed marijuana establishment on a
daily basis, which must include, without limitation:

(a) A detailed budget for the proposed marijuana establishment, including pre-opening, construction and first-year
operating expenses;

(b) An operations manual that demonstrates compliance with this chapter;

(c) An education plan which must include, without limitation, providing educational materials to the staff of the
proposed marijuana establishment; and

(d) A plan to minimize the environmental impact of the proposed marijuana establishment.

11. If the application is submitted on or before November 15, 2018, for a license for a marijuana distributor,
proof that the applicant holds a wholesale dealer license issued pursuant to chapter 369 of NRS, unless the
Department determines that an insufficient number of marijuana distributors will result from this limitation.

12. A response to and information which supports any other criteria the Department determines to be relevant,
which will be specified and requested by the Department at the time the Department issues a request for
applications which includes the point values that will be allocated to the applicable portions of the application
pursuant to subsection 2 of NAC 453D.260.

1 in compliance with this chapter and Chapter 453D of NRS, the Department will rank the applications . .
2 . in order from first to last based on the compliance with the provisions of this chapter and chapter
3 453D of NRS and on the content of the applications relating to . . ." several enumerated factors. NAC
4 453D.272(1).

5 17. The factors set forth in NAC 453D.272(1) that are used to rank competing applications
6 (collectively, the "Factors") are:

- 7 (a) Whether the owners, officers or board members have experience operating another kind
8 of business that has given them experience which is applicable to the operation of a marijuana
9 establishment;
10 (b) The diversity of the owners, officers or board members of the proposed marijuana
11 establishment;
12 (c) The educational achievements of the owners, officers or board members of the proposed
13 marijuana establishment;
14 (d) The financial plan and resources of the applicant, both liquid and illiquid;
15 (e) Whether the applicant has an adequate integrated plan for the care, quality and
16 safekeeping of marijuana from seed to sale;
17 (f) The amount of taxes paid and other beneficial financial contributions, including, without
18 limitation, civic or philanthropic involvement with this State or its political subdivisions, by the
19 applicant or the owners, officers or board members of the proposed marijuana establishment;
20 (g) Whether the owners, officers or board members of the proposed marijuana establishment
21 have direct experience with the operation of a medical marijuana establishment or marijuana
22 establishment in this State and have demonstrated a record of operating such an establishment in
23 compliance with the laws and regulations of this State for an adequate period of time to
24 demonstrate success;
25 (h) The (unspecified) experience of key personnel that the applicant intends to employ in
26 operating the type of marijuana establishment for which the applicant seeks a license; and
27 (i) Any other criteria that the Department determines to be relevant.

28 18. Each of the Factors is within the DoT's discretion in implementing the application
process provided for in BQ2. The DoT had a good-faith basis for determining that each of the Factors
is "directly and demonstrably related to the operation of a marijuana establishment."

19 19. The DoT posted the application on its website and released the application for
20 recreational marijuana establishment licenses on July 6, 2018.¹⁰

21
22
23
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26
27 ¹⁰ The DoT made a change to the application after circulating the first version of the application to delete the
28 requirement of a physical location. The modification resulted in a different version of the application bearing the same
"footer" with the original version remaining available on the DoT's website.

1 20. The DoT utilized a question and answer process through a generic email account at
2 marijuana@tax.state.nv.us to allow applicants to ask questions and receive answers directly from the
3 Department, which were not consistent with NRS 453D, and that information was not further
4 disseminated by the DoT to other applicants.

5 21. In addition to the email question and answer process, the DoT permitted applicants and
6 their representatives to personally contact the DoT staff about the application process.

7 22. The application period ran from September 7, 2018 through September 20, 2018.

8 23. The DoT accepted applications in September 2018 for retail recreational marijuana
9 licenses and announced the award of conditional licenses in December 2018.

10 24. The DoT used a listserv to communicate with prospective applicants.

11 25. The DoT published a revised application on July 30, 2018. This revised application was
12 sent to all participants in the DoT's listserv directory. The revised application modified a sentence on
13 attachment A of the application. Prior to this revision, the sentence had read, "Marijuana
14 Establishment's proposed physical address (this must be a Nevada address and cannot be a P.O. Box)."
15 The revised application on July 30, 2018, read: "Marijuana Establishment's proposed physical address
16 if the applicant owns property or has secured a lease or other property agreement (this must be a
17 Nevada address and not a P.O. Box). Otherwise, the applications are virtually identical.

18 26. The DoT sent a copy of the revised application through the listserv service used by the
19 DoT. Not all Plaintiffs' correct emails were included on this listserv service.

20 27. The July 30, 2018 application, like its predecessor, described how applications were to
21 be scored. The scoring criteria was divided into identified criteria and non-identified criteria. The
22 maximum points that could be awarded to any applicant based on these criteria was 250 points.

23 28. The identified criteria consisted of organizational structure of the applicant (60 points);
24 evidence of taxes paid to the State of Nevada by owners, officers, and board members of the applicant
25
26
27
28

1 in the last 5 years (25 points); a financial plan (30 points); and documents from a financial institution
2 showing unencumbered liquid assets of \$250,000 per location for which an application is submitted.

3 29. The non-identified criteria consisted of documentation concerning the integrated plan of
4 the proposed marijuana establishment for the care, quality and safekeeping of marijuana from seed to
5 sale (40 points); evidence that the applicant has a plan to staff, educate and manage the proposed
6 recreational marijuana establishment on a daily basis (30 points); a plan describing operating
7 procedures for the electronic verification system of the proposed marijuana establishment and
8 describing the proposed establishment's inventory control system (20 points); building plans showing
9 the proposed establishment's adequacy to serve the needs of its customers (20 points); and, a proposal
10 explaining likely impact of the proposed marijuana establishment in the community and how it will
11 meet customer needs (15 points).
12

13 30. An applicant was permitted to submit a single application for all jurisdictions in which it
14 was applying, and the application would be scored at the same time.
15

16 31. By September 20, 2018, the DoT received a total of 462 applications.

17 32. In order to grade and rank the applications the DoT posted notices that it was seeking to
18 hire individuals with specified qualifications necessary to evaluate applications. The DoT interviewed
19 applicants and made decisions on individuals to hire for each position.

20 33. When decisions were made on who to hire, the individuals were notified that they would
21 need to register with "Manpower" under a pre-existing contract between the DoT and that company.
22 Individuals would be paid through Manpower, as their application-grading work would be of a
23 temporary nature.
24

25 34. The DoT identified, hired, and trained eight individuals to grade the applications,
26 including three to grade the identified portions of the applications, three to grade the non-identified
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1 portions of the applications, and one administrative assistant for each group of graders (collectively the
2 “Temporary Employees”).

3 35. It is unclear how the DoT trained the Temporary Employees. While portions of the
4 training materials were introduced into evidence, testimony regarding the oral training based upon
5 example applications was insufficient for the Court to determine the nature and extent of the training of
6 the Temporary Employees.¹¹

7 36. NAC 453D.272(1) required the DoT to determine that an Application is “complete and
8 in compliance” with the provisions of NAC 453D in order to properly apply the licensing criteria set
9 forth therein and the provisions of the Ballot Initiative and the enabling statute.

10 37. When the DoT received applications, it undertook no effort to determine if the
11 applications were in fact “complete and in compliance.”

12 38. In evaluating whether an application was “complete and in compliance” the DoT made
13 no effort to verify owners, officers or board members (except for checking whether a transfer request
14 was made and remained pending before the DoT).

15 39. For purposes of grading the applicant’s organizational structure and diversity, if an
16 applicant’s disclosure in its application of its owners, officers, and board members did not match the
17 DoT’s own records, the DoT did not penalize the applicant. Rather the DoT permitted the grading, and
18 in some cases, awarded a conditional license to an applicant under such circumstances, and dealt with
19 the issue by simply informing the winning applicant that its application would have to be brought into
20 conformity with DoT records.

21 40. The DoT created a Regulation that modified the mandatory BQ2 provision “[t]he
22 Department shall conduct a background check of each prospective owner, officer, and board member of
23 a marijuana establishment license applicant” and determined it would only require information on the
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28 ¹¹ Given the factual issues related to the grading raised by MM and LivFree, these issues may be subject to additional
evidentiary proceedings in the assigned department.

1 application from persons “with an aggregate ownership interest of 5 percent or more in a marijuana
2 establishment.” NAC 453D.255(1).

3 41. NRS 453D.200(6) provides that “[t]he DoT shall conduct a background check of each
4 prospective owner, officer, and board member of a marijuana establishment license applicant.” The
5 DoT departed from this mandatory language in NAC 453D.255(1) and made no attempt in the
6 application process to verify that the applicant’s complied with the mandatory language of the BQ2 or
7 even the impermissibly modified language.

8 42. The DoT made the determination that it was not reasonable to require industry to
9 provide every owner of a prospective licensee. The DOT’s determination that only owners of a 5% or
10 greater interest in the business were required to submit information on the application was not a
11 permissible regulatory modification of BQ2. This determination violated Article 19, Section 3 of the
12 Nevada Constitution. The determination was not based on a rational basis.

13 43. The limitation of “unreasonably impracticable” in BQ2¹² does not apply to the
14 mandatory language of BQ2, but to the Regulations which the DoT adopted.

15 44. The adoption of NAC 453D.255(1), as it applies to the application process is an
16 unconstitutional modification of BQ2.¹³ The failure of the DoT to carry out the mandatory provisions
17 of NRS 453D.200(6) is fatal to the application process.¹⁴ The DoT’s decision to adopt regulations in
18 direct violation of BQ2’s mandatory application requirements is violative of Article 19, Section 2(3) of
19 the Nevada Constitution.
20
21

22 ¹² NRS 453D.200(1) provides in part:

23 The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations
24 that make their operation unreasonably impracticable.

25 ¹³ For administrative and regulatory proceedings other than the application, the limitation of 5% or greater ownership
26 appears within the DoT’s discretion.

27 ¹⁴ That provision states:

28 6. The Department shall conduct a background check of each prospective owner, officer, and board member of a
marijuana establishment license applicant.

1 45. Given the lack of a robust investigative process for applicants, the requirement of the
2 background check for each prospective owner, officer, and board member as part of the application
3 process impedes an important public safety goal in BQ2.

4 46. Without any consideration as to the voters mandate in BQ2, the DoT determined that
5 requiring each prospective owner be subject to a background check was too difficult for
6 implementation by industry. This decision was a violation of the Nevada Constitution, an abuse of
7 discretion, and arbitrary and capricious.

8 47. The DoT did not comply with BQ2 by requiring applicants to provide information for
9 each prospective owner, officer and board member or verify the ownership of applicants applying for
10 retail recreational marijuana licenses. Instead the DoT issued conditional licenses to applicants who
11 did not identify each prospective owner, officer and board member.¹⁵

12 48. The DoT's late decision to delete the physical address requirement on some application
13 forms while not modifying those portions of the application that were dependent on a physical location
14 (i.e. floor plan, community impact, security plan, and the sink locations) after the repeated
15 communications by an applicant's agent; not effectively communicating the revision; and, leaving the
16 original version of the application on the website, is evidence of conduct that is a serious issue.

17 49. Pursuant to NAC 453D.295, the winning applicants received a conditional license that
18 will not be finalized unless within twelve months of December 5, 2018, the licensees receive a final
19 inspection of their marijuana establishment.
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25 ¹⁵ Some applicants apparently provided the required information for each prospective owner, officer and board
26 member. Accepting as truthful these applicants' attestations regarding who their owners, officers, and board members were
27 at the time of the application, these applications were complete at the time they were filed with reference to NRS
28 453D.200(6). These entities are Green Therapeutics LLC, Eureka NewGen Farms LLC, Circle S Farms LLC, Deep Roots
Medical LLC, Pure Tonic Concentrates LLC, Wellness Connection of Nevada LLC, Polaris Wellness Center LLC, and
TRNVP098 LLC, Clear River LLC, Cheyenne Medical LLC, Essence Tropicana LLC, Essence Henderson LLC, and
Commerce Park Medical LLC. See Court Exhibit 3 (post-hearing submission by the DoT).

50. The few instances of clear mistakes made by the Temporary Employees admitted in evidence do not, in and of themselves, result in an unfair process as human error occurs in every process.

51. Nothing in NRS 453D or NAC 453D provides for any right to an appeal or review of a decision denying an application for a retail recreational marijuana license.

52. There are an extremely limited number of licenses available for the sale of recreational marijuana.

53. The number of licenses available was set by BQ2 and is contained in NRS 453D.210(5)(d).

54. Since the Court does not have authority to order additional licenses in particular jurisdictions, and because there are a limited number of licenses that are available in certain jurisdictions, injunctive relief is necessary to permit the Plaintiffs, if successful in the NRS 453D.210(6) process, to actually obtaining a license, if ultimately successful in this litigation.

55. The secondary market for the transfer of licenses is limited.¹⁶

56. If any findings of fact are properly conclusions of law, they shall be treated as if appropriately identified and designated.

CONCLUSIONS OF LAW

57. "Any person...whose rights, status or other legal relations are affected by a statute, municipal ordinance, contract or franchise, may have determined any question of construction or validity arising under the instrument, statute, ordinance, contract or franchise and obtain a declaration of rights, status or other legal relations thereunder." NRS 30.040.

58. A justiciable controversy is required to exist prior to an award of declaratory relief. *Doe v. Bryan*, 102 Nev. 523, 525, 728 P.2d 443, 444 (1986).

¹⁶ The testimony elicited during the evidentiary hearing established that multiple changes in ownership have occurred since the applications were filed. Given this testimony, simply updating the applications previously filed would not comply with BO2.

1 59. NRS 33.010 governs cases in which an injunction may be granted. The applicant must
2 show (1) a likelihood of success on the merits; and (2) a reasonable probability that the non-moving
3 party's conduct, if allowed to continue, will cause irreparable harm for which compensatory damage is
4 an inadequate remedy.

5 60. Plaintiffs have the burden to demonstrate that the DoT's conduct, if allowed to continue,
6 will result in irreparable harm for which compensatory damages is an inadequate remedy.

7 61. The purpose of a preliminary injunction is to preserve the *status quo* until the matter can
8 be litigated on the merits.
9

10 62. In *City of Sparks v. Sparks Mun. Court*, the Supreme Court explained, "[a]s a
11 constitutional violation may be difficult or impossible to remedy through money damages, such a
12 violation may, by itself, be sufficient to constitute irreparable harm." 129 Nev. 348, 357, 302 P.3d
13 1118, 1124 (2013).

14 63. Article 19, Section 2 of the Constitution of the State of Nevada provides, in pertinent
15 part:
16

17 "1. Notwithstanding the provisions of section 1 of article 4 of this constitution, but subject to the
18 limitations of section 6 of this article, **the people reserve to themselves the power to propose,**
19 **by initiative petition, statutes and amendments to statutes and amendments to this**
20 **constitution, and to enact or reject them at the polls.**

21 ...

22 3. If the initiative petition proposes a statute or an amendment to a statute, the person who
23 intends to circulate it shall file a copy with the secretary of state before beginning circulation
24 and not earlier than January 1 of the year preceding the year in which a regular session of the
25 legislature is held. After its circulation, it shall be filed with the secretary of state not less than
26 30 days prior to any regular session of the legislature. The circulation of the petition shall cease
27 on the day the petition is filed with the secretary of state or such other date as may be prescribed
28 for the verification of the number of signatures affixed to the petition, whichever is earliest. The
secretary of state shall transmit such petition to the legislature as soon as the legislature
convenes and organizes. The petition shall take precedence over all other measures except
appropriation bills, and the statute or amendment to a statute proposed thereby shall be enacted
or rejected by the legislature without change or amendment within 40 days. If the proposed
statute or amendment to a statute is enacted by the legislature and approved by the governor in
the same manner as other statutes are enacted, such statute or amendment to a statute shall
become law, but shall be subject to referendum petition as provided in section 1 of this article.

1 If the statute or amendment to a statute is rejected by the legislature, or if no action is taken
2 thereon within 40 days, the secretary of state shall submit the question of approval or
3 disapproval of such statute or amendment to a statute to a vote of the voters at the next
4 succeeding general election. If a majority of the voters voting on such question at such election
5 votes approval of such statute or amendment to a statute, it shall become law and take effect
6 upon completion of the canvass of votes by the supreme court. **An initiative measure so**
7 **approved by the voters shall not be amended, annulled, repealed, set aside or suspended**
8 **by the legislature within 3 years from the date it takes effect.”**

9 (Emphasis added.)

10 64. The Nevada Supreme Court has recognized that “[i]nitiative petitions must be kept
11 substantively intact; otherwise, the people’s voice would be obstructed. . . [I]nitiative legislation is not
12 subject to judicial tampering-the substance of an initiative petition should reflect the unadulterated will
13 of the people and should proceed, if at all, as originally proposed and signed. For this reason, our
14 constitution prevents the Legislature from changing or amending a proposed initiative petition that is
15 under consideration.” Rogers v. Heller, 117 Nev. 169, 178, 18 P.3d 1034,1039–40 (2001).

16 65. BQ2 provides, “the Department shall adopt all regulations necessary or convenient to
17 carry out the provisions of this chapter.” NRS 453D.200(1). This language does not confer upon the
18 DoT unfettered or unbridled authority to do whatever it wishes without constraint. The DoT was not
19 delegated the power to legislate amendments because this is initiative legislation. The Legislature itself
20 has no such authority with regard to NRS 453D until three years after its enactment under the
21 prohibition of Article 19, Section 2 of the Constitution of the State of Nevada.

22 66. Where, as here, amendment of a voter-initiated law is temporally precluded from
23 amendment for three years, the administrative agency may not modify the law.

24 67. NRS 453D.200(1) provides that “the Department shall adopt all regulations necessary or
25 convenient to carry out the provisions of this chapter.” The Court finds that the words “necessary or
26 convenient” are susceptible to at least two reasonable interpretations. This limitation applies only to
27 Regulations adopted by the DoT.
28

1 68. While the category of diversity is not specifically included in the language of BQ2, the
2 evidence presented in the hearing demonstrates that a rational basis existed for the inclusion of this
3 category in the Factors and the application.

