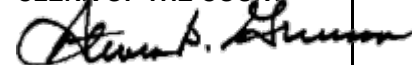


WILL KEMP, ESQ. #1205
NATHANAEL R. RULIS, ESQ. #11259
n.rulis@kempjones.com
KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway, 17th Floor
Las Vegas, Nevada 89169
Telephone: (702) 385-6000
Attorneys for Plaintiffs

Electronically Filed
10/3/2019 4:58 PM
Steven D. Grierson
CLERK OF THE COURT



Electronically Filed
Oct 09 2019 08:22 a.m.
Elizabeth A. Brown
Clerk of Supreme Court

DISTRICT COURT

CLARK COUNTY, NEVADA

MM DEVELOPMENT COMPANY, INC., a
Nevada corporation; LIVFREE WELLNESS
LLC, dba The Dispensary, a Nevada limited
liability company

Plaintiffs,

vs.

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

Defendants.

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.

Case No.: A-18-785818-W
Dept. No.: VIII

NOTICE OF CROSS-APPEAL

Coordinated for purposes of preliminary
injunction with:

Case No.: A-18-786357-W
Dept. No.: XIV

| | | | |
|----|---|------------|---------------|
| 1 | SERENITY WELLNESS CENTER, LLC, et al., | Case No.: | A-19-786962-B |
| 2 | Plaintiffs, | Dept. No.: | XI |
| 3 | vs. | | |
| 4 | STATE OF NEVADA, DEPARTMENT OF | | |
| 5 | TAXATION, | | |
| 6 | Defendant. | | |
| 7 | ETW MANAGEMENT GROUP LLC, et al., | Case No.: | A-19-787004-B |
| 8 | Plaintiffs, | Dept. No.: | XI |
| 9 | vs. | | |
| 10 | STATE OF NEVADA, DEPARTMENT OF | | |
| 11 | TAXATION, a Nevada administrative agency; | | |
| 12 | and DOES 1 through 20; and ROE | | |
| 13 | CORPORATIONS 1 through 20, inclusive | | |
| 14 | Defendants. | | |
| 15 | HIGH SIERRA HOLISTICS, LLC, | Case No.: | A-19-787726-C |
| 16 | Plaintiff, | Dept. No.: | XIV |
| 17 | vs. | | |
| 18 | STATE OF NEVADA, DEPARTMENT OF | | |
| 19 | TAXATION; DOES 1-10 and ROE | | |
| 20 | CORPORATIONS 1-10, | | |
| 21 | Defendants. | | |
| 22 | NEVADA WELLNESS CENTER, LLC, a | Case No.: | A-19-787540-W |
| 23 | Nevada limited liability company, | Dept. No.: | XVIII |
| 24 | Plaintiff, | | |
| 25 | vs. | | |
| 26 | STATE OF NEVADA, DEPARTMENT OF | | |
| 27 | TAXATION, | | |
| 28 | Defendants. | | |

1 NOTICE is hereby given that Plaintiffs MM DEVELOPMENT COMPANY, INC. and
2 LIVFREE WELLNESS LLC, hereby cross-appeal to the Supreme Court of Nevada from the
3 following:

- 4 1. Findings of Fact, Conclusions of Law and Order Granting Preliminary Injunction
5 entered on August 28, 2019¹; and
6 2. All other orders and rulings made appealable from the foregoing.

7 DATED this 3rd day of October, 2019.

8 KEMP, JONES AND COULTHARD, LLP

9
10 /s/ Nathanael Rulis

11 WILL KEMP, ESQ. #1205

12 NATHANAEL R. RULIS, ESQ. #11259

13 3800 Howard Hughes Parkway, 17th Floor

14 Las Vegas, NV 89169

15 Telephone: (702) 385-6000

16 Facsimile: (702) 385-6001

17 Attorneys for Plaintiffs
18
19
20
21
22
23
24
25
26

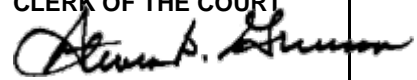
27 ¹ The Findings of Fact, Conclusions of Law and Order Granting Preliminary Injunction were
28 previously appealed by Greenmart of Nevada NLV, LLC and Nevada Organic Remedies. See
Nevada Supreme Court Case No. 79670.

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com

CERTIFICATE OF SERVICE

I hereby certify that on the 3rd day of October, 2019, I served a true and correct copy of the foregoing **NOTICE OF CROSS-APPEAL** 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



WILL KEMP, ESQ. #1205
NATHANAEL R. RULIS, ESQ. #11259
n.rulis@kempjones.com
KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway, 17th Floor
Las Vegas, Nevada 89169
Telephone: (702) 385-6000
Attorneys for Plaintiffs

DISTRICT COURT

CLARK COUNTY, NEVADA

MM DEVELOPMENT COMPANY, INC., a
Nevada corporation; LIVFREE WELLNESS
LLC, dba The Dispensary, a Nevada limited
liability company

Plaintiffs,

vs.

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

Defendants.

Case No.: A-18-785818-W
Dept. No.: VIII

**CASE CROSS-APPEAL
STATEMENT**

Coordinated for purposes of preliminary
injunction with:

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.