4 69. The DoT's inclusion of the diversity category was implemented in a way that created a
5 process which was partial and subject to manipulation by applicants.

6 70. The DoT staff provided various applicants with different information as to what would
7 be utilized from this category and whether it would be used merely as a tiebreaker or as a substantive
8 category.
9

10 71. Based upon the evidence adduced, the Court finds that the DoT selectively discussed
11 with applicants or their agents the modification of the application related to physical address
12 information.

13 72. The process was impacted by personal relationships in decisions related to the
14 requirements of the application and the ownership structures of competing applicants. This in and of
15 itself is insufficient to void the process as urged by some of the Plaintiffs.
16

17 73. The DoT disseminated various versions of the 2018 Retail Marijuana Application, one
18 of which was published on the DoT's website and required the applicant to provide an actual physical
19 Nevada address for the proposed marijuana establishment, and not a P.O. Box, (*see Exhibit 5*), whereas
20 an alternative version of the DoT's application form, which was not made publicly available and was
21 distributed to some, but not all, of the applicants via a DoT listserv service, deleted the requirement that
22 applicants disclose an actual physical address for their proposed marijuana establishment. *See Exhibit*
23 *5A.*
24

25 74. The applicants were applying for conditional licensure, which would last for 1 year.
26 NAC 453D.282. The license was conditional based on the applicant's gaining approval from local
27
28

1 authorities on zoning and land use, the issuance of a business license, and the Department of Taxation
2 inspections of the marijuana establishment.

3 75. The DoT has only awarded conditional licenses which are subject to local government
4 approval related to zoning and planning and may approve a location change of an existing license, the
5 public safety aspects of the failure to require an actual physical address can be cured prior to the award
6 of a final license.

7 76. By selectively eliminating the requirement to disclose an actual physical address for
8 each and every proposed retail recreational marijuana establishment, the DoT limited the ability of the
9 Temporary Employees to adequately assess graded criteria such as (i) prohibited proximity to schools
10 and certain other public facilities, (ii) impact on the community, (iii) security, (iv) building plans, and
11 (v) other material considerations prescribed by the Regulations.

12 77. The hiring of Temporary Employees was well within the DoT's discretionary power.

13 78. The evidence establishes that the DoT failed to properly train the Temporary
14 Employees. This is not an appropriate basis for the requested injunctive relief unless it makes the
15 grading process unfair.

16 79. The DoT failed to establish any quality assurance or quality control of the grading done
17 by Temporary Employees.¹⁷ This is not an appropriate basis for the requested injunctive relief unless it
18 makes the grading process unfair.

19 80. The DoT made licensure conditional for one year based on the grant of power to create
20 regulations that develop "[p]rocedures for the issuance, renewal, suspension, and revocation of a
21 license to operate a marijuana establishment." NRS 453D.200(1)(a). This was within the DoT's
22 discretion.

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28 ¹⁷ The Court makes no determination as to the extent which the grading errors alleged by MM and Live Free may be
subject to other appropriate writ practice related to those individualized issues by the assigned department.

1 81. Certain of DoT's actions related to the licensing process were nondiscretionary
2 modifications of BQ2's mandatory requirements. The evidence establishes DoT's deviations
3 constituted arbitrary and capricious conduct without any rational basis for the deviation.

4 82. The DoT's decision to not require disclosure on the application and to not conduct
5 background checks of persons owning less than 5% prior to award of a conditional license is an
6 impermissible deviation from the mandatory language of BQ2, which mandated "a background check
7 of each prospective owner, officer, and board member of a marijuana establishment license applicant."
8 NRS 453D.200(6).
9

10 83. The argument that the requirement for each owner to comply with the application
11 process and background investigation is "unreasonably impracticable" is misplaced. The limitation of
12 unreasonably impracticable applied only to the Regulations not to the language and compliance with
13 BQ2 itself.

14 84. Under the circumstances presented here, the Court concludes that certain of the
15 Regulations created by the DoT are unreasonable, inconsistent with BQ2 and outside of any discretion
16 permitted to the DoT.
17

18 85. The DoT acted beyond its scope of authority when it arbitrarily and capriciously
19 replaced the mandatory requirement of BQ2, for the background check of each prospective owner,
20 officer and board member with the 5% or greater standard in NAC 453.255(1). This decision by the
21 DoT was not one they were permitted to make as it resulted in a modification of BQ2 in violation of
22 Article 19, Section 2(3) of the Nevada Constitution.
23

24 86. As Plaintiffs have shown that the DoT clearly violated NRS Chapter 453D, the claims
25 for declaratory relief, petition for writ of prohibition, and any other related claims is likely to succeed
26 on the merits.

27 87. The balance of equities weighs in favor of Plaintiffs.
28

1 88. "[N]o restraining order or preliminary injunction shall issue except upon the giving of
2 adequate security by the applicant, in such sum as the court deems proper, for the payment of such
3 costs and damages as may be incurred or suffered by any party who is found to be wrongfully enjoined
4 or restrained." NRCP 65(d).

5 89. The DoT stands to suffer no appreciable losses and will suffer only minimal harm as a
6 result of an injunction.

7 90. Therefore, a security bond already ordered in the amount of \$400,000 is sufficient for
8 the issuance of this injunctive relief.¹⁸
9

10 91. If any conclusions of law are properly findings of fact, they shall be treated as if
11 appropriately identified and designated.

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27 ¹⁸ As discussed during the preliminary injunction hearing, the Court sets a separate evidentiary hearing on whether to
28 increase the amount of this bond. That hearing is set for August 29, 2019, at 9:00 a.m.

ORDER

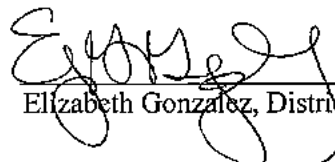
IT IS HEREBY ADJUDGED ORDERED AND DECREED that Plaintiffs' Motions for Preliminary Injunction are granted in part.

The State is enjoined from conducting a final inspection of any of the conditional licenses issued in or about December 2018 who did not provide the identification of each prospective owner, officer and board member as required by NRS 453D.200(6) pending a trial on the merits.¹⁹

The issue of whether to increase the existing bond is set for hearing on August 29, 2019, at 9:00 am.

The parties in A786962 and A787004 are to appear for a Rule 16 conference September 9, 2019, at 9:00 am and submit their respective plans for discovery on an expedited schedule by noon on September 6, 2019.

DATED this 23rd day of August 2019.

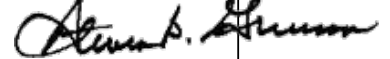

Elizabeth Gonzalez, District Court Judge

Certificate of Service

I hereby certify that on the date filed, this Order was electronically served, pursuant to N.E.F.C.R. Rule 9, to all registered parties in the Eighth Judicial District Court Electronic Filing Program.


Dan Kutinac

¹⁹ As Court Exhibit 3 is a post-hearing submission by the DoT, the parties may file objections and/or briefs related to this issue. Any issues related to the inclusion or exclusion from this group will be heard August 29, 2019, at 9:00 am.



1 ANEO

2 MARGARET A. MCLEATCHIE, Nevada Bar No. 10931

3 ALINA M. SHELL, Nevada Bar No. 11711

4 MCLEATCHIE LAW

5 701 East Bridger Avenue, Suite 520

6 Las Vegas, NV 89101

7 Telephone: (702) 728-5300

8 Email: maggie@nvlitigation.com

9 Counsel for Defendant-Intervenor, GreenMart of Nevada NLV LLC

10 **EIGHTH JUDICIAL DISTRICT COURT**
11 **CLARK COUNTY, NEVADA**

12 MM DEVELOPMENT COMPANY, INC., a
13 Nevada Corporation, LIVFREE WELLNESS
14 LLC, dba The Dispensary, a Nevada limited
15 liability company,

16 Plaintiffs,

17 vs.

18 STATE OF NEVADA, DEPARTMENT OF
19 TAXATION; and DOES 1 through 10; and
20 ROE CORPORATIONS 1 through 10,

21 Defendants,

22 GREENMART OF NEVADA NLV LLC, a
23 Nevada limited liability company,

24 Defendant-Intervenor.

25 SERENITY WELLNESS CENTER, LLC, et
26 al.,

27 Plaintiffs,

28 vs.

STATE OF NEVADA, DEPARTMENT OF
TAXATION,

Defendant,

and

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company, et al.

Defendants-Intervenors.

ETW MANAGEMENT GROUP LLC, a
Nevada limited liability company; GLOBAL
HARMONY LLC, a Nevada limited liability
company; GREEN LEAF FARMS
HOLDINGS LLC, a Nevada limited liability

Case No.: A-18-785818-W

Dept. No.: VIII

**AMENDED NOTICE OF ENTRY OF
ORDER**

Case No.: A-19-786962-B

Dept. No.: XI

**AMENDED NOTICE OF ENTRY
OF ORDER**

Case No.: A-19-787004-B

Dept. No.: XI

AMENDED NOTICE OF ENTRY OF

company; GREEN THERAPEUTICS LLC, a Nevada limited liability company; HERBAL CHOICE INC., a Nevada corporation; JUST QUALITY, LLC, a Nevada limited liability company; LIBRA WELLNESS CENTER, LLC, a Nevada limited liability company; ROMBOUGH REAL ESTATE INC. dba MOTHER HERB, a Nevada corporation; NEVCANN LLC, a Nevada limited liability company; RED EARTH LLC, a Nevada limited liability company; THC NEVADA LLC, a Nevada limited liability company; and ZION GARDENS LLC, a Nevada limited liability company,

Plaintiffs,

vs.

STATE OF NEVADA, DEPARTMENT OF TAXATION, a Nevada administrative agency; and DOES 1 through 20; and ROE CORPORATIONS 1 through 20, inclusive
Defendants.

GREENMART OF NEVADA NLV LLC, a Nevada limited liability company,
Defendant-Intervenor.

COMPASSIONATE TEAM OF LAS VEGAS LLC, a Nevada Limited Liability Company;

Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT OF TAXATION; DOES 1 through 10; and ROE CORPORATIONS 1 through 10,
Defendants;

GREENMART OF NEVADA NLV LLC, a Nevada limited liability company,
Intervenor Defendant.

HIGH SIERRA HOLISTICS, LLC,
Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT OF TAXATION; DOES 1-10 and ROE

ORDER

Case No.: A-18-786357-W

Dept. No.: XIV

AMENDED NOTICE OF ENTRY OF ORDER

Case No.: A-19-787726-C

Dept. No.: XIV

AMENDED NOTICE OF ENTRY OF ORDER

CORPORATIONS 1-10,
Defendants.

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company,
Intervenor Defendant.

NEVADA WELLNESS CENTER, LLC, a
Nevada limited liability company,
Plaintiff,

vs.

STATE OF NEVADA, DEPARTMENT OF
TAXATION; and NEVADA ORGANIC
REMEDIES, LLC,
Defendants.

GREENMART OF NEVADA NLV LLC, a
Nevada limited liability company,
Intervenor Defendant.

Case No.: A-19-787540-W

Dept. No.: XVIII

**AMENDED NOTICE OF ENTRY OF
ORDER**

TO: THE PARTIES HERETO AND THEIR RESPECTIVE COUNSEL OF RECORD:
PLEASE TAKE NOTICE that on the 23rd day of August, 2019, the Findings of
Fact and Conclusions of Law Granting Preliminary Injunction was entered in the above-
captioned action. A copy of the Findings of Fact and Conclusions of Law Granting
Preliminary Injunction is attached hereto as **Exhibit 1**.

DATED this the 19th day of September, 2019.

/s/ Margaret A. McLetchie

MARGARET A. MCLEITCHIE, Nevada Bar No. 10931

ALINA M. SHELL, Nevada Bar No. 11711

MCLEITCHIE LAW

701 East Bridger Avenue, Suite 520

Las Vegas, NV 89101

Telephone: (702) 728-5300

Email: maggie@nvlitigation.com

Counsel for Defendant-Intervenor, GreenMart of Nevada NLV LLC

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of September, 2019, pursuant to Administrative Order 14-2 and N.E.F.C.R. 9, I did cause a true copy of the foregoing AMENDED NOTICE OF ENTRY OF ORDER in *Serenity Wellness Center, LLC, et al. v. State of Nevada, Department of Taxation, et al.*, Clark County District Court Case No. A-19-786962-B, to be served electronically using the Odyssey File & Serve system, to all parties with an email address on record.

This document applies to Case Nos. A-19-786962-B; A-19-785818-W; A-19-787004-B; A-19-787540-W; A-18-786357-W; and A-19-787726-C.

/s/ Pharan Burchfield

An Employee of McLetchie Law

INDEX OF EXHIBITS TO AMENDED NOTICE OF ENTRY

Exhibit	Description
1	August 23, 2019 Findings of Fact and Conclusions of Law Granting Preliminary Injunction

EXHIBIT 1

Steven D. Grierson

1 FFCL

2
3
4 DISTRICT COURT

5 CLARK COUNTY, NEVADA

6 SERENITY WELLNESS CENTER, LLC, a
7 Nevada limited liability company, TGIG, LLC,
8 a Nevada limited liability company, NULEAF
9 INCLINE DISPENSARY, LLC, a Nevada
10 limited liability company, NEVADA
11 HOLISTIC MEDICINE, LLC, a Nevada limited
12 liability company, TRYKE COMPANIES SO
13 NV, LLC, a Nevada limited liability company,
14 TRYKE COMPANIES RENO, LLC, a Nevada
15 limited liability company, PARADISE
16 WELLNESS CENTER, LLC, a Nevada limited
17 liability company, GBS NEVADA PARTNERS,
18 LLC, a Nevada limited liability company,
19 FIDELIS HOLDINGS, LLC, a Nevada limited
20 liability company, GRAVITAS NEVADA,
21 LLC, a Nevada limited liability company,
22 NEVADA PURE, LLC, a Nevada limited
23 liability company, MEDIFARM, LLC, a Nevada
24 limited liability company, DOE PLAINTIFFS I
25 through X; and ROE ENTITY PLAINTIFFS I
26 through X,

27 Plaintiff(s),

28 vs.

THE STATE OF NEVADA, DEPARTMENT
OF TAXATION,

Defendant(s).

and

NEVADA ORGANIC REMEDIES, LLC;
INTEGRAL ASSOCIATES LLC d/b/a
ESSENCE CANNABIS DISPENSARIES, a
Nevada limited liability company; ESSENCE
TROPICANA, LLC, a Nevada limited liability
company; ESSENCE HENDERSON, LLC, a
Nevada limited liability company; CPCM
HOLDINGS, LLC d/b/a THRIVE CANNABIS
MARKETPLACE, COMMERCE PARK
MEDICAL, LLC, a Nevada limited liability
company; and CHEYENNE MEDICAL, LLC, a
Nevada limited liability company; LONE
MOUNTAIN PARTNERS, LLC, a Nevada

Case No. A-19-786962-B
Dept. No. 11

FINDINGS OF FACT AND
CONCLUSIONS OF LAW GRANTING
PRELIMINARY INJUNCTION

CLERK OF THE COURT
AUG 23 2019
RECEIVED

1 limited liability partnership; HELPING HANDS
2 WELLNESS CENTER, INC., a Nevada
3 corporation; GREENMART OF NEVADA
4 NLV LLC, a Nevada limited liability company;
5 and CLEAR RIVER, LLC,

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Intervenors.

5 This matter having come before the Court for an evidentiary hearing on Plaintiffs' Motion for
6 Preliminary Injunction beginning on May 24, 2019, and occurring day to day thereafter until its
7 completion on August 16, 2019;¹ Dominic P. Gentile, Esq., Vincent Savarese III, Esq., Michael V.
8 Cristalli, Esq., and Ross J. Miller, Esq., of the law firm Gentile Cristalli Miller Armeni Savarese,
9 appeared on behalf of Serenity Wellness Center, LLC, TGIG, LLC, Nuleaf Incline Dispensary, LLC,
10 Nevada Holistic Medicine, LLC, Tryke Companies SO NV, LLC, Tryke Companies Reno, LLC,
11 Paradise Wellness Center, LLC, GBS Nevada Partners, LLC, Fidelis Holdings, LLC, Gravitas Nevada,
12 LLC, Nevada Pure, LLC, Medifarm, LLC (Case No. A786962-B) (the "Serenity Plaintiffs"); Adam K.
13 Bult, Esq. and Maximilien D. Fetaz, Esq., of the law firm Brownstein Hyatt Farber Schreck, LLP,
14 appeared on behalf of Plaintiffs ETW Management Group LLC, Global Harmony LLC, Green Leaf
15 Farms Holdings LLC, Green Therapeutics LLC, Herbal Choice INC., Just Quality, LLC, Libra
16 Wellness Center, LLC, Rombough Real Estate Inc. dba Mother Herb, NevCann LLC, Red Earth LLC,
17 THC Nevada LLC, Zion Gardens LLC, and MMOF Vegas Retail, Inc. (Case No. A787004-B) (the
18 "ETW Plaintiffs"); William S. Kemp, Esq. and Nathaniel R. Rulis, Esq., of the law firm Kemp, Jones
19 & Coulthard LLP, appeared on behalf of MM Development Company, Inc. and LivFree Wellness LLC
20 (Case No. A785818-W) (the "MM Plaintiffs"); Theodore Parker III, Esq., of the law firm Parker
21 Nelson & Associates, appeared on behalf of Nevada Wellness Center (Case No. A787540-W)
22 (collectively the "Plaintiffs"); Steven G. Shevorski, Esq., Ketan D. Bhirud, Esq., and Theresa M. Haar,
23 Esq., of the Office of the Nevada Attorney General, appeared on behalf of the State of Nevada,
24 Department of Taxation; David R. Koch, Esq., of the law firm Koch & Scow LLC, appeared on behalf

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¹ Although a preservation order was entered on December 13, 2018, in A785818, no discovery in any case was done
prior to the commencement of the evidentiary hearing, in part due to procedural issues and to statutory restrictions on
disclosure of certain information modified by SB 32 just a few days before the commencement of the hearing. As a result,
the hearing was much longer than anticipated by any of the participating counsel. In compliance with SB 32, the State
produced previously confidential information on May 21, 2019. These documents were reviewed for confidentiality by the
Defendants in Intervention and certain redactions were made prior to production consistent with the protective order entered
on May 24, 2019.

1 of Nevada Organic Remedies, LLC; Brigid M. Higgins, Esq. and Rusty Graf, Esq., of the law firm
2 Black & Lobello, appeared on behalf of Clear River, LLC; Eric D. Hone, Esq., of the law firm H1 Law
3 Group, appeared on behalf of Lone Mountain Partners, LLC; Alina M. Shell, Esq., of the law firm
4 McLetchie Law, appeared on behalf of GreenMart of Nevada NLV LLC; Jared Kahn, Esq., of the law
5 firm JK Legal & Consulting, LLC, appeared on behalf of Helping Hands Wellness Center, Inc.; and
6 Joseph A. Gutierrez, Esq., of the law firm Maier Gutierrez & Associates, and Philip M. Hymanson,
7 Esq., of the law firm Hymanson & Hymanson; Todd Bice, Esq. and Jordan T. Smith, Esq. of the law
8 firm Pisanelli Bice; and Dennis Prince, Esq. of the Prince Law Group appeared on behalf of Integral
9 Associates LLC d/b/a Essence Cannabis Dispensaries, Essence Tropicana, LLC, Essence Henderson,
10 LLC, CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace, Commerce Park Medical, LLC, and
11 Cheyenne Medical, LLC (the "Essence/Thrive Entities"). The Court, having read and considered the
12 pleadings filed by the parties; having reviewed the evidence admitted during the evidentiary hearing;
13 and having heard and carefully considered the testimony of the witnesses called to testify; having
14 considered the oral and written arguments of counsel, and with the intent of deciding the Motion for a
15 Preliminary Injunction,² makes the following preliminary findings of fact and conclusions of law:

16 ***PROCEDURAL POSTURE***

17 Plaintiffs are a group of unrelated commercial entities who applied for, but did not receive,
18 licenses to operate retail recreational marijuana establishments in various local jurisdictions throughout
19 the state. Defendant is Nevada's Department of Taxation ("DoT"), which is the administrative agency
20 responsible for issuing the licenses. Some successful applicants for licensure intervened as Defendants.

21 The Serenity Plaintiffs filed a Motion for Preliminary Injunction on March 19, 2019, asking for
22 a preliminary injunction to:

- 23 a. Enjoin the denial of Plaintiffs applications;
24 b. Enjoin the enforcement of the licenses granted;
25 c. Enjoin the enforcement and implementation of NAC 453D;

26
27 ² The findings made in this Order are preliminary in nature based upon the limited evidence presented after very
28 limited discovery permitted on an expedited basis and may be modified based upon additional evidence presented to the
Court at the ultimate trial of the business court matters.

- 1 d. An order restoring the *status quo ante* prior to the DoT's adoption of NAC 453D;
2 and
3 e. Several orders compelling discovery.

4 This Court reviewed the Serenity Plaintiffs' Motion for Preliminary Injunction and at a hearing on
5 April 22, 2019, invited Plaintiffs in related cases, not assigned to Business Court, to participate in the
6 evidentiary hearing on the Motion for Preliminary Injunction being heard in Department 11 for the
7 purposes of hearing and deciding the Motions for Preliminary Injunction.³

8 **PRELIMINARY STATEMENT**

9 The Attorney General's Office was forced to deal with a significant impediment at the early
10 stages of the litigation. This inability to disclose certain information was outside of its control because
11 of confidentiality requirements that have now been slightly modified by SB 32. Although the parties
12 stipulated to a protective order on May 24, 2019, many documents produced in preparation for the
13 hearing and for discovery purposes were heavily redacted because of the highly competitive nature of
14 the industry and sensitive financial and commercial information being produced.

15 All parties agree that the language of an initiative takes precedence over any regulation that is in
16 conflict and that an administrative agency has some discretion in determining how to implement the
17 initiative. The Court gives deference to the agency in establishing those regulations and creating the
18 framework required to implement those provisions in conformity with the initiative.

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21 ³ The complaints filed by the parties participating in the hearing seek declaratory relief, injunctive relief and writs of
22 mandate, among other claims. The motions and joinders seeking injunctive relief which have been reviewed by the Court in
conjunction with this hearing include:

23 A786962-B Serenity: Serenity Plaintiffs' Motion for Preliminary Injunction filed 3/19/19 (Joinder to Motion by
24 Compassionate Team: 5/17; Joinder to Motion by ETW: 5/6 (filed in A787004); and Joinder to Motion by Nevada
25 Wellness: 5/10 (filed in A787540)); Opposition by the State filed 5/9/19 (Joinder by Essence/Thrive Entities: 5/23);
26 Opposition by Nevada Organic Remedies: 5/9 (Joinder by Lone Mountain: 5/13; Joinder by Helping Hands: 5/21; and
Joinder by Essence/Thrive Entities: 5/23). Application for TRO on OST filed 5/9/19 (Joinder by Compassionate Team:
5/17; and Joinder by ETW: 5/10 (filed in A787004)); Opposition by Nevada Organic Remedies: 5/9 (Joinder by Clear River:
5/9); Opposition by Essence/Thrive Entities: 5/10 (Joinder by GreenMart: 5/10; Joinder by Lone Mountain: 5/11; and
Joinder by helping Hands: 5/12).

27 A785818-W MM Development: MM Plaintiffs' Motion for Preliminary Injunction or Writ of Mandamus filed 5/9/19
28 (Joinder by Serenity: 5/20 (filed in A786962); Joinder by ETW: 5/6 (filed in A787004 and A785818); and Joinder by
Nevada Wellness: 5/10 (filed in A787540)).

1 The initiative to legalize recreational marijuana, Ballot Question 2 ("BQ2"), went to the voters
2 in 2016. The language of BQ2 is independent of any regulations that were adopted by the DoT. The
3 Court must balance the mandatory provisions of BQ2 (which the DoT did not have discretion to
4 modify);⁴ those provisions with which the DoT was granted some discretion in implementation;⁵ and
5 the inherent discretion of an administrative agency to implement regulations to carry out its statutory
6 duties. The Court must give great deference to those activities that fall within the discretionary
7 functions of the agency. Deference is not given where the actions of the DoT were in violation of BQ2
8 or were arbitrary and capricious.

9 FINDINGS OF FACT

10 1. Nevada allows voters to amend its Constitution or enact legislation through the initiative
11 process. Nevada Constitution, Article 19, Section 2.

12 ⁴ Article 19, Section 2(3) provides the touchstone for the mandatory provisions:

13 An initiative measure so approved by the voters shall not be amended, annulled, repealed, set aside or
14 suspended by the Legislature within 3 years from the date it takes effect.

15 ⁵ NRS 453D.200(1) required the adoption of regulations for the licensure and oversight of recreational marijuana
16 cultivation, manufacturing/production, sales and distribution, but provides the DoT discretion in exactly what those
17 regulations would include.

18 . . . the Department shall adopt all regulations necessary or convenient to carry out the provisions of this chapter.
19 The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations
20 that make their operation unreasonably impracticable. The regulations shall include:

21 (a) Procedures for the issuance, renewal, suspension, and revocation of a license to operate a marijuana
22 establishment;

23 (b) Qualifications for licensure that are directly and demonstrably related to the operation of a marijuana
24 establishment;

25 (c) Requirements for the security of marijuana establishments;

26 (d) Requirements to prevent the sale or diversion of marijuana and marijuana products to persons under 21
27 years of age;

28 (e) Requirements for the packaging of marijuana and marijuana products, including requirements for child-
resistant packaging;

(f) Requirements for the testing and labeling of marijuana and marijuana products sold by marijuana
establishments including a numerical indication of potency based on the ratio of THC to the weight of a product
intended for oral consumption;

(g) Requirements for record keeping by marijuana establishments;

(h) Reasonable restrictions on signage, marketing, display, and advertising;

(i) Procedures for the collection of taxes, fees, and penalties imposed by this chapter;

(j) Procedures and requirements to enable the transfer of a license for a marijuana establishment to another
qualified person and to enable a licensee to move the location of its establishment to another suitable location;

(k) Procedures and requirements to enable a dual licensee to operate medical marijuana establishments and
marijuana establishments at the same location;

(l) Procedures to establish the fair market value at wholesale of marijuana; and

(m) Civil penalties for the failure to comply with any regulation adopted pursuant to this section or for any
violation of the provisions of NRS 453D.300.

1 2. In 2000, the voters amended Nevada's Constitution to allow for the possession and use
2 of marijuana to treat various medical conditions. Nevada Constitution, Article 4, Section 38(1)(a). The
3 initiative left it to the Legislature to create laws "[a]uthoriz[ing] appropriate methods for supply of the
4 plant to patients authorized to use it." Nevada Constitution, Article 4, Section 38(1)(e).

5 3. For several years prior to the enactment of BQ2, the regulation of medical marijuana
6 dispensaries had not been taken up by the Legislature. Some have argued in these proceedings that the
7 delay led to the framework of BQ2.

8 4. In 2013, Nevada's legislature enacted NRS 453A, which allows for the cultivation and
9 sale of medical marijuana. The Legislature described the requirements for the application to open a
10 medical marijuana establishment. NRS 453A.322. The Nevada Legislature then charged the Division of
11 Public and Behavioral Health with evaluating the applications. NRS 453A.328.

12 5. The materials circulated to voters in 2016 for BQ2 described its purpose as the
13 amendment of the Nevada Revised Statutes as follows:
14

15 Shall the *Nevada Revised Statutes* be amended to allow a person, 21 years old or older, to
16 purchase, cultivate, possess, or consume a certain amount of marijuana or concentrated
17 marijuana, as well as manufacture, possess, use, transport, purchase, distribute, or sell marijuana
18 paraphernalia; impose a 15 percent excise tax on wholesale sales of marijuana; require the
19 regulation and licensing of marijuana cultivators, testing facilities, distributors, suppliers, and
20 retailers; and provide for certain criminal penalties?

21 6. BQ2 was enacted by the Nevada Legislature and is codified at NRS 453D.⁶

22 7. BQ2 specifically identified regulatory and public safety concerns:

23 The People of the State of Nevada proclaim that marijuana should be regulated in a manner
24 similar to alcohol so that:

25 (a) Marijuana may only be purchased from a business that is licensed by the State of
26 Nevada;

27 (b) Business owners are subject to a review by the State of Nevada to confirm that the
28 business owners and the business location are suitable to produce or sell marijuana;

 (c) Cultivating, manufacturing, testing, transporting and selling marijuana will be strictly
controlled through State licensing and regulation;

⁶ As the provisions of BQ2 and the sections NRS 453D currently in effect (with the exception of NRS 453D.205) are identical, for ease of reference the Court cites to BQ2 as enacted by the Nevada Legislature in NRS 453D.

- (d) Selling or giving marijuana to persons under 21 years of age shall remain illegal;
- (e) Individuals will have to be 21 years of age or older to purchase marijuana;
- (f) Driving under the influence of marijuana will remain illegal; and
- (g) Marijuana sold in the State will be tested and labeled.

NRS 453D.020(3).

8. BQ2 mandated the DoT to “conduct a background check of each prospective owner, officer, and board member of a marijuana establishment license applicant.” NRS 453D.200(6).

9. On November 8, 2016, by Executive Order 2017-02, Governor Brian Sandoval established a Task Force composed of 19 members to offer suggestions and proposals for legislative, regulatory, and executive actions to be taken in implementing BQ2.

10. The Task Force’s findings, issued on May 30, 2017, referenced the 2014 licensing process for issuing Medical Marijuana Establishment Registration Certificates under NRS 453A. The Task Force recommended that “the qualifications for licensure of a marijuana establishment and the impartial numerically scored bidding process for retail marijuana stores be maintained as in the medical marijuana program except for a change in how local jurisdictions participate in selection of locations.”

11. Some of the Task Force’s recommendations appear to conflict with BQ2.⁷

⁷ The Final Task Force report (Exhibit 2009) contained the following statements:

The Task Force recommends that retail marijuana ownership interest requirements remain consistent with the medical marijuana program. . . .
at 2510.

The requirement identified by the Task Force at the time was contained in NAC 453A.302(1) which states:

Except as otherwise required in subsection 2, the requirements of this chapter concerning owners of medical marijuana establishments only apply to a person with an aggregate ownership interest of 5 percent or more in a medical marijuana establishment.

The second recommendation of concern is:

The Task Force recommends that NRS 453A be changed to address companies that own marijuana establishment licenses in which there are owners with less than 5% ownership interest in the company. The statute should be amended to:

*Limit fingerprinting, background checks and renewal of agent cards to owners officers and board members with 5% or less cumulatively of the company to once every five years;

*Only require owners officers and board members with 5% or more cumulatively and employees of the company to obtain agent registration cards; and

12. During the 2017 legislative session Assembly Bill 422 transferred responsibility for the registration, licensing, and regulation of marijuana establishments from the State of Nevada Division of Public and Behavioral Health to the DoT.⁸

13. On February 27, 2018, the DoT adopted regulations governing the issuance, suspension, or revocation of retail recreational marijuana licenses in LCB File No. R092-17, which were codified in NAC 453D (the "Regulations").

14. The Regulations for licensing were to be "directly and demonstrably related to the operation of a marijuana establishment." NRS 453D.200(1)(b). The phrase "directly and demonstrably related to the operation of a marijuana establishment" is subject to more than one interpretation.

*Use the marijuana establishments governing documents to determine who has approval rights and signatory authority for purposes of signing ownership transfers, applications and any other appropriate legal or regulatory documents.

There was Task Force dissent on the recommendation. The concern with this recommendation was that by changing the requirements on fingerprinting and background checks, the state would have less knowledge of when an owner, officer, and board member commits an offense not allowed under current marijuana law, potentially creating a less safe environment in the state.

at 2515-2516.

⁸ Those provisions (a portion of which became NRS 453D.205) are consistent with BQ2:

1. When conducting a background check pursuant to subsection 6 of NRS 453D.200, the Department may require each prospective owner, officer and board member of a marijuana establishment license applicant to submit a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

2. When determining the criminal history of a person pursuant to paragraph (c) of subsection 1 of NRS 453D.300, a marijuana establishment may require the person to submit to the Department a complete set of fingerprints and written permission authorizing the Department to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report.

1 15. A person holding a medical marijuana establishment registration certificate could apply
2 for one or more recreational marijuana establishment licenses within the time set forth by the DoT in
3 the manner described in the application. NAC 453D.268.⁹
4

5 ⁹ Relevant portions of that provision require that application be made

6 . . . by submitting an application in response to a request for applications issued pursuant to NAC 453D.260 which
7 must include:

8 ***

9 2. An application on a form prescribed by the Department. The application must include, without limitation:

10 (a) Whether the applicant is applying for a license for a marijuana establishment for a marijuana cultivation
11 facility, a marijuana distributor, a marijuana product manufacturing facility, a marijuana testing facility or a retail
12 marijuana store;

13 (b) The name of the proposed marijuana establishment, as reflected in both the medical marijuana establishment
14 registration certificate held by the applicant, if applicable, and the articles of incorporation or other documents filed
15 with the Secretary of State;

16 (c) The type of business organization of the applicant, such as individual, corporation, partnership, limited-liability
17 company, association or cooperative, joint venture or any other business organization;

18 (d) Confirmation that the applicant has registered with the Secretary of State as the appropriate type of business,
19 and the articles of incorporation, articles of organization or partnership or joint venture documents of the applicant;

20 (e) The physical address where the proposed marijuana establishment will be located and the physical address of
21 any co-owned or otherwise affiliated marijuana establishments;

22 (f) The mailing address of the applicant;

23 (g) The telephone number of the applicant;

24 (h) The electronic mail address of the applicant;

25 (i) A signed copy of the Request and Consent to Release Application Form for Marijuana Establishment License
26 prescribed by the Department;

27 (j) If the applicant is applying for a license for a retail marijuana store, the proposed hours of operation during
28 which the retail marijuana store plans to be available to sell marijuana to consumers;

(k) An attestation that the information provided to the Department to apply for the license for a marijuana
establishment is true and correct according to the information known by the affiant at the time of signing; and

(l) The signature of a natural person for the proposed marijuana establishment as described in subsection 1 of NAC
453D.250 and the date on which the person signed the application.

3. Evidence of the amount of taxes paid, or other beneficial financial contributions made, to this State or its
political subdivisions within the last 5 years by the applicant or the persons who are proposed to be owners, officers
or board members of the proposed marijuana establishment.

4. A description of the proposed organizational structure of the proposed marijuana establishment, including,
without limitation:

(a) An organizational chart showing all owners, officers and board members of the proposed marijuana
establishment;

(b) A list of all owners, officers and board members of the proposed marijuana establishment that contains the
following information for each person:

(1) The title of the person;

(2) The race, ethnicity and gender of the person;

(3) A short description of the role in which the person will serve for the organization and his or her
responsibilities;

(4) Whether the person will be designated by the proposed marijuana establishment to provide written notice to
the Department when a marijuana establishment agent is employed by, volunteers at or provides labor as a
marijuana establishment agent at the proposed marijuana establishment;

(5) Whether the person has served or is currently serving as an owner, officer or board member for another
medical marijuana establishment or marijuana establishment;

(6) Whether the person has served as an owner, officer or board member for a medical marijuana establishment
or marijuana establishment that has had its medical marijuana establishment registration certificate or license, as
applicable, revoked;

1 NRS 453D.210(6) mandated the DoT to use "an impartial and numerically scored competitive bidding
2 process" to determine successful applicants where competing applications were submitted.