Case No.: A-18-786357-W
Dept. No.: XIV

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com

| | | | |
|----|---|------------|---------------|
| 1 | SERENITY WELLNESS CENTER, LLC, et al., | Case No.: | A-19-786962-B |
| 2 | Plaintiffs, | Dept. No.: | XI |
| 3 | vs. | | |
| 4 | STATE OF NEVADA, DEPARTMENT OF | | |
| 5 | TAXATION, | | |
| 6 | Defendant. | | |
| 7 | ETW MANAGEMENT GROUP LLC, et al., | Case No.: | A-19-787004-B |
| 8 | Plaintiffs, | Dept. No.: | XI |
| 9 | vs. | | |
| 10 | STATE OF NEVADA, DEPARTMENT OF | | |
| 11 | TAXATION, a Nevada administrative agency; | | |
| 12 | and DOES 1 through 20; and ROE | | |
| 13 | CORPORATIONS 1 through 20, inclusive | | |
| 14 | Defendants. | | |
| 15 | HIGH SIERRA HOLISTICS, LLC, | Case No.: | A-19-787726-C |
| 16 | Plaintiff, | Dept. No.: | XIV |
| 17 | vs. | | |
| 18 | STATE OF NEVADA, DEPARTMENT OF | | |
| 19 | TAXATION; DOES 1-10 and ROE | | |
| 20 | CORPORATIONS 1-10, | | |
| 21 | Defendants. | | |
| 22 | NEVADA WELLNESS CENTER, LLC, a | Case No.: | A-19-787540-W |
| 23 | Nevada limited liability company, | Dept. No.: | XVIII |
| 24 | Plaintiff, | | |
| 25 | vs. | | |
| 26 | STATE OF NEVADA, DEPARTMENT OF | | |
| 27 | TAXATION, | | |
| 28 | Defendants. | | |

CASE APPEAL STATEMENT

1. Name of appellants filing this Case Appeal Statement:

MM Development Company, Inc. and LivFree Wellness, LLC

2. Identify the judge issuing the decision, judgment or order appealed from:

Honorable Elizabeth Gonzalez

3. Identify each appellant and the name and address of counsel for each appellant:

Will Kemp, Esq.
Nathanael R. Rulis, Esq.
3800 Howard Hughes Parkway, 17th Floor
Las Vegas, Nevada 89169
Attorneys for MM Development Company, Inc. and LivFree Wellness, LLC

4. Identify each respondent and the name and address of appellate counsel if known, for each respondent (if the name of a respondent's appellate counsel is unknown, indicate as much and provide the name and address of that respondent's trial counsel):

Margaret A. McLetchie, Nevada Bar No. 10931
Alina M. Shell, Nevada Bar No. 11711
MCLETCHE LAW
701 E. Bridger Avenue, Suite 520
Las Vegas, NV 89101
Attorneys for Greenmart of Nevada NLV, LLC

David R. Koch (NV Bar #8830)
Steven B. Scow (NV Bar #9906)
Brody R. Wight (NV Bar #13615)
Daniel G. Scow (NV Bar #14614)
KOCH & SCOW LLC
11500 S. Eastern Ave., Suite 210
Henderson, Nevada 89052
Attorneys for Nevada Organic Remedies

Aaron Ford, Attorney General, Nevada Bar No. 7704
Steve Shevorski, Nevada Bar No. 8256
David J. Pope, Nevada Bar No. 8617
Theresa M. Haar, Nevada Bar No. 12158
NEVADA OFFICE OF ATTORNEY GENERAL
555 E. Washington Ave., Ste. 3900
Las Vegas, NV 89101
Attorneys for State of Nevada of Nevada, Department of Taxation

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Jared Kahn, Nevada Bar # 12603
 JK LEGAL & CONSULTING, LLC
 9205 W. Russell Rd., Suite 240
 Las Vegas, NV 89148
Attorney for Helping Hands Wellness Center LLC

Eric D. Hone, NV Bar No. 8499
 Jamie L. Zimmerman, NV Bar No. 11749
 Moorea L. Katz, NV Bar No. 12007
 H1 LAW GROUP
 701 N. Green Valley Parkway, Suite 200
 Henderson NV 89074
Attorneys for Lone Mountain Partners, LLC

Joseph A. Gutierrez, Nevada Bar No. 9046
 Jason R. Maier, Nevada Bar No. 8557
 MAIER GUTIERREZ & ASSOCIATES
 8816 Spanish Ridge Ave.
 Las Vegas, NV 89148

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 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*

Dennis M. Prince, Nevada Bar No. 5092
 Kevin T. Strong, Nevada Bar No. 12107
 PRINCE LAW GROUP
 8816 Spanish Ridge Ave.
 Las Vegas, NV 89148
*Attorneys for CPCM Holdings, LLC d/b/a Thrive Cannabis Marketplace,
 Commerce Park Medical, LLC, and Cheyenne Medical, LLC*

James J. Pisanelli, Nevada Bar No. 4027
 Todd L. Bice, Nevada Bar No. 4534
 Jordan T. Smith, Nevada Bar No. 12097
 PISANELLI BICE, PLLC
 400 S. 7th St., Suite 300
 Las Vegas, NV 89101
*Attorneys for Integral Associates, LLC d/b/a Essence Cannabis Dispensaries;
 Essence Tropicana, LLC; Essence Henderson, LLC,*

Brigid M. Higgins, Nevada Bar No. 5990
Rusty J. Graf, Nevada Bar No. 6322
BLACK & LOBELLO
10777 W. Twain Ave., 3rd Floor
Las Vegas, NV 89135
Attorneys for Clear River LLC

5. Indicate whether any attorney identified above in response to question 3 or 4 is not licensed to practice law in Nevada, and if so, whether the district court granted that attorney permission to appear under SCR 42 (attach a copy of any district court order granting such permission):

All counsel are licensed to practice law in Nevada.

6. Indicate whether appellant was represented by appointed or retained counsel in the district court:

Appellants were represented by retained counsel.

7. Indicate whether appellant is represented by appointed or retained counsel on appeal:

Appellants are represented by retained counsel on appeal.

8. Indicate whether appellant was granted leave to proceed in forma pauperis, and the date of entry of the district court order granting such leave:

Appellants did not request leave to proceed in forma pauperis.

9. Indicate the date of proceedings commenced in the district court:

December 10, 2018

10. Provide 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:

The MM Development Company, Inc, et al. v. State of Nevada, Department of Taxation, Case No. A-18-785818-W action was filed on December 10, 2019. This is one of many actions against the State of Nevada, Department of Taxation over the marijuana retail dispensary licensing application process from September 2018.

///

///

///

At the May 13, 2019 hearing on a Motion to Consolidate,¹ Judge Gonzalez ruled that the MM Development Company, Inc. et al. v. State of Nevada, Department of Taxation, Case No. A-18-785818-W, (this case); Compassionate Team of Las Vegas v. NV Department of Taxation, Case No. A-18-786357-W; Serenity Wellness Center, LLC, et al. v. NV Department of Taxation, Case No. A-19-786962-B; ETW Management Group LLC, et al. v. NV Department of Taxation, Case No. A-19-787004-B, Nevada Wellness Center, LLC v. NV Department of Taxation, Case No. A-19-787540-W; and High Sierra Holistics LLC v. NV Department of Taxation, Case No. A-19-787726-C, actions would all be coordinated for purposes of the preliminary injunction hearing already scheduled.

After a 20-day preliminary injunction hearing, Judge Gonzalez issued her Findings of Fact and Conclusions of Law Granting Preliminary Injunction enjoining several retail marijuana applicants from moving forward with their conditional licenses. Judge Gonzalez ordered that Greenmart of Nevada NLV, LLC; Nevada Organic Remedies, LLC; Helping Hands Wellness Center, Inc.; and Lone Mountain Partners, LLC may not make any use of their conditional licenses because they did not (in their September 2018 applications) provide the identification of each prospective owner, officer and board member as required by NRS 453D.200(6). Despite factual findings that supported enjoining additional parties from obtaining final inspection for their conditional licenses, the remainder of the requested preliminary injunction was denied.

11. Indicate whether the case has been the subject of an appeal or original writ proceeding in the Supreme Court and, if so, the caption and Supreme Court docket number of the prior proceeding:

The Findings of Fact, Conclusions of Law and Order Granting Preliminary Injunction were previously appealed by Greenmart of Nevada NLV, LLC and Nevada Organic Remedies. See Greenmart of Nevada NLV, LLC, et al. v. MM Development Company, Inc., et al., Nevada Supreme Court Case No. 79670.

12. Indicate whether this appeal involves child custody or visitation:

This appeal does not involve child custody or visitation.

¹ Heard in the ETW Management Group LLC, et al. v. NV Department of Taxation, Case No. A-19-787004-B matter. Notice of Entry of the Order Granting in Part and Denying in Part the Motion to Consolidate was filed in the ETW Management Group, LLC matter on July 11, 2019.

1 **13. If this is a civil case, indicate whether this appeal involves the possibility of**
2 **settlement:**

3 Private mediation has been ongoing with Honorable Judge (ret.) Jennifer Togliatti.

4 DATED this 3rd day of October, 2019.

5 **KEMP, JONES AND COULTHARD, LLP**

6
7 /s/ Nathanael Rulis

8 WILL KEMP, ESQ. #1205

9 NATHANAEL R. RULIS, ESQ. #11259

10 3800 Howard Hughes Parkway, 17th Floor

11 Las Vegas, NV 89169

12 Telephone: (702) 385-6000

13 Facsimile: (702) 385-6001

14 Attorneys for Plaintiffs
15
16
17
18
19
20
21
22
23
24
25
26
27
28

KEMP, JONES & COULTHARD, LLP
3800 Howard Hughes Parkway
Seventeenth Floor
Las Vegas, Nevada 89169
(702) 385-6000 • Fax (702) 385-6001
kic@kempjones.com

CERTIFICATE OF SERVICE

I hereby certify that on the 3rd day of October, 2019, I served a true and correct copy of the foregoing **CASE CROSS-APPEAL STATEMENT** 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

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY**CASE NO. A-18-785818-W**

MM Development Company, Inc, Plaintiff(s)
 vs.
 State of Nevada, Department of Taxation, Defendant(s)

§
 §
 §
 §
 §
 §

Location: **Department 8**
 Judicial Officer: **Atkin, Trevor**
 Filed on: **12/10/2018**
 Case Number History:
 Cross-Reference Case **A785818**
 Number:
 Supreme Court No.: **79670**

CASE INFORMATIONCase Type: **Writ of Mandamus**Case Status: **12/10/2018 Open****DATE****CASE ASSIGNMENT****Current Case Assignment**

Case Number A-18-785818-W
 Court Department 8
 Date Assigned 09/30/2019
 Judicial Officer Atkin, Trevor

PARTY INFORMATION*Lead Attorneys***Plaintiff****Livfree**

Removed: 12/18/2018
 Data Entry Error

Livfree Wellness LLC**MM Development Company, Inc**

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

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

Defendant**State of Nevada, Department of Taxation**

RAKOWSKY, VIVIENNE, ESQ
Retained
 702-486-3103(W)