3 16. NAC 453D.272(1) provides the procedure for when the DoT receives more than one
4 "complete" application. Under this provision the DoT will determine if the "application is complete and

5 (7) Whether the person has previously had a medical marijuana establishment agent registration card or
6 marijuana establishment agent registration card revoked;

7 (8) Whether the person is an attending provider of health care currently providing written documentation for the
8 issuance of registry identification cards or letters of approval;

9 (9) Whether the person is a law enforcement officer;

10 (10) Whether the person is currently an employee or contractor of the Department; and

11 (11) Whether the person has an ownership or financial investment interest in any other medical marijuana
12 establishment or marijuana establishment.

13 5. For each owner, officer and board member of the proposed marijuana establishment:

14 (a) An attestation signed and dated by the owner, officer or board member that he or she has not been convicted of
15 an excluded felony offense, and that the information provided to support the application for a license for a
16 marijuana establishment is true and correct;

17 (b) A narrative description, not to exceed 750 words, demonstrating:

18 (1) Past experience working with governmental agencies and highlighting past experience in giving back to the
19 community through civic or philanthropic involvement;

20 (2) Any previous experience at operating other businesses or nonprofit organizations; and

21 (3) Any demonstrated knowledge, business experience or expertise with respect to marijuana; and

22 (c) A resume.

23 6. Documentation concerning the size of the proposed marijuana establishment, including, without limitation,
24 building and general floor plans with supporting details.

25 7. The integrated plan of the proposed marijuana establishment for the care, quality and safekeeping of marijuana
26 from seed to sale, including, without limitation, a plan for testing and verifying marijuana, a transportation or
27 delivery plan and procedures to ensure adequate security measures, including, without limitation, building security
28 and product security.

8. A plan for the business which includes, without limitation, a description of the inventory control system of the
proposed marijuana establishment to satisfy the requirements of NRS 453D.300 and NAC 453D.426.

9. A financial plan which includes, without limitation:

(a) Financial statements showing the resources of the applicant;

(b) If the applicant is relying on money from an owner, officer or board member, evidence that the person has
unconditionally committed such money to the use of the applicant in the event the Department awards a license to
the applicant and the applicant obtains the necessary approvals from the locality to operate the proposed marijuana
establishment; and

(c) Proof that the applicant has adequate money to cover all expenses and costs of the first year of operation.

10. Evidence that the applicant has a plan to staff, educate and manage the proposed marijuana establishment on a
daily basis, which must include, without limitation:

(a) A detailed budget for the proposed marijuana establishment, including pre-opening, construction and first-year
operating expenses;

(b) An operations manual that demonstrates compliance with this chapter;

(c) An education plan which must include, without limitation, providing educational materials to the staff of the
proposed marijuana establishment; and

(d) A plan to minimize the environmental impact of the proposed marijuana establishment.

11. If the application is submitted on or before November 15, 2018, for a license for a marijuana distributor,
proof that the applicant holds a wholesale dealer license issued pursuant to chapter 369 of NRS, unless the
Department determines that an insufficient number of marijuana distributors will result from this limitation.

12. A response to and information which supports any other criteria the Department determines to be relevant,
which will be specified and requested by the Department at the time the Department issues a request for
applications which includes the point values that will be allocated to the applicable portions of the application
pursuant to subsection 2 of NAC 453D.260.

1 in compliance with this chapter and Chapter 453D of NRS, the Department will rank the applications . .
2 . in order from first to last based on the compliance with the provisions of this chapter and chapter
3 453D of NRS and on the content of the applications relating to . . ." several enumerated factors. NAC
4 453D.272(1).

5 17. The factors set forth in NAC 453D.272(1) that are used to rank competing applications
6 (collectively, the "Factors") are:

- 7 (a) Whether the owners, officers or board members have experience operating another kind
8 of business that has given them experience which is applicable to the operation of a marijuana
9 establishment;
10 (b) The diversity of the owners, officers or board members of the proposed marijuana
11 establishment;
12 (c) The educational achievements of the owners, officers or board members of the proposed
13 marijuana establishment;
14 (d) The financial plan and resources of the applicant, both liquid and illiquid;
15 (e) Whether the applicant has an adequate integrated plan for the care, quality and
16 safekeeping of marijuana from seed to sale;
17 (f) The amount of taxes paid and other beneficial financial contributions, including, without
18 limitation, civic or philanthropic involvement with this State or its political subdivisions, by the
19 applicant or the owners, officers or board members of the proposed marijuana establishment;
20 (g) Whether the owners, officers or board members of the proposed marijuana establishment
21 have direct experience with the operation of a medical marijuana establishment or marijuana
22 establishment in this State and have demonstrated a record of operating such an establishment in
23 compliance with the laws and regulations of this State for an adequate period of time to
24 demonstrate success;
25 (h) The (unspecified) experience of key personnel that the applicant intends to employ in
26 operating the type of marijuana establishment for which the applicant seeks a license; and
27 (i) Any other criteria that the Department determines to be relevant.

28 18. Each of the Factors is within the DoT's discretion in implementing the application
process provided for in BQ2. The DoT had a good-faith basis for determining that each of the Factors
is "directly and demonstrably related to the operation of a marijuana establishment."

19 19. The DoT posted the application on its website and released the application for
20 recreational marijuana establishment licenses on July 6, 2018.¹⁰

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27 ¹⁰ The DoT made a change to the application after circulating the first version of the application to delete the
28 requirement of a physical location. The modification resulted in a different version of the application bearing the same
"footer" with the original version remaining available on the DoT's website.

1 20. The DoT utilized a question and answer process through a generic email account at
2 marijuana@tax.state.nv.us to allow applicants to ask questions and receive answers directly from the
3 Department, which were not consistent with NRS 453D, and that information was not further
4 disseminated by the DoT to other applicants.

5 21. In addition to the email question and answer process, the DoT permitted applicants and
6 their representatives to personally contact the DoT staff about the application process.

7 22. The application period ran from September 7, 2018 through September 20, 2018.

8 23. The DoT accepted applications in September 2018 for retail recreational marijuana
9 licenses and announced the award of conditional licenses in December 2018.

10 24. The DoT used a listserv to communicate with prospective applicants.

11 25. The DoT published a revised application on July 30, 2018. This revised application was
12 sent to all participants in the DoT's listserv directory. The revised application modified a sentence on
13 attachment A of the application. Prior to this revision, the sentence had read, "Marijuana
14 Establishment's proposed physical address (this must be a Nevada address and cannot be a P.O. Box)."
15 The revised application on July 30, 2018, read: "Marijuana Establishment's proposed physical address
16 if the applicant owns property or has secured a lease or other property agreement (this must be a
17 Nevada address and not a P.O. Box). Otherwise, the applications are virtually identical.

18 26. The DoT sent a copy of the revised application through the listserv service used by the
19 DoT. Not all Plaintiffs' correct emails were included on this listserv service.

20 27. The July 30, 2018 application, like its predecessor, described how applications were to
21 be scored. The scoring criteria was divided into identified criteria and non-identified criteria. The
22 maximum points that could be awarded to any applicant based on these criteria was 250 points.

23 28. The identified criteria consisted of organizational structure of the applicant (60 points);
24 evidence of taxes paid to the State of Nevada by owners, officers, and board members of the applicant
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1 in the last 5 years (25 points); a financial plan (30 points); and documents from a financial institution
2 showing unencumbered liquid assets of \$250,000 per location for which an application is submitted.

3 29. The non-identified criteria consisted of documentation concerning the integrated plan of
4 the proposed marijuana establishment for the care, quality and safekeeping of marijuana from seed to
5 sale (40 points); evidence that the applicant has a plan to staff, educate and manage the proposed
6 recreational marijuana establishment on a daily basis (30 points); a plan describing operating
7 procedures for the electronic verification system of the proposed marijuana establishment and
8 describing the proposed establishment's inventory control system (20 points); building plans showing
9 the proposed establishment's adequacy to serve the needs of its customers (20 points); and, a proposal
10 explaining likely impact of the proposed marijuana establishment in the community and how it will
11 meet customer needs (15 points).
12

13 30. An applicant was permitted to submit a single application for all jurisdictions in which it
14 was applying, and the application would be scored at the same time.
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16 31. By September 20, 2018, the DoT received a total of 462 applications.

17 32. In order to grade and rank the applications the DoT posted notices that it was seeking to
18 hire individuals with specified qualifications necessary to evaluate applications. The DoT interviewed
19 applicants and made decisions on individuals to hire for each position.

20 33. When decisions were made on who to hire, the individuals were notified that they would
21 need to register with "Manpower" under a pre-existing contract between the DoT and that company.
22 Individuals would be paid through Manpower, as their application-grading work would be of a
23 temporary nature.
24

25 34. The DoT identified, hired, and trained eight individuals to grade the applications,
26 including three to grade the identified portions of the applications, three to grade the non-identified
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1 portions of the applications, and one administrative assistant for each group of graders (collectively the
2 “Temporary Employees”).

3 35. It is unclear how the DoT trained the Temporary Employees. While portions of the
4 training materials were introduced into evidence, testimony regarding the oral training based upon
5 example applications was insufficient for the Court to determine the nature and extent of the training of
6 the Temporary Employees.¹¹

7 36. NAC 453D.272(1) required the DoT to determine that an Application is “complete and
8 in compliance” with the provisions of NAC 453D in order to properly apply the licensing criteria set
9 forth therein and the provisions of the Ballot Initiative and the enabling statute.

10 37. When the DoT received applications, it undertook no effort to determine if the
11 applications were in fact “complete and in compliance.”

12 38. In evaluating whether an application was “complete and in compliance” the DoT made
13 no effort to verify owners, officers or board members (except for checking whether a transfer request
14 was made and remained pending before the DoT).

15 39. For purposes of grading the applicant’s organizational structure and diversity, if an
16 applicant’s disclosure in its application of its owners, officers, and board members did not match the
17 DoT’s own records, the DoT did not penalize the applicant. Rather the DoT permitted the grading, and
18 in some cases, awarded a conditional license to an applicant under such circumstances, and dealt with
19 the issue by simply informing the winning applicant that its application would have to be brought into
20 conformity with DoT records.

21 40. The DoT created a Regulation that modified the mandatory BQ2 provision “[t]he
22 Department shall conduct a background check of each prospective owner, officer, and board member of
23 a marijuana establishment license applicant” and determined it would only require information on the
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28 ¹¹ Given the factual issues related to the grading raised by MM and LivFree, these issues may be subject to additional
evidentiary proceedings in the assigned department.

1 application from persons “with an aggregate ownership interest of 5 percent or more in a marijuana
2 establishment.” NAC 453D.255(1).

3 41. NRS 453D.200(6) provides that “[t]he DoT shall conduct a background check of each
4 prospective owner, officer, and board member of a marijuana establishment license applicant.” The
5 DoT departed from this mandatory language in NAC 453D.255(1) and made no attempt in the
6 application process to verify that the applicant’s complied with the mandatory language of the BQ2 or
7 even the impermissibly modified language.

8 42. The DoT made the determination that it was not reasonable to require industry to
9 provide every owner of a prospective licensee. The DOT’s determination that only owners of a 5% or
10 greater interest in the business were required to submit information on the application was not a
11 permissible regulatory modification of BQ2. This determination violated Article 19, Section 3 of the
12 Nevada Constitution. The determination was not based on a rational basis.

13 43. The limitation of “unreasonably impracticable” in BQ2¹² does not apply to the
14 mandatory language of BQ2, but to the Regulations which the DoT adopted.

15 44. The adoption of NAC 453D.255(1), as it applies to the application process is an
16 unconstitutional modification of BQ2.¹³ The failure of the DoT to carry out the mandatory provisions
17 of NRS 453D.200(6) is fatal to the application process.¹⁴ The DoT’s decision to adopt regulations in
18 direct violation of BQ2’s mandatory application requirements is violative of Article 19, Section 2(3) of
19 the Nevada Constitution.

20
21
22 ¹² NRS 453D.200(1) provides in part:

23 The regulations must not prohibit the operation of marijuana establishments, either expressly or through regulations
24 that make their operation unreasonably impracticable.

25 ¹³ For administrative and regulatory proceedings other than the application, the limitation of 5% or greater ownership
26 appears within the DoT’s discretion.

27 ¹⁴ That provision states:

28 6. The Department shall conduct a background check of each prospective owner, officer, and board member of a
marijuana establishment license applicant.

1 45. Given the lack of a robust investigative process for applicants, the requirement of the
2 background check for each prospective owner, officer, and board member as part of the application
3 process impedes an important public safety goal in BQ2.

4 46. Without any consideration as to the voters mandate in BQ2, the DoT determined that
5 requiring each prospective owner be subject to a background check was too difficult for
6 implementation by industry. This decision was a violation of the Nevada Constitution, an abuse of
7 discretion, and arbitrary and capricious.

8 47. The DoT did not comply with BQ2 by requiring applicants to provide information for
9 each prospective owner, officer and board member or verify the ownership of applicants applying for
10 retail recreational marijuana licenses. Instead the DoT issued conditional licenses to applicants who
11 did not identify each prospective owner, officer and board member.¹⁵

12 48. The DoT's late decision to delete the physical address requirement on some application
13 forms while not modifying those portions of the application that were dependent on a physical location
14 (i.e. floor plan, community impact, security plan, and the sink locations) after the repeated
15 communications by an applicant's agent; not effectively communicating the revision; and, leaving the
16 original version of the application on the website, is evidence of conduct that is a serious issue.

17 49. Pursuant to NAC 453D.295, the winning applicants received a conditional license that
18 will not be finalized unless within twelve months of December 5, 2018, the licensees receive a final
19 inspection of their marijuana establishment.
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25 ¹⁵ Some applicants apparently provided the required information for each prospective owner, officer and board
26 member. Accepting as truthful these applicants' attestations regarding who their owners, officers, and board members were
27 at the time of the application, these applications were complete at the time they were filed with reference to NRS
28 453D.200(6). These entities are Green Therapeutics LLC, Eureka NewGen Farms LLC, Circle S Farms LLC, Deep Roots
Medical LLC, Pure Tonic Concentrates LLC, Wellness Connection of Nevada LLC, Polaris Wellness Center LLC, and
TRNVP098 LLC, Clear River LLC, Cheyenne Medical LLC, Essence Tropicana LLC, Essence Henderson LLC, and
Commerce Park Medical LLC. See Court Exhibit 3 (post-hearing submission by the DoT).

50. The few instances of clear mistakes made by the Temporary Employees admitted in evidence do not, in and of themselves, result in an unfair process as human error occurs in every process.

51. Nothing in NRS 453D or NAC 453D provides for any right to an appeal or review of a decision denying an application for a retail recreational marijuana license.

52. There are an extremely limited number of licenses available for the sale of recreational marijuana.

53. The number of licenses available was set by BQ2 and is contained in NRS 453D.210(5)(d).

54. Since the Court does not have authority to order additional licenses in particular jurisdictions, and because there are a limited number of licenses that are available in certain jurisdictions, injunctive relief is necessary to permit the Plaintiffs, if successful in the NRS 453D.210(6) process, to actually obtaining a license, if ultimately successful in this litigation.

55. The secondary market for the transfer of licenses is limited.¹⁶

56. If any findings of fact are properly conclusions of law, they shall be treated as if appropriately identified and designated.

CONCLUSIONS OF LAW

57. "Any person...whose rights, status or other legal relations are affected by a statute, municipal ordinance, contract or franchise, may have determined any question of construction or validity arising under the instrument, statute, ordinance, contract or franchise and obtain a declaration of rights, status or other legal relations thereunder." NRS 30.040.

58. A justiciable controversy is required to exist prior to an award of declaratory relief. *Doe v. Bryan*, 102 Nev. 523, 525, 728 P.2d 443, 444 (1986).

¹⁶ The testimony elicited during the evidentiary hearing established that multiple changes in ownership have occurred since the applications were filed. Given this testimony, simply updating the applications previously filed would not comply with BO2.

1 59. NRS 33.010 governs cases in which an injunction may be granted. The applicant must
2 show (1) a likelihood of success on the merits; and (2) a reasonable probability that the non-moving
3 party's conduct, if allowed to continue, will cause irreparable harm for which compensatory damage is
4 an inadequate remedy.

5 60. Plaintiffs have the burden to demonstrate that the DoT's conduct, if allowed to continue,
6 will result in irreparable harm for which compensatory damages is an inadequate remedy.

7 61. The purpose of a preliminary injunction is to preserve the *status quo* until the matter can
8 be litigated on the merits.
9

10 62. In *City of Sparks v. Sparks Mun. Court*, the Supreme Court explained, "[a]s a
11 constitutional violation may be difficult or impossible to remedy through money damages, such a
12 violation may, by itself, be sufficient to constitute irreparable harm." 129 Nev. 348, 357, 302 P.3d
13 1118, 1124 (2013).

14 63. Article 19, Section 2 of the Constitution of the State of Nevada provides, in pertinent
15 part:
16

17 "1. Notwithstanding the provisions of section 1 of article 4 of this constitution, but subject to the
18 limitations of section 6 of this article, **the people reserve to themselves the power to propose,**
19 **by initiative petition, statutes and amendments to statutes and amendments to this**
20 **constitution, and to enact or reject them at the polls.**

21 ...

22 3. If the initiative petition proposes a statute or an amendment to a statute, the person who
23 intends to circulate it shall file a copy with the secretary of state before beginning circulation
24 and not earlier than January 1 of the year preceding the year in which a regular session of the
25 legislature is held. After its circulation, it shall be filed with the secretary of state not less than
26 30 days prior to any regular session of the legislature. The circulation of the petition shall cease
27 on the day the petition is filed with the secretary of state or such other date as may be prescribed
28 for the verification of the number of signatures affixed to the petition, whichever is earliest. The
secretary of state shall transmit such petition to the legislature as soon as the legislature
convenes and organizes. The petition shall take precedence over all other measures except
appropriation bills, and the statute or amendment to a statute proposed thereby shall be enacted
or rejected by the legislature without change or amendment within 40 days. If the proposed
statute or amendment to a statute is enacted by the legislature and approved by the governor in
the same manner as other statutes are enacted, such statute or amendment to a statute shall
become law, but shall be subject to referendum petition as provided in section 1 of this article.

1 If the statute or amendment to a statute is rejected by the legislature, or if no action is taken
2 thereon within 40 days, the secretary of state shall submit the question of approval or
3 disapproval of such statute or amendment to a statute to a vote of the voters at the next
4 succeeding general election. If a majority of the voters voting on such question at such election
5 votes approval of such statute or amendment to a statute, it shall become law and take effect
6 upon completion of the canvass of votes by the supreme court. **An initiative measure so**
7 **approved by the voters shall not be amended, annulled, repealed, set aside or suspended**
8 **by the legislature within 3 years from the date it takes effect.”**

9 (Emphasis added.)

10 64. The Nevada Supreme Court has recognized that “[i]nitiative petitions must be kept
11 substantively intact; otherwise, the people’s voice would be obstructed. . . [I]nitiative legislation is not
12 subject to judicial tampering-the substance of an initiative petition should reflect the unadulterated will
13 of the people and should proceed, if at all, as originally proposed and signed. For this reason, our
14 constitution prevents the Legislature from changing or amending a proposed initiative petition that is
15 under consideration.” Rogers v. Heller, 117 Nev. 169, 178, 18 P.3d 1034,1039–40 (2001).

16 65. BQ2 provides, “the Department shall adopt all regulations necessary or convenient to
17 carry out the provisions of this chapter.” NRS 453D.200(1). This language does not confer upon the
18 DoT unfettered or unbridled authority to do whatever it wishes without constraint. The DoT was not
19 delegated the power to legislate amendments because this is initiative legislation. The Legislature itself
20 has no such authority with regard to NRS 453D until three years after its enactment under the
21 prohibition of Article 19, Section 2 of the Constitution of the State of Nevada.

22 66. Where, as here, amendment of a voter-initiated law is temporally precluded from
23 amendment for three years, the administrative agency may not modify the law.

24 67. NRS 453D.200(1) provides that “the Department shall adopt all regulations necessary or
25 convenient to carry out the provisions of this chapter.” The Court finds that the words “necessary or
26 convenient” are susceptible to at least two reasonable interpretations. This limitation applies only to
27 Regulations adopted by the DoT.
28

1 68. While the category of diversity is not specifically included in the language of BQ2, the
2 evidence presented in the hearing demonstrates that a rational basis existed for the inclusion of this
3 category in the Factors and the application.

4 69. The DoT's inclusion of the diversity category was implemented in a way that created a
5 process which was partial and subject to manipulation by applicants.

6 70. The DoT staff provided various applicants with different information as to what would
7 be utilized from this category and whether it would be used merely as a tiebreaker or as a substantive
8 category.
9

10 71. Based upon the evidence adduced, the Court finds that the DoT selectively discussed
11 with applicants or their agents the modification of the application related to physical address
12 information.

13 72. The process was impacted by personal relationships in decisions related to the
14 requirements of the application and the ownership structures of competing applicants. This in and of
15 itself is insufficient to void the process as urged by some of the Plaintiffs.
16

17 73. The DoT disseminated various versions of the 2018 Retail Marijuana Application, one
18 of which was published on the DoT's website and required the applicant to provide an actual physical
19 Nevada address for the proposed marijuana establishment, and not a P.O. Box, (*see Exhibit 5*), whereas
20 an alternative version of the DoT's application form, which was not made publicly available and was
21 distributed to some, but not all, of the applicants via a DoT listserv service, deleted the requirement that
22 applicants disclose an actual physical address for their proposed marijuana establishment. *See Exhibit*
23 *5A.*
24

25 74. The applicants were applying for conditional licensure, which would last for 1 year.
26 NAC 453D.282. The license was conditional based on the applicant's gaining approval from local
27
28

1 authorities on zoning and land use, the issuance of a business license, and the Department of Taxation
2 inspections of the marijuana establishment.

3 75. The DoT has only awarded conditional licenses which are subject to local government
4 approval related to zoning and planning and may approve a location change of an existing license, the
5 public safety aspects of the failure to require an actual physical address can be cured prior to the award
6 of a final license.

7 76. By selectively eliminating the requirement to disclose an actual physical address for
8 each and every proposed retail recreational marijuana establishment, the DoT limited the ability of the
9 Temporary Employees to adequately assess graded criteria such as (i) prohibited proximity to schools
10 and certain other public facilities, (ii) impact on the community, (iii) security, (iv) building plans, and
11 (v) other material considerations prescribed by the Regulations.

12 77. The hiring of Temporary Employees was well within the DoT's discretionary power.

13 78. The evidence establishes that the DoT failed to properly train the Temporary
14 Employees. This is not an appropriate basis for the requested injunctive relief unless it makes the
15 grading process unfair.

16 79. The DoT failed to establish any quality assurance or quality control of the grading done
17 by Temporary Employees.¹⁷ This is not an appropriate basis for the requested injunctive relief unless it
18 makes the grading process unfair.

19 80. The DoT made licensure conditional for one year based on the grant of power to create
20 regulations that develop "[p]rocedures for the issuance, renewal, suspension, and revocation of a
21 license to operate a marijuana establishment." NRS 453D.200(1)(a). This was within the DoT's
22 discretion.

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28 ¹⁷ The Court makes no determination as to the extent which the grading errors alleged by MM and Live Free may be
subject to other appropriate writ practice related to those individualized issues by the assigned department.

1 81. Certain of DoT's actions related to the licensing process were nondiscretionary
2 modifications of BQ2's mandatory requirements. The evidence establishes DoT's deviations
3 constituted arbitrary and capricious conduct without any rational basis for the deviation.

4 82. The DoT's decision to not require disclosure on the application and to not conduct
5 background checks of persons owning less than 5% prior to award of a conditional license is an
6 impermissible deviation from the mandatory language of BQ2, which mandated "a background check
7 of each prospective owner, officer, and board member of a marijuana establishment license applicant."
8 NRS 453D.200(6).
9

10 83. The argument that the requirement for each owner to comply with the application
11 process and background investigation is "unreasonably impracticable" is misplaced. The limitation of
12 unreasonably impracticable applied only to the Regulations not to the language and compliance with
13 BQ2 itself.

14 84. Under the circumstances presented here, the Court concludes that certain of the
15 Regulations created by the DoT are unreasonable, inconsistent with BQ2 and outside of any discretion
16 permitted to the DoT.
17

18 85. The DoT acted beyond its scope of authority when it arbitrarily and capriciously
19 replaced the mandatory requirement of BQ2, for the background check of each prospective owner,
20 officer and board member with the 5% or greater standard in NAC 453.255(1). This decision by the
21 DoT was not one they were permitted to make as it resulted in a modification of BQ2 in violation of
22 Article 19, Section 2(3) of the Nevada Constitution.
23

24 86. As Plaintiffs have shown that the DoT clearly violated NRS Chapter 453D, the claims
25 for declaratory relief, petition for writ of prohibition, and any other related claims is likely to succeed
26 on the merits.

27 87. The balance of equities weighs in favor of Plaintiffs.
28

1 88. "[N]o restraining order or preliminary injunction shall issue except upon the giving of
2 adequate security by the applicant, in such sum as the court deems proper, for the payment of such
3 costs and damages as may be incurred or suffered by any party who is found to be wrongfully enjoined
4 or restrained." NRCP 65(d).

5 89. The DoT stands to suffer no appreciable losses and will suffer only minimal harm as a
6 result of an injunction.

7 90. Therefore, a security bond already ordered in the amount of \$400,000 is sufficient for
8 the issuance of this injunctive relief.¹⁸
9

10 91. If any conclusions of law are properly findings of fact, they shall be treated as if
11 appropriately identified and designated.

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27 ¹⁸ As discussed during the preliminary injunction hearing, the Court sets a separate evidentiary hearing on whether to
28 increase the amount of this bond. That hearing is set for August 29, 2019, at 9:00 a.m.

ORDER

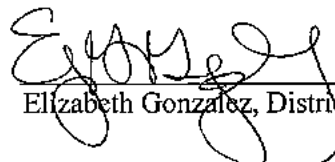
IT IS HEREBY ADJUDGED ORDERED AND DECREED that Plaintiffs' Motions for Preliminary Injunction are granted in part.

The State is enjoined from conducting a final inspection of any of the conditional licenses issued in or about December 2018 who did not provide the identification of each prospective owner, officer and board member as required by NRS 453D.200(6) pending a trial on the merits.¹⁹

The issue of whether to increase the existing bond is set for hearing on August 29, 2019, at 9:00 am.

The parties in A786962 and A787004 are to appear for a Rule 16 conference September 9, 2019, at 9:00 am and submit their respective plans for discovery on an expedited schedule by noon on September 6, 2019.

DATED this 23rd day of August 2019.


Elizabeth Gonzalez, District Court Judge

Certificate of Service

I hereby certify that on the date filed, this Order was electronically served, pursuant to N.E.F.C.R. Rule 9, to all registered parties in the Eighth Judicial District Court Electronic Filing Program.


Dan Kutinac

¹⁹ As Court Exhibit 3 is a post-hearing submission by the DoT, the parties may file objections and/or briefs related to this issue. Any issues related to the inclusion or exclusion from this group will be heard August 29, 2019, at 9:00 am.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

March 01, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

March 01, 2019 3:00 AM Motion to Intervene

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** Chambers

COURT CLERK: Andrea Natali

RECORDER:

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- Upon review of the papers and pleadings on file in this Matter, as proper service has been provided, this Court notes no opposition has been filed. Accordingly, pursuant to EDCR 2.20(e) the Motion to Intervene is deemed unopposed. Therefore, good cause appearing, COURT ORDERED, motion is GRANTED. Moving Counsel is to prepare and submit an order within ten (10) days and distribute a filed copy to all parties involved in this matter.

CLERK'S NOTE: Counsel are to ensure a copy of the forgoing minute order is distributed to all interested parties; additionally, a copy of the foregoing minute order was distributed to the registered service recipients via Odyssey eFileNV E-Service (3/1/19 amn).

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

March 19, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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March 19, 2019 8:48 AM Minute Order

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** Chambers

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- Court noted the Motion for Preliminary Injunction filed on March 18, 2019 does not contain a "request for hearing" in compliance with Administrative Order 19-03. As such the motion is STRICKEN and may be resubmitted in compliance with the administrative order.

CLERK'S NOTE: A copy of this minute order was distributed via the E-Service List. / dr 3-19-19

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

March 20, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

March 20, 2019 9:32 AM Minute Order

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** Chambers

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- The Motion to Intervene as Defendants filed on March 19, 2019 does not contain a "request for hearing" in compliance with Administrative Order 19-03. As such the motion is STRICKEN and may be resubmitted in compliance with the administrative order.

CLERK'S NOTE: A copy of this minute order was distributed to the parties via electronic mail. / dr 3-20-19

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

April 01, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

April 01, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Butler, Kathryn L.	Attorney
	Hone, Eric D.	Attorney
	Koch, David	Attorney
	Savarese, Vincent	Attorney

JOURNAL ENTRIES

- LONE MOUNTAIN PARTNERS, LLC S MOTION TO INTERVENE ON ORDER SHORTENING TIME...INTEGRAL ASSOCIATES LLC'S EX PARTE MOTION FOR ORDER SHORTENING TIME ON MOTION TO INTERVENE AS DEFENDANTS

Court inquired about the State of Nevada, Defendant. Mr. Savarese stated he does not know why they are not here; they have not filed an answer to the complaint nor a response to the motion for preliminary injunction. Mr. Koch advised he spoke with the Attorney General's Office on Wednesday; there are multiple cases similar to this one, and the Attorney General's Office has appeared on one of them and filed a motion to dismiss; there are service issues; when he spoke with counsel on Wednesday he indicated he had not received the motion for preliminary injunction. Mr. Koch added that he filed a motion to strike the motion for preliminary injunction based on the number of pages and on the timing. Mr. Savarese advised the State has been served with both the complaint and the motion for preliminary injunction; this week he is planning to file a response to the motion to strike. Court encouraged the parties to get together and as a group be satisfied with the briefing on any motion for preliminary injunction so there is only one hearing; the Court will not

have seriatim motions for preliminary injunction. Court informed Mr. Savarese he may submit an ex parte application for leave to extend the page limit. Mr. Savarese replied he will do so in a day or two. Mr. Koch noted the opposition to the motion for preliminary injunction is due tomorrow.

COURT ORDERED, both motions to intervene GRANTED. Proposed orders signed in open court and returned to Ms. Butler and Mr. Hone respectively for filing.

4-15-19 9:00 AM MOTION TO STRIKE PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION, OR, IN THE ALTERNATIVE, MOTION TO CONTINUE THE HEARING ON PLAINTIFFS' MOTION FOR A PRELIMINARY INJUNCTION ON ORDER SHORTENING TIME

4-22-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION

CLERK'S NOTE: Motion to Intervene filed by Integral on March 20, 2019 and SET for April 26, 2019 VACATED as a duplicate of today's motion. A copy of this minute order was placed in the attorney folder for the Office of the Attorney General. / dr 4-1-19

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

April 08, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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April 08, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Gutierrez, Joseph A.	Attorney
	Kahn, Jared B, ESQ	Attorney
	Savarese, Vincent	Attorney
	Shell, Alina	Attorney

JOURNAL ENTRIES

- GREENMART OF NEVADA NLV LLC'S MOTION TO INTERVENE ON ORDER SHORTENING TIME...HELPING HANDS WELLNESS CENTER, INC.'S MOTION TO INTERVENE AS DEFENDANTS

Counsel for Plaintiff not present at call of the case. Matter TRAILED.

Matter RECALLED with Mr. Savarese appearing by telephone.

Court NOTED it has also been assigned A787004-B and asked how many cases there are about the transparency of the process with the Nevada Department of Taxation. Mr. Gutierrez advised there are 7; there is a case or are cases pending before Judge Barker that are not business court cases. Court noted it is trying to determine how many there are, since the State has not been involved and Mr. Savarese indicated last time that the State would be trying to dismiss, so the parties are not litigating in all these departments. Mr. Savarese advised he is only aware of Judge Barker having one or more matters before him but he is not aware of any others. Court noted Plaintiff is making a constitutional

challenge, which is why the Court is trying to identify the cases to see if it is appropriate to pull the non-business court cases into business court for purposes of case management. COURT DIRECTED all counsel to research those cases and email the Law Clerk. Mr. Savarese advised he spoke with counsel for the Department of Taxation on Friday, he believes, and he mentioned the Court was concerned about the State's non-appearance, but the State is aware of this litigation and also suggested the matters perhaps be consolidated before Judge Barker. Court noted it has previously happened, such as in CityCenter, that non-business court cases were pulled into business court. COURT ORDERED, matter SET for status check on April 15 regarding the information.

COURT ORDERED, today's motions to intervene GRANTED.

Mr. Savarese further advised he owes the Court a motion to exceed his page limit.

4-15-19 9:00 AM MOTION TO STRIKE PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION, OR, IN THE ALTERNATIVE, MOTION TO CONTINUE THE HEARING ON PLAINTIFFS' MOTION FOR A PRELIMINARY INJUNCTION ON ORDER SHORTENING TIME...STATUS CHECK

5-6-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

April 15, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

April 15, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

Bhirud, Ketan D.	Attorney
Cristalli, Michael	Attorney
Gentile, Dominic P.	Attorney
Gutierrez, Joseph A.	Attorney
Hone, Eric D.	Attorney
Kahn, Jared B, ESQ	Attorney
Koch, David	Attorney
Savarese, Vincent	Attorney
Shell, Alina	Attorney
Werbicky, Robert E.	Attorney

JOURNAL ENTRIES

- STATUS CHECK...PLAINTIFF'S EX PARTE MOTION FOR LEAVE TO FILE BRIEF IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION IN EXCESS OF THIRTY (30) PAGES IN LENGTH OR IN THE ALTERNATIVE FOR LEAVE TO FILE AMENDED BRIEF NOT TO EXCEED THIRTY (30) PAGES IN LENGTH

Matter heard with A-19-787004-B ETW Management Group LLC vs. Nevada Dept of Taxation.

Attorney Adam Bult, counsel for Plaintiffs in A-19-787004-B also present.

Mr. Gentile appeared by telephone.

STATUS CHECK: Court thanked counsel for the email identifying all the related cases. Colloquy regarding the DH Flamingo case, A-19-787035-C. Court noted it was included in the list.

Counsel further advised a stipulation will be submitted to the Court moving the Motion for Preliminary Injunction two weeks from May 6. Mr. Savarese noted they have not yet agreed. Court advised it will be out of the jurisdiction on May 20 so it can hear the motion on May 13, June 3, or May 24. Per parties' agreement, a stipulation will be submitted moving the motion for preliminary injunction to May 24.

PLAINTIFF'S EX PARTE MOTION FOR LEAVE TO FILE BRIEF IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION IN EXCESS OF THIRTY (30) PAGES IN LENGTH OR IN THE ALTERNATIVE FOR LEAVE TO FILE AMENDED BRIEF NOT TO EXCEED THIRTY (30) PAGES IN LENGTH: COURT ORDERED, Plaintiff's Ex Parte Motion for Leave to File Brief in Excess of Thirty Pages ADVANCED from May 17, 2019 in chambers to today's date. COURT NOTED it would normally not grant this motion; however, the Court GRANTS Plaintiff's motion for leave because of the complexity of the issues.

4-22-19 9:00 AM STATUS CHECK

5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION

CLERK'S NOTE: Minutes updated to reflect that the Motion for Preliminary Injunction is now on May 24th, as reflected above and entered in Odyssey, per the parties' agreement in court on April 15.
/ dr 4-17-19

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

April 22, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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April 22, 2019 9:00 AM Status Check

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Sandra Pruchnic

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Gutierrez, Joseph A.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B, ESQ	Attorney
	Koch, David	Attorney
	Pope, David J.	Attorney
	Shell, Alina	Attorney
	Werbicky, Robert E.	Attorney

JOURNAL ENTRIES

- Mr. Kahn participated by telephone.