Counter Claimant**Cheyenne Medical, LLC**

Gutierrez, Joseph A.
Retained
 702-629-7900(W)

Commerce Park Medical, LLC

Gutierrez, Joseph A.
Retained
 702-629-7900(W)

CPCM Holdings, LLC

Gutierrez, Joseph A.
Retained
 702-629-7900(W)

Essence Henderson, LLC

Gutierrez, Joseph A.
Retained
 702-629-7900(W)

Essence Tropicana, LLC

Gutierrez, Joseph A.
Retained
 702-629-7900(W)

CASE SUMMARY**CASE NO. A-18-785818-W****Integral Associates LLC****Gutierrez, Joseph A.**
Retained
702-629-7900(W)**Nevada Organic Remedies LLC****Koch, David**
Retained
702-318-5041(W)**Counter
Defendant****Livfree Wellness LLC****Rulis, Nathanael R., ESQ**
Retained
702-385-6000(W)**Livfree Wellness LLC****Rulis, Nathanael R., ESQ**
Retained
702-385-6000(W)**MM Development Company, Inc****Rulis, Nathanael R., ESQ**
Retained
702-385-6000(W)**MM Development Company, Inc****Rulis, Nathanael R., ESQ**
Retained
702-385-6000(W)**Intervenor****Nevada Organic Remedies LLC****Koch, David**
Retained
702-318-5041(W)**Intervenor
Defendant****Cheyenne Medical, LLC****Gutierrez, Joseph A.**
Retained
702-629-7900(W)**Commerce Park Medical, LLC****Gutierrez, Joseph A.**
Retained
702-629-7900(W)**CPCM Holdings, LLC****Gutierrez, Joseph A.**
Retained
702-629-7900(W)**Essence Henderson, LLC****Gutierrez, Joseph A.**
Retained
702-629-7900(W)**Essence Tropicana, LLC****Gutierrez, Joseph A.**
Retained
702-629-7900(W)**GreenMart of Nevada NLV LLC****McLetchie, Margaret A.**
Retained
702-728-5300(W)**Integral Associates LLC****Gutierrez, Joseph A.**
Retained
702-629-7900(W)**Lone Mountain Partners LLC****Hone, Eric D.**
Retained
702-608-3720(W)**Other****Compassionate Team of Las Vegas LLC****Simon, Daniel S., ESQ**
Retained
7023641650(W)**Subpoena'd (Non)
Party****Connor, Amanda N., ESQ****Connor, Derek**
Retained
702-750-9139(W)

DATE

EVENTS & ORDERS OF THE COURT

INDEX

CASE SUMMARY
CASE NO. A-18-785818-W

EVENTS

| | |
|------------|--|
| 12/10/2018 |  Complaint <i>Complaint and Petition for Judicial Review or Writ of Mandamus</i> |
| 12/10/2018 |  Initial Appearance Fee Disclosure Filed By: Counter Defendant MM Development Company, Inc <i>Initial Appearance Fee Disclosure (NRS Chapter 19)</i> |
| 12/12/2018 |  Summons Electronically Issued - Service Pending <i>Summons</i> |
| 12/12/2018 |  Supplement Filed by: Counter Defendant MM Development Company, Inc <i>Supplement to Emergency Motion for Order Requiring the SMC to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information From Servers, Stand-Alone Computers, and Cell Phones</i> |
| 12/12/2018 |  Motion Filed By: Counter Defendant MM Development Company, Inc <i>Emergency Motion for Order Requiring the SMC to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information From Servers, Stand-Alone Computers, and Cell Phones</i> |
| 12/13/2018 |  Order Granting Motion <i>Order Granting in Part and Denying in Part Emergency Motion for Order Requiring the SMC to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information From Servers, Stand-Alone Computers, and Cell Phones</i> |
| 12/13/2018 |  Affidavit <i>Affidavit of Steve F. Gilbert</i> |
| 12/14/2018 |  Notice of Entry of Order <i>Notice of Entry of Order Granting in Part and Denying in Part Emergency Motion for Order Requiring the SMC to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information From Servers, Stand-Alone Computers, and Cell Phones</i> |
| 12/17/2018 |  Recorders Transcript of Hearing <i>Recorder's Transcript of Hearing Re: Emergency Motion for Order Requiring the SMC to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information from Servers, Stand-Alone Computers, and Cell Phones. Heard on December 13, 2018.</i> |
| 12/18/2018 |  First Amended Complaint Filed By: Counter Defendant Livfree Wellness LLC <i>First Amended Complaint and Petition for Judicial Review or Writ of Mandamus</i> |
| 12/18/2018 |  Initial Appearance Fee Disclosure <i>Amended Initial Fee Disclosure (NRS Chapter 19)</i> |
| 12/21/2018 |  Affidavit of Service <i>Affidavit/Declaration of Service</i> |
| 12/31/2018 |  Motion Filed By: Defendant State of Nevada, Department of Taxation <i>Motion for Reconsideration</i> |

CASE SUMMARY
CASE NO. A-18-785818-W

| | |
|------------|--|
| 12/31/2018 |  Stipulation and Order Filed by: Defendant State of Nevada, Department of Taxation <i>Stipulation and Order to Extend Deadlines</i> |
| 01/02/2019 |  Notice of Entry of Stipulation and Order Filed By: Defendant State of Nevada, Department of Taxation <i>Notice of Entry of Stipulation and Order to Extend Deadlines</i> |
| 01/02/2019 |  Motion for Order <i>Motion for Order of Contempt Against State of Nevada, Department of Taxation for Failure to Preserve Relevant Electronically Stored Information from Cell Phones and Order Shortening Time</i> |
| 01/03/2019 |  Declaration Filed By: Defendant State of Nevada, Department of Taxation <i>Declaration Regarding Any Cell Phone That is Not Available</i> |
| 01/04/2019 |  Notice of Change of Hearing <i>Notice of Change of Hearing</i> |
| 01/07/2019 | Case Reassigned to Department 9 <i>Judicial Reassignment - From Judge Bailus to Vacant, DC9</i> |
| 01/07/2019 |  Opposition to Motion Filed By: Defendant State of Nevada, Department of Taxation <i>Opposition to Plaintiffs Motion for Order of Contempt Against State of Nevada, Department of Taxation for Failure to Preserve Relevant Electronically Stored Information from Cell Phones on Order Shortening Time</i> |
| 01/15/2019 |  Motion to Intervene Party: Counter Claimant Nevada Organic Remedies LLC <i>Motion to Intervene</i> |
| 01/16/2019 |  Motion to Dismiss Filed By: Defendant State of Nevada, Department of Taxation <i>Defendant's Motion to Dismiss Amended Complaint</i> |
| 01/17/2019 |  Motion for Protective Order Filed By: Defendant State of Nevada, Department of Taxation <i>Defendant's Motion for a Protective Order on Order Shortening Time</i> |
| 01/18/2019 |  Opposition to Motion <i>Plaintiffs' Opposition to Motion for Reconsideration</i> |
| 01/18/2019 |  Appendix <i>Plaintiffs' Appendix to Opposition to Motion for Reconsideration</i> |
| 01/29/2019 |  Stipulation and Order <i>Stipulation and Order to Continue Reply Deadlines for Plaintiffs' Motion for Order of Contempt and Defendant's Motion for Reconsideration</i> |
| 01/30/2019 |  Notice of Entry of Stipulation and Order <i>Notice of Entry of Stipulation and Order to Continue Reply Deadlines for Plaintiffs' Motion for</i> |

CASE SUMMARY
CASE NO. A-18-785818-W

Order of Contempt and Defendant's Motion for Reconsideration

| | |
|------------|---|
| 01/31/2019 |  Reply in Support Filed By: Counter Defendant MM Development Company, Inc <i>Reply in Support of Motion For Order of Contempt Against State of Nevada, Department of Taxation For Failure to Preserve Relevant Electronically Stored Information From Cell Phones on Order Shortening Time</i> |
| 01/31/2019 |  Notice <i>Defendant's Notice of Partial Compliance</i> |
| 01/31/2019 |  Reply in Support Filed By: Defendant State of Nevada, Department of Taxation <i>Reply in Support of Department's Motion for Reconsideration</i> |
| 02/04/2019 |  Opposition to Motion <i>Plaintiff's Opposition to Motion to Intervene</i> |
| 02/04/2019 |  Opposition to Motion <i>Plaintiff's Opposition to Motion for Protective Order</i> |
| 02/04/2019 |  Opposition to Motion to Dismiss Filed By: Counter Defendant MM Development Company, Inc <i>Plaintiffs' Opposition to Motion to Dismiss Amended Complaint</i> |
| 02/11/2019 |  Recorders Transcript of Hearing <i>Recorder's Transcript of Hearing Re: All Pending Motions. Heard on February 5, 2019.</i> |
| 02/12/2019 |  Reply in Support Filed By: Defendant State of Nevada, Department of Taxation <i>Reply in Support of Department's Motion for Protective Order</i> |
| 02/13/2019 |  Reply in Support Filed By: Defendant State of Nevada, Department of Taxation <i>Reply in Support of Department's Motion to Dismiss</i> |
| 02/14/2019 |  Reply in Support Filed By: Counter Claimant Nevada Organic Remedies LLC <i>Reply in Support of Motion to Intervene</i> |
| 03/07/2019 |  Order Filed By: Defendant State of Nevada, Department of Taxation <i>Order</i> |
| 03/07/2019 |  Notice of Entry of Order Filed By: Defendant State of Nevada, Department of Taxation <i>Notice of Entry of Order</i> |
| 03/08/2019 |  Order Granting Motion Filed By: Counter Claimant Nevada Organic Remedies LLC <i>Order Granting Motion to Intervene</i> |
| 03/08/2019 |  Notice of Entry of Order Filed By: Counter Claimant Nevada Organic Remedies LLC |