Also present in court:

A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation
(Department IX case):

Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs

A-18-786357-W - Compassionate Team of Las Vegas LLC vs. Nevada Department of Taxation

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AA 006190

(Department XIV case):
Attorney Daniel Simon for the Plaintiff

A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case):
Attorney Adam Bult for the Plaintiffs

A-19-787035-C - D H Flamingo Inc vs. State Ex Rel Department of Taxation (Department VI case);
Attorney Kelly Stout for the Plaintiffs

A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation
(Department XVIII case);
Attorney Theodore Parker for the Plaintiff

A-19-787726-C - High Sierra Holistics vs. State of Nevada Department of Taxation (Department XIV case)
Attorney James Puzey for the Plaintiff

COURT advised today is a scheduling conference; these matters have been put on calendar because this Court has the lowest business court case and the motion for preliminary injunction.

Mr. Kemp advised there are also cases in Washoe County and Lyon County; MM Development is the lowest case of all the cases locally; it is assigned to Department IX and has been administered by senior judges, although he understands Judge Silva will be the new judge in Department IX; he had informed Mr. Werbicky that they would not be opposed to coordination in general; however, the problem is that some cases are not in business court and they have a lot of missing parties; he will be filing an answer in a different case, and the proposition there is that even after a motion for coordination is granted a peremptory challenge may be filed; every time you coordinate you get a new bump which violates 48.1; the only way around that is to have a stipulation between all parties to go to one judge and keep that judge. Court stated its goal is to get the preliminary injunction hearing in the instant case finished and since this Court's ruling may affect all the people here today the Court is inviting everyone to participate; the Court is not consolidating the cases for the exact reason that counsel is identifying which could result in multiple things down the road.

Mr. Kemp advised he supports the motion for preliminary injunction and can participate and submit briefing through Mr. Gentile; he points that out because they are already in the discovery process and have taken 6 depositions.

At Ms. Stout's request for clarification, Court stated that at this point it is only planning to coordinate for purposes of the preliminary injunction hearing because of the primarily constitutional and business issue that is woven throughout all the cases. Mr. Bult advised he is probably in the same spot as Mr. Kemp and will help Mr. Gentile. Court noted if everyone is going to be relying on Mr. Gentile then that means all will be asking questions at the preliminary injunction hearing, which will triple the time if there are going to be witnesses. Mr. Bult further advised his only concern right now

is a briefing schedule.

Mr. Parker advised they were before the Discovery Commissioner a week and a half ago, and Nevada Wellness received a report and recommendation in their favor allowing them certain discovery; so, they may submit briefing which includes that additional discovery. Mr. Bhirud stated he would prefer to respond to one opposition although he would rather not have 7 different rulings either. As to whether parties will have witnesses at the hearing, Court stated it will be up to counsel. Mr. Bhirud added he would prefer that one or two attorneys on the Plaintiffs' side take the lead.

Mr. Koch advised they had stipulated to May 2nd for the opposition; he is not sure if with regards to the hearing fact witnesses would help, because the motion for preliminary injunction as written is really legal argument regarding statutes.

Court noted its only concern is that it was unclear when it read the briefing - because it stopped reading before granting a motion to exceed page limit - if there is an argument that it is unconstitutional as applied, if that is the case, they probably need witnesses.

Upon Mr. Puzey's inquiry, Court stated it does not intend to have the cases in Washoe and Lyon counties come here unless those judges want it to; if those judges and parties want to participate this Court will be happy to have them participate on May 24th; the cases here have the approval of the Chief Judge for coordination given the status of some of the departments they are assigned to. Mr. Bhirud advised the State will stipulate to bring those cases here. Mr. Puzey replied they are not yet prepared to enter into that stipulation today. Court stated it will let counsel discuss that amongst themselves.

Mr. Kemp further advised there are two applications pending in Reno for new licenses which are currently not on the Washoe County agenda but could be put on the agenda on 5 days' notice; there is some concern that they could be heard as early as next week, which would be before the preliminary injunction hearing; if noticed, they will ask Mr. Gentile to take appropriate action here to prevent those applications from becoming somehow moot. Court stated counsel can do whatever they want; the Court will sign an OST.

Ms. Stout requested further clarification; her clients have sought slightly different relief and she wants to clarify whether the action that would be taken with respect to the motion for preliminary injunction here would not prevent other parties from seeking a preliminary injunction in other cases. Court stated yes if seeking on a different basis, but if the same basis as the instant case then it would be done here.

Colloquy between Court and counsel regarding briefing. Per parties' STIPULATION, COURT ORDERED:

Other Plaintiffs to make a decision by May 6, 2019 on whether they are formally joining the motion for preliminary injunction and adding to some of the facts and raising new issues;

Opposition DUE by May 9, 2019;

Reply brief DUE by May 22, 2019 at noon.

Ms. Stout advised that to the extent this proceeding would prevent her clients from raising a preliminary injunction seeking similar relief later on they would have to OBJECT under EDCR 2.50 and 1.61. COURT SO NOTED. Mr. Bhirud inquired as to whether the Court would prefer to have a motion for preliminary injunction by D H Flamingo filed here. COURT NOTED, if something happens and counsel thinks it needs to be done differently; no one has filed a formal motion to coordinate or consolidate. The Court has invited participation in the preliminary injunction hearing of all interested parties in order to avoid potentially conflicting rulings.

COURT FURTHER NOTED that on May 6th, the date for the other Plaintiff's elections, if there are any other issues that are unanticipated or beyond the pale the Court can discuss those with the parties on a conference call; if there are any discovery disputes that relate to the preliminary injunction hearing the Court can also do this on a conference call.

After the May 24th hearing matter will be set for Rule 16 conference.

5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 02, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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May 02, 2019 1:14 PM Motion to Intervene

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** Chambers

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- Motion ADVANCED from May 6, 2019.

COURT ORDERED, given the non-opposition filed on May 1, 2019, pursuant to EDCR 2.23, the Court decides this matter without the necessity of oral argument. Upon review of the papers and pleadings on file in this Matter, as proper service has been provided, this Court notes no opposition has been filed. Accordingly, pursuant to EDCR 2.20(e) the Motion to Intervene is deemed unopposed. Therefore, good cause appearing, COURT ORDERED, motion is GRANTED. Moving Counsel to prepare and submit an order within ten (10) days and distribute a filed copy to all parties involved in this matter.

5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION

CLERK'S NOTE: A copy of this minute order was distributed via electronic mail. / dr 5-2-19

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 13, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

May 13, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B, ESQ	Attorney
	Koch, David	Attorney
	Pope, David J.	Attorney
	Savarese, Vincent	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney

JOURNAL ENTRIES

- PLAINTIFFS' MOTION TO CONSOLIDATE ON ORDER SHORTENING TIME...APPLICATION FOR TEMPORARY RESTRAINING ORDER

APPEARANCES CONTINUED: Philip Peckman, Mitchell Britten, and Dave Brown, Client Representatives for Thrive Cannabis Marketplace, introduced by Mr. Gutierrez.

Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Dennis Kennedy for the Plaintiffs in A-19-787035-C - D H Flamingo Inc vs. State Ex Rel Department of Taxation (Department VI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case);

Attorney Philip Byrnes for the Defendant in A-19-794473-C - Serenity Wellness Center, LLC vs. The City of Las Vegas, Nevada (Department I case);

Attorney Adam Fulton for the Plaintiff in A-19-786888-J - ACC Enterprises, LLC vs. Nevada Department of Taxation (Department XXX case).

Matter heard with A-19-787004-B ETW Management vs. Nevada Department of Taxation and A-19-794473-C Serenity Wellness Center, LLC vs. The City of Las Vegas, Nevada.

STATE'S MOTION TO CONSOLIDATE in A-19-787004-B ETW Management: Argument in support of the motion by Mr. Shevorski, joinder by Mr. Koch to the State's Motion, and arguments in opposition by Mr. Kennedy and Mr. Fulton. COURT ORDERED, given the unique issues in A787035 related to the appeal and A786888 related to the mailing issues, the Court will NOT COORDINATE those issues in this department. However, the Court will GRANT the motion to the extent it seeks coordination of all the issues related to the preliminary injunction hearing scheduled next Friday (May 24, 2019).

Court noting the Governor signed SB32 last Friday inquired whether it will impact any of the issues or exchange of information that needs to happen before the preliminary injunction hearing next Friday. Mr. Kemp advised the Department of Taxation filed a supplemental group of materials on their website on Friday that raises even more questions; he thinks it will help the process and speed up the preliminary injunction hearing but does not solve the issue.

PROPOSED MOTION FOR ORDER COMPELLING PRODUCTION OF PRESERVED ELECTRONICALLY STORED INFORMATION in A-19-787004-B ETW Management: Per parties' agreement, Motion SET for Thursday, May 16, 2019 at 9 am. Order Shortening Time signed in open court and returned to counsel for filing.

PLAINTIFFS' MOTION TO CONSOLIDATE ON ORDER SHORTENING TIME: Mr. Gentile argued in support of consolidating the instant case and with A-19-794473-C Serenity Wellness Center, LLC

vs. The City of Las Vegas, noting they had to file a lawsuit against the City quickly; it makes sense to consolidate these cases as they are identical. Mr. Byrnes advised the City has not received anything in this case but received a copy of the complaint this morning; however, the City also filed this morning a Notice of Removal to Federal Court. COURT NOTED it cannot act today if a notice of removal has been filed.

DISCUSSION REGARDING PRELIMINARY INJUNCTION HEARING ON MAY 24, 2019: Court stated it does not care as to what the parties decide on a consolidated date for the oppositions as the Court will read all the briefing; Plaintiffs' reply brief DUE May 22nd. Mr. Shevorski advised that with respect to the motion filed by MM Development their oppositions are due on the 20th. Colloquy regarding suspended rules and counting days. Court noted 14 days from May 6th, the date of service of the motion. Mr. Shevorski advised it is his preference not to have any witnesses on May 24. Mr. Gentile advised that he would like to call witnesses; there has been a good deal of coordination of the attorneys sitting at his table, and he has 3 experts; he also anticipates the hearing will not be completed in one day; 2 of his experts are flying in. Mr. Kemp estimated 2.5 to 3 days for the hearing, depending on how much argument there will be, and advised he is calling one limited witness. Mr. Bult advised he may have one limited witness as well. Mr. Parker advised he is in trial the week of May 27 in federal court in Reno; however, he does have 1 witness in the instant case and anticipated the hearing taking 3 days. COURT TRAILED the matter for the parties to confer on a number of days.

Matter RECALLED.

APPLICATION FOR TEMPORARY RESTRAINING ORDER (Serenity Wellness against Defendant-Intervenor CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace) : Following arguments by Mr. Gentile and Mr. Gutierrez, COURT ORDERED, after evaluating the balance of hardships and likelihood of success on the merits, the Court GRANTS the TRO in a limited respect PREVENTING Thrive from beginning operations at the 3500 Sahara location until after the preliminary injunction hearing which the Court SETS as the same time as the Motion for Preliminary Injunction on May 24, 2019. BOND SET at \$150,000, amount of a half month's rent.

Following further discussion on the estimated length and scope of the hearing(s), COURT NOTED it will SET ASIDE May 24th to the 31st. COURT FURTHER DIRECTED anyone to obtain Mr. Parker's confirmation via email to all parties, since he will be in trial, that he will be fine with everyone else proceeding after his one witness.

5-16-19 9:00 AM DEFENDANT/INTERVENOR, CLEAR RIVER, LLC'S, ORDER
SHORTENING TIME ON MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA...
...DEFENDANT INTERVENOR HELPING HANDS WELLNESS CENTER, INC.'S JOINDER TO
CLEAR RIVER, LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA
... LONE MOUNTAIN PARTNERS, LLC'S JOINDER TO CLEAR RIVER, LLC'S MOTION FOR
PROTECTIVE ORDER AND TO QUASH SUBPOENA...
...NEVADA ORGANIC REMEDIES LLC'S JOINDER TO CLAR RIVER LLC'S MOTION FOR

PROTECTIVE ORDER AND TO QUASH SUBPOENA...

...GREENMART OF NEVADA NLV LLC'S JOINDER TO CLEAR RIVER LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA AND GREEN OF NEVADA NLV LLC'S JOINDER TO CLEAR RIVER LLC'S OBJECTION TO PLAINTIFF'S SUBPOENA DUCES TECUM UPON NON-PARTY, STATE OF NEVADA, DEPARTMENT OF TAXATION

5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (Serenity Wellness against Defendant-Intervenor CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace)

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 16, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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May 16, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D. Attorney Black, Tisha R Attorney Cristalli, Michael Attorney Gentile, Dominic P. Attorney Graf, J. Rusty Attorney Gutierrez, Joseph A. Attorney Haar, Theresa M. Attorney Higgins, Brigid M. Attorney Hone, Eric D. Attorney Kahn, Jared B, ESQ Attorney Koch, David Attorney Pope, David J. Attorney Shell, Alina Attorney Shevorski, Steven G. Attorney
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JOURNAL ENTRIES

- DEFENDANT/INTERVENOR, CLEAR RIVER, LLC'S, ORDER SHORTENING TIME ON MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA...

...LONE MOUNTAIN PARTNERS, LLC'S JOINDER TO CLEAR RIVER, LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA...

...NEVADA ORGANIC REMEDIES LLC'S JOINDER TO CLAR RIVER LLC'S MOTION FOR

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Minutes Date: March 01, 2019

AA 006199

PROTECTIVE ORDER AND TO QUASH SUBPOENA...

...GREENMART OF NEVADA NLV LLC'S JOINDER TO CLEAR RIVER LLC'S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA AND GREEN OF NEVADA NLV LLC'S JOINDER TO CLEAR RIVER LLC'S OBJECTION TO PLAINTIFF'S SUBPOENA DUCES TECUM UPON NON-PARTY, STATE OF NEVADA, DEPARTMENT OF TAXATION...

...DEFENDANT INTERVENOR HELPING HANDS WELLNESS CENTER, INC. S JOINDER TO CLEAR RIVER, LLC S MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Matter heard with A-19-787004-B ETW Management vs. Nevada Department of Taxation, assigned to Department XI.

Court inquired of Mr. Kemp whether a search protocol was developed when the mirror order was signed in his case. Mr. Kemp advised no, it was just a blanket download; they did not download the State's servers that the applications were on, but the State did preserve those; the key thing here is the 15 laptops used by the graders. Mr. Kemp further advised there was a control copy, the State's copy, and what is supposed to be his copy; no searches have been done by him.

DEFENDANT/INTERVENOR, CLEAR RIVER, LLC'S, ORDER SHORTENING TIME ON MOTION FOR PROTECTIVE ORDER AND TO QUASH SUBPOENA and JOINDERS thereto in A-19-786962-B Serenity Wellness Center, LLC vs. State of Nevada Department of Taxation (Department XI case): Arguments by Mr. Graf, Mr. Koch, Mr. Kemp, Mr. Gentile, and Mr. Shevorski. Upon Court's inquiry, Mr. Shevorski advised they have not yet done the searches subject to 16.1 in the MM case as the information is subject to security protocols; however, it has been preserved; they have produced their 16.1 and have not heard objections from the other side that their 16.1 was inadequate.

Mr. Pope advised that when Judge Bailus was leaving, he said that all he was doing was preserving the information and the parties could fight about it later as to what could be released or not, what was confidential or not; the order even says the Plaintiffs were not to get the information until there was a process; MM wanted copying and then wanted forensic imaging, which requires special software and a lot of time to convert the information into something people are able to look at; money and time are involved; they did not have a vendor; the Department of Taxation I.T. staff thought they had to copy the drives, but when it came to forensic imaging, they had to find someone and the only vendor they could find who could do it was the Washoe County Sheriff's Department through the State's investigative department; he does not know what program but he is working on finding out what platform; their forensic specialist is "Kristy Funsaco" (phonetic), who is an investigator in their office, a State employee, and an expert in this area. Mr. Shevorski concurred searches have not been

done but they have made their 16.1 disclosures to Mr. Kemp.

Court noting the issue of privilege inquired if the State is in a position to do the redactions to the applications so only limited information is provided. Mr. Pope responded they are not as it would take a couple of employees one year to do that; procedurally they could give back the applicants their apps and have them redact the apps themselves. Mr. Graf replied it appears there has to be a methodology on what information gets disseminated and a methodology of contacting 400 or so applicants. Mr. Graf further argued as to how the State does their evaluations.

COURT ORDERED, with respect to the motion for protective order, for those entities that are parties, the State will RELEASE the applications to those participating in this case.

Those entities may provide appropriate redactions with a privilege log; however, the sections on diversity and financial will not be redacted; those two categories will be produced in unredacted form.

There will also be an attorney's eyes only (AEO) protective order that also allows the Plaintiffs' statistician expert only to review that information.

The production, with redactions, will be DONE by Tuesday (May 21, 2019). Thus, the State will do it expeditiously.

After looking at that, if the Plaintiffs have any supplement they are to file that by Thursday morning (May 23, 2019).

MOTION FOR ORDER COMPELLING PRODUCTION OF PRESERVED ELECTRONICALLY STORED INFORMATION ON ORDER SHORTENING TIME in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case): Statement by Mr. Kemp as to what had happened in the hearing before Judge Bailus which lasted 7 hours, noting that he offered to pay for the State's independent computer consultant. Colloquy regarding possible vendors. Further argument by Mr. Kemp as to 16.1 disclosures being filed but that the hard drives and cellphones have not been provided. Mr. Kemp asked for the 15 hard drives and 3 state cellphones, stating he could take it from there and make them AEO. Mr. Rulis advised HOLO could be a vendor.

COURT ORDERED, the images originally designated as the Plaintiffs' copy will be DELIVERED to HOLO and it will be at Plaintiffs' expense, not at State expense; platform will be provided by HOLO.

Custodian list as well as search terms will be PROVIDED to all parties and to HOLO by 10 am tomorrow, May 17;

If anyone has an objection to a custodian or search term, it needs to be made by 2 pm tomorrow by email with a copy to the Law Clerk so the Court can conduct a conference call;

If there are unobjected to custodians and search terms HOLO will begin the search process;

If there is an issue related to a privilege that a party thinks they need to review, the party has 24 hours from the identification of the document by HOLO or when HOLO makes it available on the platform to either make a claim of privilege and review the document, order redactions, agree with redactions, or whatever.