CASE SUMMARY
CASE NO. A-18-785818-W

Notice of Entry of Order












| | |
|------------|--|
| 03/15/2019 |  Answer and Counterclaim Filed By: Counter Claimant Nevada Organic Remedies LLC <i>Answer to Plaintiffs' First Amended Complaint and Counterclaim</i> |
| 03/15/2019 |  Initial Appearance Fee Disclosure Filed By: Counter Defendant MM Development Company, Inc <i>Initial Appearance Fee Disclosure</i> |
| 03/15/2019 |  Notice of Early Case Conference <i>Notice of Early Case Conference</i> |
| 03/18/2019 |  Recorders Transcript of Hearing <i>Recorder's Transcript of Hearing Re: All Pending Motions. Heard on February 21, 2019.</i> |
| 03/19/2019 |  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> |
| 03/21/2019 |  Clerk's Notice of Hearing <i>Notice of Hearing</i> |
| 03/22/2019 |  Motion to Intervene Party: Intervenor Defendant Lone Mountain Partners LLC <i>Motion to Intervene</i> |
| 03/25/2019 |  Clerk's Notice of Hearing <i>Notice of Hearing</i> |
| 03/25/2019 |  Order Denying Motion <i>Order Denying Motion to Dismiss Amended Complaint</i> |
| 03/26/2019 |  Amended Notice of Early Case Conference <i>Amended Notice of Early Case Conference</i> |
| 03/29/2019 |  Opposition to Motion <i>Plaintiffs' Combined Opposition to Motions to Intervene</i> |
| 04/01/2019 |  Recorders Transcript of Hearing <i>Recorder's Transcript of Hearing Re: All Pending Motions. Heard on March 7, 2019.</i> |
| 04/05/2019 |  Answer to Counterclaim <i>Plaintiffs'/Counter-Defendants' Answer to Counterclaim</i> |
| 04/10/2019 |  Answer to Amended Complaint Filed By: Defendant State of Nevada, Department of Taxation <i>Answer to Amended Complaint</i> |
| 04/12/2019 |  Order Scheduling Status Check |

CASE SUMMARY
CASE NO. A-18-785818-W

Order Scheduling Hearing Re:Coordination

| | |
|------------|---|
| 04/29/2019 | Case Reassigned to Department 8 <i>Judicial Reassignment to Department 8 - Vacant DC8 Judge</i> |
| 05/06/2019 |  Motion for Preliminary Injunction <i>Plaintiffs'/Counterdefendants' Motion for Preliminary Injunction or for Writ of Mandamus</i> |
| 05/06/2019 |  Appendix <i>Plaintiffs'/Counterdefendants' Appendix to Motion for Preliminary Injunction or for Writ of Mandamus</i> |
| 05/07/2019 |  Reply in Support 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>Defendants in Intervention's Reply in Support of Motion to Intervene as Defendants</i> |
| 05/07/2019 |  Individual Case Conference Report <i>Individual Case Conference Report</i> |
| 05/10/2019 |  Joinder Filed By: Counter Defendant MM Development Company, Inc <i>Joinder</i> |
| 05/14/2019 |  Joinder To Motion <i>Plaintiffs' Joinder to Motion for Order Compelling Production of Preserved Electronically Stored Information File in ETW Management Group, LLC, Et Al., v. State of Nevada Department of Taxation (Case No. A-19-787004-B)</i> |
| 05/14/2019 |  Individual Case Conference Report Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Individual Case Conference Report</i> |
| 05/15/2019 |  Opposition to Motion For Protective Order <i>Plaintiffs' 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)</i> |
| 05/15/2019 |  Supplement <i>Plaintiffs' Supplement to Joinder to Motion for order Compelling Production of Preserved Electronically Stored Information Filed in ETW Management Group, LLC, et, al. v. State of Nevada Department of Taxation (Case No. A-19-787004-B)</i> |
| 05/15/2019 |  Order Granting <i>Order Granting Lone Mountain Partners, LLC's Motion to Intervene</i> |
| 05/16/2019 |  Order Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Order Granting Motion to Intervene</i> |
| 05/16/2019 |  Notice of Entry Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Notice of Entry of Order</i> |

CASE SUMMARY
CASE NO. A-18-785818-W

| | |
|------------|--|
| 05/16/2019 |  Answer to Complaint Filed by: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant GreenMart of Nevada NLV LLC's Answer to Plaintiffs' First Amended Complaint</i> |
| 05/16/2019 |  Initial Appearance Fee Disclosure Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Initial Appearance Fee Disclosure (NRS Chapter 19)</i> |
| 05/16/2019 |  Supplement <i>Plaintiffs'/Counter-Defendants' Supplemental Facts in Support of Motion for Preliminary Injunction or for Writ of Mandamus</i> |
| 05/17/2019 |  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>Order Granting Motion to Intervene</i> |
| 05/17/2019 |  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> |
| 05/17/2019 |  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 |  Opposition to Motion Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Opposition to MM Development, Inc.'s Motion for Preliminary Injunction</i> |
| 05/20/2019 |  Appendix Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Appendix to Opposition to MM Development, Inc.'s Motion for Preliminary Injunction - Part 1 of 4</i> |
| 05/20/2019 |  Appendix Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Appendix to Opposition to MM Development, Inc.'s Motion for Preliminary Injunction - Part 2</i> |
| 05/20/2019 |  Appendix Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Appendix to Opposition to MM Development, Inc.'s Motion for Preliminary Injunction - Part 2b</i> |
| 05/20/2019 |  Appendix Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Appendix to Opposition to MM Development, Inc.'s Motion for Preliminary Injunction - Part 3a</i> |