Any document to which there is no claim of privilege made will be released so it can be obtained in time for the hearing;

Upon Mr. Koch's inquiry, Court concurred anything not part of M1 through 4 is not privileged, so the Court is ordering that as well as the diversity and financial sections.

All witnesses for the May 24th hearing must be identified by Thursday, May 23rd, at 3 pm; counsel need not say when the witnesses will be called and can work together on a schedule.

Court further directed counsel to contact HOLO that they have a big job coming.

5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 17, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

May 17, 2019 2:45 PM Telephonic Conference

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gutierrez, Joseph A.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Katz, Moorea L.	Attorney
	Koch, David	Attorney
	McLetchie, Margaret A.	Attorney
	Pope, David J.	Attorney
	Shell, Alina	Attorney
	Werbicky, Robert E.	Attorney
	Zimmerman, Jamie, ESQ	Attorney

JOURNAL ENTRIES

- APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Travis Chance for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case).

Court acknowledged receipt of objections. Mr. Rulis advised he was the one who drafted the custodians and search terms on the Plaintiffs' side. Court inquired as to why Amanda Connor, Derek Conner, and other people who do not work for the State or Manpower are appropriate custodians. Mr. Kemp stated Amanda Connor was the person who prepared the applications for, he believes, 4 of the groups and won applications; they are exploring any communications between her and the State. Court notes that is a search term, not a custodian. COURT ORDERED, objection as to the custodian for non-State, non-Manpower is GRANTED. Mr. Bhirud advised he, Mr. Rulis, and HOLO had spoken today; the documents are not organized by custodian.

With regards to search terms, including the Connors, Mr. Hone advised that to the extent it is communications with the State they agree with the Court. COURT ORDERED, since the only computers being searched and only data being searched is data from the State, the Court does not see that there is any privilege related to communications by counsel for any of the applicants.

Court inquired of Mr. Rulis and Mr. Kemp as to why RD numbers need to be searched. Counsel stated it would be to the extent any RD numbers are referenced in any communication. Mr. Kemp noted this is just a small number of RD numbers; they want to see if any comments were made regarding their specific application. Court further inquired about an additional issue of all the first names indicated for Essence and Thrive and why Riana Durrett and Jorge Pupo are appropriate. Mr. Kemp Riana advised Riana Durrett is an attorney with Connor and Connor and is not with the State; Mr. Pupo is the head of the Nevada Department of Taxation; this is again in relation to communications between them and the State. Mr. Bhirud responded the State is not looking to hide anything; their concern is they simply do not have custodians and are not searching a particular method of communication; right now they have 127,000 (inaudible) of files they need to review in 24 hours. Court asked where the State emails were. Mr. Kemp stated that he understands they are on separate servers the State has; they would like to do a search on the State emails at the same time HOLO is doing the search on the mirrors/forensic documents. Court then noted counsel are talking about that separately so the Court will not get involve in it at the moment.

Ms. McLetchie advised it is her understanding Riana Durrett no longer works at Connor and Connor but is now an executive director of the Nevada Dispensary Association. Mr. Kemp stated that when the applications were filed Ms. Durrett was at Connor and Connor. Court asked when Ms. Durrett left. Ms. McLetchie stated she is not sure but she will follow up on that.

Following colloquy regarding connectors used with the search terms, Mr. Kemp confirmed "or" would be the connector but he does not think there will be a lot. With regards to other objections, Mr. Koch, noting that they have 24 hours to review the documents for any privilege, objected as what would be searched is protected under statute; they filed a petition with the Supreme Court to preclude any production by the State and expect that to be heard as soon as possible; he does not see how there is a practical turnaround for the review. Court stated if the Nevada Supreme Court entertains that petition or if counsel file a stay request with this Court, the Court will discuss it with the parties.

COURT ORDERED, objections from 5 parties MARKED collectively as Court's Exhibit 1 to this hearing. (See worksheet.)

Court noted one of the other issues raised in the objections was well-founded, i.e. that the Plaintiffs' applications also need to be produced under the same format so the scoring issue can be evaluated, as to whether it is correct or not.

Colloquy. Court noted it anticipates the Plaintiffs' applications will be made under the same protective order, under the same ruling, that the Court issued yesterday. Mr. Bhirud requested further clarification on connectors. COURT stated HOLO will run the search with "or" as connector and they will communicate to counsel how many documents were generated by that search; then, parties will meet and confer to decide whether they need to do narrowing before people start looking at documents; if the parties are unable to, they are to contact the Law Clerk by email that they need to speak with the Court, and the Court will figure out how to talk to the parties; HOLO will figure out the number of hits and if it is a huge amount then parties may need to narrow the search. Colloquy regarding amount of data on laptops and the review. Mr. Rulis advised HOLO indicated they would prioritize searching the cellphones; secondly, the concept was that they would not only produce a number of hits but also some sort of shortened privilege log.

Ms. McLetchie requested clarification on unrepresented parties such as Circle S. Mr. Kemp explained what Circle S' significance was with regards to scoring. Court noted it assumes that would be produced in redacted form, except for diversity and financial, as with everyone else. Ms. McLetchie suggested Circle S be notified; she is their registered agent, she would be happy to talk to them, and they need an opportunity to redact their own information. Court stated this was a lovely idea and DIRECTED everyone else serving as registered agents for anyone with an application that may be produced or an attorney-client relationship they are welcome to notify those people with the potential production of their information.

Mr. Gutierrez inquired about the timing for the OST on the motion to stay. COURT STATED it will be able to hear that motion for Thursday, May 23rd at 10:30 am.

Court addressing Mr. Koch's concern stated he has the ability to redact personal identifiers from bank accounts of individuals. Colloquy regarding the protective order and who is drafting it. Mr. Rulis advised they circulated one to the State previously but he can circulate one again to everyone for comment. Colloquy regarding AEO. Mr. Kemp advised they are not really interested in the specific financial information; to the extent they want to be liberal in their redaction of financial information he understands that. COURT added it is NOT OPPOSED to parties redacting the financial information of individuals and not providing or totally redacting bank statements.

Ms. McLetchie stated she does not know whether Circle S has to intervene to protect records concerning their application but she would simply request that they be allowed to be involved in the discovery process. Court noted this if Circle S wants to participate only to the extent of making sure their protected confidential information remains protected in accordance the ruling the Court made,

they are welcome to do so. Court recommended they notify the Plaintiffs and HOLO.

Colloquy regarding applications. Court inquired whether the State is intending to exclude the applications from the search HOLO is doing. Mr. Bhirud stated that is his preference. Mr. Kemp stated he does not have a problem with that, if HOLO can figure out. COURT NOTED the applications will not be searched then so the State may want to provide applications to people such as Ms. McLetchie's clients for any redaction. COURT FURTHER NOTED it is not anticipating bank statements as part of this process and assumes parties will redact bank statements; that does not mean, however, that the question will not be asked at the evidentiary hearing.

5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY
INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM
HOLDINGS, LLC d/b/a THRIVE CANNABIS MARKETPLACE

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 22, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

May 22, 2019 11:30 AM Telephonic Conference

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B, ESQ	Attorney
	Katz, Moorea L.	Attorney
	Koch, David	Attorney
	Shevorski, Steven G.	Attorney
	Werbicky, Robert E.	Attorney
	Wight, Brody R.	Attorney
	Wolpert, Leo	Attorney
	Zimmerman, Jamie, ESQ	Attorney

JOURNAL ENTRIES

- APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case).

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Court acknowledged receipt of the proposed order for last week's hearing as well as a protective order, advised it made a couple of changes, and asked if anyone else had any substantive changes as the Law Clerk did not receive any additional proposals. Mr. Koch stated he and Mr. Rulis have spoken about the issue regarding names of documents HOLO has provided; they cannot tell what the document is and do not know what is in them and would request that the documents be described a little bit better. Upon Court's inquiry, Mr. Koch stated they received a list from the 15 laptops of 11,000 documents / hits. Mr. Kemp noted, for example, a document named \$100QSMISLS; he has no idea what that is. Mr. Rulis added that the State has a Relativity workspace that was set up for them. Mr. Bhirud responded that he would like the burden to not be pushed back to the State and explained the Relativity platform. Mr. Bhirud further advised that Mr. Pope and Mr. Werbicky are working on this and that the State has already done its part. Mr. Kemp volunteered to review the documents. Mr. Koch stated he believes only the State and HOLO should be able to do that. Mr. Bhirud proposed that counsel for the State go back and identify a document; if a specific applicant is named, they will identify who the applicant is; if it is more, then the State will say multiple applicants; they will have two of their attorneys start working on it, not work on anything else, and they will not stop until they are done and will keep the parties updated on their progress. Court stated this was a reasonable proposal.

Mr. Kemp advised the Plaintiffs have produced their applications but the Defendants' redactions are outrageous; for example, Lone Mountain, which won 11 licenses and is doing business as Verano, had 643 out of 647 pages redacted; the other 4 pages, which he has in his hand, are maybe 50% redacted; Lone Mountain has only given them the names of the 3 people they have put down for diversity, so that production is not in good faith; he will be happy to provide the Court with copies of what he has. COURT ORDERED, this matter will be discussed tomorrow at 10:30 am. Counsel can bring whatever they like.

Hearing no other concerns, COURT stated it will APPROVE the latest version of the protective order with the single statistician and a requirement of a privilege log with the production.

5-23-19 10:30 AM STATUS CHECK

5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY
INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM
HOLDINGS, LLC d/b/a THRIVE CANNABIS MARKETPLACE)

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 23, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

May 23, 2019 10:30 AM Status Check

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

Bhirud, Ketan D.	Attorney
Cristalli, Michael	Attorney
Gentile, Dominic P.	Attorney
Graf, J. Rusty	Attorney
Higgins, Brigid M.	Attorney
Hone, Eric D.	Attorney
Hymanson, Philip M.	Attorney
Kahn, Jared B, ESQ	Attorney
Koch, David	Attorney
Shell, Alina	Attorney
Shevorski, Steven G.	Attorney

JOURNAL ENTRIES

- APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case).

COURT ORDERED, items MARKED as Court's Exhibits 1A, 1B, 2, 3, and 4 for today's hearing. (See

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worksheet.) Exhibits 2 and 3 are SEALED by ORDER OF THE COURT. Court and counsel discussed documents as they relate to diversity, building plans, addresses and/or lack thereof. Court RECESSED for Mr. Hymanson to make phone call.

Matter RECALLED. Mr. Hymanson provided an update as to the production. Court directed counsel to inform everyone by 2 pm today as pages are totally redacted. Further discussion regarding locations and building plans, scheduling, witnesses, and exhibits.

Proposed order on Clear River's motion for protective order signed with interlineations and returned to Mr. Graf for filing.

5-24-19 9:00 AM MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY
INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM
HOLDINGS, LLC d/b/a THRIVE CANNABIS MARKETPLACE)

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 24, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

May 24, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Alan Castle

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Hymanson, Philip M.	Attorney
	Kahn, Jared B, ESQ	Attorney
	Kemp, William Simon	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Rulis, Nathanael R., ESQ	Attorney
	Savarese, Vincent	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- Preliminary Injunction Hearing (Serenity Wellness against Defendant-Intervenor CPCM Holdings,

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LLC d/b/a Thrive Cannabis Marketplace)

FILED IN A-19-786962-B (Coordinated Cases - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED:

William Kemp, Esq. and Nathanael Rulis, counsel for Livfree Wellness LLC; counsel for Livfree Wellness LLC (A-18-785818-W)

Adam Bult, Esq. and Maximilien Fetaz, Esq., counsel for Green Therapeutics LLC, ETW Management Group, LLC (A-19-787004-B)

Theodore Parker, Esq. and Mahogany Turfley, Esq., counsel for Nevada Wellness Center, LLC (A-19-787540-W)

Upon Court's inquiry, exhibits presented and Stipulated exhibits admitted. (See worksheets)
Opening statements by counsel. Testimony presented. (See worksheets)

Colloquy regarding scheduling. No objection noted. Proposed Findings of Fact, Conclusions of Law are to be submitted to the Court by Wednesday (May 26, 2019) at noon. Court recessed for the day. Court advised parties Court will entertain Motion to Compel next date.

5/28/19 9:45 a.m. Further Proceedings: Preliminary Injunction Hearing

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 28, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

May 28, 2019 9:45 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Hymanson, Philip M.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 2

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A
THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-

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785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Court noted a motion for protective order was filed in the Department VIII case. Mr. Koch advised they subpoenaed Amanda Connor to testify tomorrow. No objection by all parties to having the motion heard by this Court.

Testimony and exhibits presented. (See worksheet.)

COURT ORDERED, hearing CONTINUED tomorrow, May 29, at 9:00 am, as well as the motion to compel filed in the ETW case and calendared today for 1 pm.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 29, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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May 29, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Haar, Theresa M.	Attorney
	Hone, Eric D.	Attorney
	Hymanson, Philip M.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Maier, Jason R., ESQ	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 3

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Derek Connor for Witness Amanda Connor

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME (filed in A-18-785818-W MM Development Company, Inc vs. State of Nevada, Department)...MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME (filed in A-19-786962-B Serenity Wellness Center, LLC vs. State of Nevada Department of Taxation): Mr. Connor requested Ms. Connor not testify, noting attorney-client privileged relationship. Court noted it does not think anyone here will ask questions that would invade true attorney-client privileged communications, but to the extent of the third parties there is a gray line, which is why there is a case by case determination. Mr. Koch stated they do not intend to ask about attorney-client communications. Mr. Gentile argued John Ritter has waived his attorney-client privilege with A. Connor with regards to what they are here about; based on the waiver, it is their intention to go into some of the communications she had with Ritter and with the Department of Taxation where there is no privilege. Colloquy regarding scheduling. COURT ORDERED, witness will testify Thursday after lunch and be done. Motions GRANTED IN PART.

PLAINTIFF'S MOTION TO COMPEL ON ORDER SHORTENING TIME (filed in A-19-787004-B ETW Management Group LLC vs. Nevada Dept of Taxation): Mr. Bult argued that they need to understand exactly what was graded; witness should be compelled to produce the information ordered on the 16th and what is consistent with what the Plaintiffs have. Mr. Cristalli advised his side joined, and argued. Mr. Hone responded all of this information is confidential by statute. Statement by Ms. Shell as to GreenMart's ownership at the time of application. Mr. Koch argued that for purposes of this motion they have already complied. Further argument by Mr. Bult, Mr. Hone, and Mr. Cristalli. COURT ORDERED, copy of license application provided by Mr. Hone MARKED as Court's Exhibit 1 to the Motion to Compel Hearing for today. (See worksheet.) COURT STATED it is satisfied the information that has been redacted related to the attachments is generally appropriate except for information redacted on attachment A's by the applicant even though those individuals were not owners, board members; if the names are redacted they need to be unredacted for purposes of the analysis on diversity; this applies to all parties whether Plaintiff or Intervenor except for the State.

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued. (See worksheet.)

COURT ORDERED, preliminary injunction hearing CONTINUED tomorrow, May 30th at 9:30 am.

CLERK'S NOTE: Court's Exhibit 1 to the Motion to Compel Hearing LODGED with the Vault under A-19-787004-B. / dr

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 30, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

May 30, 2019 9:30 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

Bhirud, Ketan D.	Attorney
Cristalli, Michael	Attorney
Gentile, Dominic P.	Attorney
Graf, J. Rusty	Attorney
Haar, Theresa M.	Attorney
Higgins, Brigid M.	Attorney
Hone, Eric D.	Attorney
Hymanson, Philip M.	Attorney
Kahn, Jared B	Attorney
Koch, David	Attorney
Maier, Jason R., ESQ	Attorney
Miller, Ross J.	Attorney
Savarese, Vincent	Attorney
Shell, Alina	Attorney
Shevorski, Steven G.	Attorney
Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 4

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING

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(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Attorney Christian Balducci for witness Stacey Dugan.

Colloquy regarding scheduling and availability.

Mr. Koch advised as an update on ownership that they have provided Proposed Intervenor Defendants' Exhibits 5025 and 5026 which should provide clarity.

Mr. Balducci stated he is here on behalf of Ms. Dugan with GreenMart; she is subject to a subpoena served in the last 48 hours; he was retained recently; Ms. Dugan is not available today and he is here today to object on her behalf; however, he will be happy to work with everyone on available dates and times. Mr. Kemp advised it was his firm that served Ms. Dugan and he is willing to accommodate her. Court noted parties to work this out.

Mr. Parker advised he and Mr. Shevorski spoke yesterday about the QC notes and evaluation notes; Mr. Shevorski said they were not produced and are subject to a privilege log. COURT NOTED it has to see that privilege log before it can tell counsel that it will look at the documents in camera. Mr. Parker stated they will provide that to the Court.

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits presented. (See worksheet.)

Further discussion held regarding Ms. Stacey Dugan's appearance. Mr. Balducci appearing by telephone. COURT ORDERED, witness Stacey Dugan to testify at 3 pm tomorrow. Additional discussion regarding the priv log and QC notes. Ms. Haar stated those were identified as MM 16. 1 disclosures. Mr. Parker noted proposed process of redacting the score cards. COURT ORDERED, PRODUCE as AEO. Colloquy regarding scheduling.

Proposed findings of fact and conclusions of law due by close of business on Monday, June 10th.

COURT ORDERED, hearing CONTINUED tomorrow, May 31st, at 9 am.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

May 31, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

May 31, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

Bhirud, Ketan D.	Attorney
Cristalli, Michael	Attorney
Gentile, Dominic P.	Attorney
Graf, J. Rusty	Attorney
Gutierrez, Joseph A.	Attorney
Haar, Theresa M.	Attorney
Higgins, Brigid M.	Attorney
Hone, Eric D.	Attorney
Hymanson, Philip M.	Attorney
Kahn, Jared B	Attorney
Koch, David	Attorney
Miller, Ross J.	Attorney
Shell, Alina	Attorney
Shevorski, Steven G.	Attorney
Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 5

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A

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AA 006221

THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Attorney Christian Balducci for witness Stacey Dugan.