CASE SUMMARY
CASE NO. A-18-785818-W

| | |
|------------|---|
| 05/20/2019 |  Appendix Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Appendix to Opposition to MM Development, Inc.'s Motion for Preliminary Injunction - Part 3b</i> |
| 05/20/2019 |  Appendix Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Appendix to Opposition to MM Development, Inc.'s Motion for Preliminary Injunction - Part 4</i> |
| 05/20/2019 |  Opposition to Motion Filed By: Intervenor Defendant Lone Mountain Partners LLC <i>LONE MOUNTAIN PARTNERS, LLC S: (1) OPPOSITION TO PLAINTIFFS /COUNTERDEFENDANTS MOTION FOR PRELIMINARY INJUNCTION OR FOR WRIT OF MANDAMUS; AND (2) REQUEST TO EXCEED PAGE LIMITS</i> |
| 05/20/2019 |  Appendix Filed By: Intervenor Defendant Lone Mountain Partners LLC <i>LONE MOUNTAIN PARTNERS, LLC S APPENDIX TO: (1) OPPOSITION TO PLAINTIFFS /COUNTERDEFENDANTS MOTION FOR PRELIMINARY INJUNCTION OR FOR WRIT OF MANDAMUS; AND (2) REQUEST TO EXCEED PAGE LIMITS</i> |
| 05/21/2019 |  Joinder Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Joinder to Lone Mountain Partners, LLC's (1) Opposition to Plaintiffs'/Counterdefendants' Motion for Preliminary Injunction or for Write of Mandamus; and (2) Request to Exceed Page Limits</i> |
| 05/21/2019 |  Joinder to Opposition to Motion Filed by: Counter Claimant Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's Joinder to Lone Mountain Partners, LLC's Opposition to MM Development company, Inc.'s 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 |  Notice of Compliance Party: Counter Claimant Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's 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 |  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 |  Objection |


CASE SUMMARY
CASE NO. A-18-785818-W

Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC
Defendant-Intervenor GreenMart of Nevada NLV LLC's Objections to Plaintiffs' Witnesses


05/24/2019

 Notice of Appearance
Notice of Appearance


05/24/2019

 Amended Certificate of Service
Party: Subpoena'd (Non) Party Connor, Amanda N., ESQ
Amended Certificate of Service


05/24/2019

 Objection
Filed By: Subpoena'd (Non) Party Connor, Amanda N., ESQ
Written Objection to the Subpoena of Nonparty Witness Amanda N. Connor, Esq.


05/24/2019

 Motion for Protective Order
Filed By: Subpoena'd (Non) Party Connor, Amanda N., ESQ
Motion for a Protective Order on Order Shortening Time


05/28/2019

 Clerk's Notice of Hearing
Notice of Hearing


05/28/2019

 Clerk's Notice of Hearing
Amended Notice of Hearing


05/28/2019

 Motion for Protective Order
Motion for a Protective Order on Order Shortening Time


05/30/2019

 Affidavit of Service
Affidavit of Service


06/04/2019

 Order
Filed By: Subpoena'd (Non) Party Connor, Amanda N., ESQ
Order Granting in Part and Denying in Part Motion for A Protective Order on Order Shortening Time


06/04/2019

 Notice of Entry
Notice of Entry of Order


06/05/2019

 Answer to Amended Complaint
Filed By: Intervenor Defendant Lone Mountain Partners LLC
Lone Mountain Partners, LLC's Answer to First Amended Complaint and Petition for Judicial Review or Writ of Mandamus


06/05/2019

 Initial Appearance Fee Disclosure
Filed By: Intervenor Defendant Lone Mountain Partners LLC
Lone Mountain Partners, LLC's Initial Appearance Fee Disclosure

06/11/2019

 Brief
Filed By: Intervenor Defendant Lone Mountain Partners LLC
LONE MOUNTAIN PARTNERS, LLC S POCKET BRIEF REGARDING INTERPRETATION OF STATUTES ENACTED BY BALLOT INITIATIVE

06/13/2019

 Affidavit of Due Diligence
Affidavit of Due Diligence

CASE SUMMARY
CASE NO. A-18-785818-W

| | |
|------------|--|
| 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' First Amended Complaint and Petition for Judicial Review or Writ of Mandamus with Counterclaim</i> |
| 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 <i>Joinder to Defendant-Intervenor Lone Mountain Partners, LLC's Pocket Brief Regarding interpretation of Statutes Enacted by Ballot Initiative</i> |
| 07/12/2019 |  Answer to Counterclaim <i>Plaintiffs'/Counter-Defendants' Answer to Counterclaim</i> |
| 07/31/2019 |  Notice of Appearance Party: Counter Claimant Integral Associates LLC <i>Notice of Appearance</i> |
| 08/30/2019 |  Motion for Summary Judgment Filed By: Counter Defendant MM Development Company, Inc <i>MM Development Company, Inc.'s and Livfree Wellness, LLC's Motion for Summary Judgment or for Writ of Mandamus</i> |
| 09/03/2019 |  Order <i>Order to Appear for Scheduling Conference</i> |
| 09/03/2019 |  Clerk's Notice of Hearing <i>Notice of Hearing</i> |
| 09/09/2019 |  Notice of Rescheduling of Hearing <i>Notice of Rescheduling Hearing</i> |
| 09/13/2019 |  Notice of Posting Bond Filed By: Counter Defendant MM Development Company, Inc <i>Notice of Posting Bond</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 <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Case Appeal Statement</i> |