Following arguments by counsel, COURT ORDERED, 5A ADMITTED and counsel can argue the importance of the existence of 5 and 5A.

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued. (See worksheet.)

COURT ORDERED, hearing CONTINUED.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

June 10, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

June 10, 2019 10:30 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Maier, Jason R., ESQ	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 6

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A

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THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Court disclosed flowers received. Disclosure MARKED as Court's Exhibit 1. Colloquy regarding scheduling.

Testimony and exhibits presented. (See worksheet.) COURT ORDERED, motion to dissolve TRO scheduled for June 12 RESET on June 13, 2019 at 9 am. LUNCH RECESS.

Testimony and exhibits continued. (See worksheet.)

COURT ORDERED, hearing CONTINUED tomorrow, June 11, 2019 at 9:45 am.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

June 11, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

June 11, 2019 9:15 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Hymanson, Philip M.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney

JOURNAL ENTRIES

- DAY 7

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A
THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-

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Minutes Date: March 01, 2019

AA 006225

785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued. (See worksheet.)

COURT ORDERED, hearing CONTINUED to Tuesday, June 18, 2019 at 9:30 am.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters**COURT MINUTES****June 13, 2019**

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
 vs.
 State of Nevada Department of Taxation, Defendant(s)

**June 13, 2019 9:00 AM Motion Bond increased by
 \$300,000 = \$450,000
 total.**

HEARD BY: Gonzalez, Elizabeth**COURTROOM:** RJC Courtroom 03E**COURT CLERK:** Dulce Romea**RECORDER:** Jill Hawkins**REPORTER:****PARTIES**

PRESENT:	Cristalli, Michael	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Savarese, Vincent	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Zimmerman, Jamie, ESQ	Attorney

JOURNAL ENTRIES

- APPEARANCES CONTINUED: Attorney William Kemp for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case); Attorney Adam Bult for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case); Attorney Theodore Parker for the Plaintiffs in A-19-787540-W Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation.

Mr. Kahn and Ms. Zimmerman appeared by telephone.

Following arguments by Mr. Gutierrez, Mr. Kemp, Mr. Savarese, Mr. Bult, and Mr. Parker, COURT ORDERED, based on the evidence that the Court has currently heard during the evidentiary hearing, recognizing that the Court has not heard much of the Defendants' case other than Mr. Jolley, the Court FINDS there is no basis to dissolve the Temporary Restraining Order. However, the BOND will be INCREASED by \$300,000 for a total of \$450,000. Additional bond to be posted by next Wednesday (June 19, 2019).

6-18-19 9:30 AM MOTION FOR PRELIMINARY INJUNCTION... PRELIMINARY INJUNCTION HEARING (SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

7-8-19 9:00 AM DEFENDANT-INTERVENOR GREENMART OF NEVADA NLV LLC'S JOINDER TO DEFENDANT-INTERVENOR HELPING HANDS WELLNESS CENTER, INC.'S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3)...DEFENDANT-INTERVENOR HELPING HANDS WELLNESS CENTER, INC'S MOTION FOR SUMMARY JUDGMENT (CLAIMS 1-3)

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

June 18, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

June 18, 2019 9:30 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney

JOURNAL ENTRIES

- DAY 8

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A
THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-
785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

PRINT DATE: 09/23/2019

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Minutes Date: March 01, 2019

AA 006229

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued. (See worksheet.)

COURT ORDERED, hearing CONTINUED tomorrow, June 19, at 9:00 am. Colloquy regarding scheduling.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

June 19, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

June 19, 2019 9:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 9

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

PRINT DATE: 09/23/2019

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Minutes Date: March 01, 2019

AA 006231

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued. (See worksheet.)

COURT ORDERED, hearing CONTINUED tomorrow, June 20, at 9:15 am. Counsel to provide a printed copy of the slides used by Mr. Miller to be marked as a demonstrative exhibit.

Per counsel's request, the Motion for Summary Judgment and Joinders previously scheduled for July 8 are CONTINUED to July 22 at 9 am.

- Defendant-Intervenor Helping Hands Wellness Center, Inc's Motion for Summary Judgment (Claims 1-3)
- Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendant-Intervenor Helping Hands Wellness Center, Inc.'s Motion for Summary Judgment (Claims 1-3)
- Clear River LLC's Joinder to Defendant-Intervenor Helping Hands Wellness Center Inc's Motion for Summary Judgment (Claims 1-3)

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

June 20, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

June 20, 2019 9:15 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 10

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A
THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-
785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the

PRINT DATE: 09/23/2019

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Minutes Date: March 01, 2019

AA 006233

Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Court acknowledged receipt of motion to release cash bond from Mr. Gentile's office and shared her copy with Mr. Gutierrez. Mr. Graf stated he would object to that motion and like to be heard as to when it will be set.

Testimony and exhibits presented. (See worksheet.) Brief RECESS for witness to address privilege issues with counsel.

Testimony and exhibits continued. (See worksheet.) LUNCH RECESS.

Proceeding resumed. Per the parties' agreement, COURT ORDERED, motion to release cash bond SET for Wednesday, June 26, at 9 am. Order shortening time signed and returned to Mr. Cristalli for filing.

Testimony and exhibits presented. (See worksheet.)

Mr. Graf moved to strike every reference to adequacy of size in Mr. Parker's examination of Mr. Pupo and argued. COURT stated findings, ORDERED, OBJECTION OVERRULED. Mr. Graf further argued as to 453(d)(268)(4)(11) and 453(d)(272), noting as to the latter that he will leave to the Court as the trier of fact what or who the applicant is and who is actually issued the license; he objects to the loose determination that the entity cannot be a person to whom the license is issued. Court NOTED it is listening to all the evidence that is being presented. RECESS.

Testimony and exhibits continued. (See worksheet.)

Counsel estimated 5 more days for this hearing. COURT NOTING its schedule STATED continued date for this hearing to be determined.

COURT FURTHER ORDERED, motion to release cash bond (to be filed under A-19-786962-B) and motion for temporary restraining order (to be filed under A-19-787004-B) shall be HEARD on Tuesday, June 25 at 8:45 am per agreement of the parties.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

June 25, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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June 25, 2019 8:45 AM Motion

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Michaela Tapia

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Cristalli, Michael	Attorney
	Graf, J. Rusty	Attorney
	Haar, Theresa M.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B	Attorney
	Kemp, William Simon	Attorney
	Koch, David	Attorney
	Rulis, Nathanael R., ESQ	Attorney

JOURNAL ENTRIES

- Arguments by counsel. COURT ORDERED, motion DENIED WITHOUT PREJUDICE for Mr. Cristalli to fix the irregularities with the bond; the TRO is not ineffective, but the additional funds will not be released until the issues are resolved. Colloquy regarding schedule and bond evidence. COURT ORDERED, preliminary injunction CONTINUED.

7/1/19 10:00 AM PRELIMINARY INJUNCTION HEARING

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

June 25, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

June 25, 2019 3:16 PM Minute Order

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** Chambers

COURT CLERK: Michaela Tapia

RECORDER:

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- Due to a clerical error with the attachment, the filing on 6/25/19 at 12:30 pm of the Day 10, Vol. II transcript is stricken to be refiled in a corrected version by the court recorder.

CLERK'S NOTE: This Minute Order was electronically served to all registered parties for Odyssey File & Serve. /mt

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

July 01, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

July 01, 2019 10:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Michaela Tapia

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Higgins, Brigid M.	Attorney
	Koch, David	Attorney
	Rulis, Nathanael R., ESQ	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney

JOURNAL ENTRIES

- Court noted a problem with the Motion to Seal exhibits as they are not confidential and would not seal the exhibits based on a cursory motion. Upon Court's inquiry, Mr. Graf requested time to file an opposition in response to the Motion for Leave. Testimony and exhibits presented. (See worksheets) COURT ORDERED, Motion to Seal GRANTED IN PART; Exhibit A sealed except for the DOT Clear River 100; Exhibit B sealed except for page one; Exhibit C sealed except for page one; Exhibit E sealed. Motion to Seal Exhibits D and F CONTINUED for Chambers Decision.

7/12/19 3:00 AM MOTION TO SEAL EXHIBITS D & F

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

July 02, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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July 02, 2019 9:00 AM Motion for Leave

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Michaela Tapia

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Cristalli, Michael	Attorney
	Graf, J. Rusty	Attorney
	Higgins, Brigid M.	Attorney
	Kahn, Jared B	Attorney
	Rulis, Nathanael R., ESQ	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney

JOURNAL ENTRIES

- Also present: Maximilien Fetaz, Esq. and Steven Shevorski, Esq.

Arguments by counsel. COURT ORDERED, Paradise Wellness Center permitted to WITHDRAW from the participation of the master complaint filed in A-19-786962-B; request to substitute MediFarm is DENIED; request to add MediFarm as a party is GRANTED. Colloquy regarding Mr. Parker not being available on 7/1/19. Mr. Cristalli requested the return of the \$150,000.00 cash posted. Upon Court's inquiry, Mr. Cristalli confirmed he has the bond and presented it to the Court. Opposition by Mr. Graf. Court instructed Mr. Cristalli the bond must match the current caption. Further colloquy regarding scheduling and remaining witnesses.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

July 10, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

July 10, 2019 1:00 PM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Kahn, Jared B	Attorney
	Katz, Moorea L.	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 12

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/ A
THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-
785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

PRINT DATE: 09/23/2019

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Minutes Date: March 01, 2019

AA 006239

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Mr. Gentile advised the Plaintiff does NOT REST at this time. Court NOTED it will not allow parties to rest in parts. Mr. Gentile further advised the Plaintiff will not be calling a gaming enforcement expert but may still have a drug enforcement administration expert.

Witnesses called out of order. Testimony and exhibits presented. (See worksheet.) RECESS.

Testimony and exhibits continued.

COURT ORDERED, hearing CONTINUED tomorrow, July 11, at 10:00 am.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

July 11, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

July 11, 2019 10:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Kahn, Jared B	Attorney
	Katz, Moorea L.	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney

JOURNAL ENTRIES

- DAY 13

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A
THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-
785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Mahogany Turfley for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Mr. Bhirud advised the State does not plan on doing anything after this case and before the Court's decision issues. Colloquy regarding scheduling.

Witness(es) called out of order. Testimony and exhibits presented. (See worksheet.) RECESS.

Testimony and exhibits continued. LUNCH RECESS.

Proceeding resumed. Court advised its trial that was scheduled to take place next week has settled. Colloquy regarding scheduling and witnesses. Mr. Gutierrez detailed a list of witnesses he still intends to call, explaining that he intends to call them as it relates to the irreparable harm prong and would like to talk to them about their applications. Mr. Gutierrez estimated 30 minutes for each witness. Mr. Kemp stated he had 8 people.

Mr. Gentile arrived and advised the Plaintiff has retained a gentleman from Colorado who is an expert in the evaluation of the cannabis business, but he will be called in rebuttal.

At the hour of 2:16 PM, Plaintiffs ETW Management Group LLC, Serenity Wellness Center, MM Development Company, and Nevada Wellness Center, LLC et al RESTED.

Testimony and exhibits continued as to the Defendants' witnesses. (See worksheet.)

COURT DIRECTED Mr. Shevorski to determine scheduling and witnesses for next week.

Testimony and exhibits presented.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

July 12, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

July 12, 2019 10:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Hymanson, Philip M.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 14

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/ A
THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-
785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

PRINT DATE: 09/23/2019

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Minutes Date: March 01, 2019

AA 006243

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued.

Colloquy regarding scheduling. COURT ORDERED, hearing CONTINUED to Monday, July 15 at 10 am.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

July 15, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

July 15, 2019 10:00 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Hymanson, Philip M.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 15

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A

PRINT DATE: 09/23/2019

Page 65 of 102

Minutes Date: March 01, 2019

AA 006245

THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Testimony and exhibits presented. (See worksheet.) LUNCH RECESS.

Testimony and exhibits continued.

COURT ORDERED, the motion to seal in A-19-787004-B will be continued to July 18, 2019 at 9:30 am. Court DIRECTED Mr. Koch to provide the documents with the proposed redaction.

Colloquy regarding scheduling for the remainder of the hearing as well as witnesses. Mr. Kahn advised he will be out of state on August 1st and 2nd. Mr. Gentile reminded the Court he will be calling a rebuttal witness and will be able to report on availability on Thursday (July 18).

COURT ORDERED, hearing CONTINUED to Thursday, July 18, at 9:30 am.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

July 18, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

July 18, 2019 9:30 AM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Bhirud, Ketan D.	Attorney
	Cristalli, Michael	Attorney
	Gentile, Dominic P.	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Haar, Theresa M.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Hymanson, Philip M.	Attorney
	Kahn, Jared B	Attorney
	Koch, David	Attorney
	Miller, Ross J.	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney
	Wight, Brody R.	Attorney

JOURNAL ENTRIES

- DAY 16

MOTION FOR PRELIMINARY INJUNCTION...PRELIMINARY INJUNCTION HEARING
(SERENITY WELLNESS AGAINST DEFENDANT-INTERVENOR CPCM HOLDINGS, LLC D/B/A

PRINT DATE: 09/23/2019

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Minutes Date: March 01, 2019

AA 006247

THRIVE CANNABIS MARKETPLACE) FILED IN A-19-786962-B (COORDINATED CASES - A-18-785818-W, A-19-787004-B, A-19-787540-W, A-19-787726-C)

APPEARANCES CONTINUED: Attorney William Kemp and Attorney Nathanael Rulis for the Plaintiffs in A-18-785818-W - MM Development Company, Inc. vs. State of Nevada, Department of Taxation (Department VIII case);

Attorney Adam Bult and Attorney Maximilien Fetaz for the Plaintiffs in A-19-787004-B - ETW Management Group LLC vs. Nevada Dept of Taxation (Department XI case);

Attorney Theodore Parker for the Plaintiff in A-19-787540-W - Nevada Wellness Center, LLC vs. State of Nevada, Department of Taxation (Department XVIII case).

Testimony and exhibits presented. (See worksheet.)

Court noted its concern about waiting for Mr. Gentile's rebuttal witness until August. Mr. Gentile advised that expert will focus on valuation; however, he does not mean to pre-suppose how this Court will rule; one way would be to issue the preliminary injunction, and if the Court does that it will be asked to set bond; Plaintiff's witness will testify as to approaches and methods of valuation in the cannabis business, the evaluation of a start-up and pre-revenue cannabis business, how to interpret the valuation report, unique issues with regard to evaluating a cannabis business such as the Controlled Substances Act, the banking situation and how that impacts the valuation, and the impact that is being made on the industry as a whole because of California and the increase in production in what is for the most part a market that is pretty much a fixed market. Mr. Gentile proposed resuming on August 1st; his expert is available that day. Court stated it is available that day as well. Mr. Kahn advised he is out until August 5th. Mr. Koch offered that what Mr. Gentile is talking about sort of relates to the calculation of a bond, not as to the actual determination of whether a preliminary injunction is appropriate. Court stated, if anyone is willing to stipulate to having the bond hearing separately, after the Court makes a determination on the injunctive relief portion, the Court will be happy to hear the witness after it issues a decision, and it will only now be looking for a date for closing arguments. Mr. Kemp advised he would so stipulate. Defendants and Intervenor Defendants so STIPULATED. Court noted this is as to what Mr. Gentile is describing is a bond issue that can be handled after the Court makes its decision. Mr. Gentile stated he thinks it is both and that he is concerned about irreparable harm. Court stated it does not think it is an irreparable harm issue; the Court has heard sufficient testimony related to the limited availability of marketable licenses in the industry. Court inquired as to when it can hear closing arguments. Mr. Gentile advised he has canceled two trips but can do July 26. Ms. Shell and another party advised they are out of the jurisdiction that day. Mr. Gentile stated he cannot do closings tomorrow and that he will probably get back Wednesday night. Mr. Bult advised he is not available on July 25. Mr. Gentile advised his expert will be available on the 7th, 9th, and 12th. Court advised counsel of its upcoming trial stack and that it does not have any other availability it can guarantee at this time.

COURT ORDERED, motions currently scheduled for Monday, July 22nd RESET on Tuesday, July

23rd at 1 pm. Parties to argue for one hour or less on the 23rd.

CLERK'S NOTE: As the Motion for Order to Seal Exhibits A-F Attached to Plaintiffs' Motion to Compel on Order Shortening Time in A-19-787004-B was not addressed, that motion is CONTINUED to Tuesday, July 23rd at 1 pm. Parties notified via electronic mail. / dr

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

July 23, 2019

A-19-786962-B	Serenity Wellness Center LLC, Plaintiff(s) vs. State of Nevada Department of Taxation, Defendant(s)
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July 23, 2019 1:00 PM All Pending Motions

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: April Watkins

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:	Cristalli, Michael	Attorney
	Graf, J. Rusty	Attorney
	Gutierrez, Joseph A.	Attorney
	Higgins, Brigid M.	Attorney
	Hone, Eric D.	Attorney
	Kahn, Jared B	Attorney
	Kemp, William Simon	Attorney
	Koch, David	Attorney
	Rulis, Nathanael R., ESQ	Attorney
	Savarese, Vincent	Attorney
	Shell, Alina	Attorney
	Shevorski, Steven G.	Attorney

JOURNAL ENTRIES

- APPEARANCES CONTINUED: Adam Bult, Esq. and Maximilien Fetaz, Esq., for Pltfs' in A-19-787004-B - ETW Management Group, LLC vs. Nevada Department of Taxation (Department XI case)

MOTION FOR ORDER TO SEAL EXHIBITS A-F ATTACHED TO PLTFS' MOTION TO COMPEL ON ORDER SHORTENING TIME FILED IN A-19-787004-B:

Mr. Koch provided the Court redacted version of Exhibit "F". COURT ORDERED, motion

PRINT DATE: 09/23/2019

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Minutes Date: March 01, 2019

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