CASE SUMMARY
CASE NO. A-18-785818-W

| | |
|------------|--|
| 09/19/2019 |  Notice of Appeal Filed By: Counter Claimant Nevada Organic Remedies LLC <i>Nevada Organic Remedies' Notice of Appeal</i> |
| 09/19/2019 |  Case Appeal Statement Filed By: Counter Claimant Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's Case Appeal Statement</i> |
| 09/23/2019 |  Motion <i>Plaintiffs' Motion to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information from Department of Taxation's Employee's Cell Phone on Order Shortening Time</i> |
| 09/24/2019 | Motion <i>MM Development Company, Inc.'s and Livfree Wellness, LLC's Motion to Alter or Amend Findings of Fact and Conclusions of Law</i> |
| 09/25/2019 |  Clerk's Notice of Hearing <i>Notice of Hearing</i> |
| 09/27/2019 |  Response Filed by: Counter Claimant Integral Associates LLC <i>The Essence Entities' Response to Plaintiffs' Motion to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information from Department of Taxation's Employee's Cell Phone on Order Shortening Time</i> |
| 09/27/2019 |  Opposition and Countermotion Filed By: Counter Claimant Integral Associates LLC <i>The Essence Entities' Opposition to MM Development Company Inc.'s and LivFree Wellness LLC's Motion for Summary Judgment or for Writ of Mandamus; and Countermotion for Summary Judgment</i> |
| 09/27/2019 |  Opposition to Motion Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Opposition to Motion for Summary Judgment or for Writ of Mandamus and Countermotion for Summary Judgment</i> |
| 09/27/2019 |  Opposition to Motion Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Opposition to Plaintiffs' Motion to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information from Department of Taxation Employee's Cell Phone and Countermotion for a Protective Order</i> |
| 09/27/2019 |  Opposition to Motion For Summary Judgment Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC <i>Defendant-Intervenor GreenMart of Nevada NLV LLC's Opposition to Plaintiffs' Motion for Summary Judgment or Writ of Mandamus</i> |
| 09/27/2019 |  Opposition to Motion For Summary Judgment Filed By: Intervenor Defendant Lone Mountain Partners LLC <i>Lone Mountain Partners, LLC s Opposition To Plaintiffs Motion For Summary Judgment Or For Writ Of Mandamus And Countermotion For Summary Judgment</i> |
| 09/30/2019 | Administrative Reassignment - Judicial Officer Change <i>From Vacant DC8 to Judge Trevor L. Atkin</i> |
| 10/01/2019 |  Motion to Consolidate |

CASE SUMMARY

CASE NO. A-18-785818-W

| | |
|------------|---|
| | <p>Filed By: Counter Claimant CPCM Holdings, LLC; Counter Claimant Commerce Park Medical, LLC; Counter Claimant Cheyenne Medical, LLC <i>Defendants in Intervention's Motion to Consolidate</i></p> |
| 10/02/2019 | <p> Opposition to Motion For Summary Judgment Filed By: Counter Claimant Nevada Organic Remedies LLC <i>Nevada Organic Remedies, LLC's Opposition to Plaintiffs' Motion for Summary Judgment</i></p> |
| 10/02/2019 | <p> Stipulation and Order <i>Stipulation and Order on Intervention</i></p> |
| 10/03/2019 | <p> Scheduling and Trial Order <i>Scheduling Order and Order Setting Civil Bench Trial</i></p> |
| 10/03/2019 | <p> Joinder to Opposition to Motion Filed by: Intervenor Defendant Lone Mountain Partners LLC <i>LONE MOUNTAIN PARTNERS, LLC S JOINDER TO THE ESSENCE ENTITIES' OPPOSITION TO MM DEVELOPMENT COMPANY INC.'S AND LIVFREE WELLNESS LLC'S MOTION FOR SUMMARY JUDGMENT OR FOR WRIT OF MANDAMUS; AND COUNTERMOTION FOR SUMMARY JUDGMENT</i></p> |
| 10/03/2019 | <p> Joinder to Opposition to Motion Filed by: Intervenor Defendant Lone Mountain Partners LLC <i>LONE MOUNTAIN PARTNERS, LLC S JOINDER TO THE DEPARTMENT OF TAXATION S OPPOSITION TO MOTION FOR SUMMARY JUDGMENT OR FOR WRIT OF MANDAMUS AND COUNTERMOTION FOR SUMMARY JUDGMENT</i></p> |
| 10/03/2019 | <p> Notice of Appeal <i>Notice of Cross-Appeal</i></p> |
| 10/03/2019 | <p> Case Appeal Statement <i>Case Cross-Appeal Statement</i></p> |
| 10/03/2019 | <p> Notice of Entry of Order Filed By: Intervenor Helping Hands Wellness Center Inc <i>Notice of Entry of Order</i></p> |
| 10/03/2019 | <p> Initial Appearance Fee Disclosure Filed By: Intervenor Helping Hands Wellness Center Inc <i>Initial Appearance Fee Disclosure</i></p> |
| 10/04/2019 | <p> Joinder to Motion For Summary Judgment Filed By: Intervenor Helping Hands Wellness Center Inc <i>Defendant Intervenor Helping Hands Wellness Center, Inc. s Joinder To Nevada Organic Remedies' Opposition To Motion For Summary Judgment, Joinder to Lone Mountain Partners, LLC's Opposition to Motion for Summary Judgment and Countermotion For Summary Judgment, Joinder to Greenmart of Nevada NLV, LLC's Opposition to Motion for Summary Judgment, Joinder to the Essence Entities' Opposition to Motion for Summary Judgment, Joinder to State of Nevada Opposition to Motion for Summary Judgment and Countermotion for Summary Judgment</i></p> |
| 10/04/2019 | <p> Opposition to Motion Filed By: Defendant State of Nevada, Department of Taxation <i>Department of Taxation's Opposition to MM Development Company, LLC's and LivFree Wellness, LLC's Motion to Alter or Amend Findings of Fact and Conclusions of Law</i></p> |

CASE SUMMARY

CASE NO. A-18-785818-W

10/04/2019



Opposition

Filed By: Counter Claimant Integral Associates LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC
The Essence Entities' Opposition To MM Development Company Inc.'s And Livfree Wellness LLC's Motion To Alter Or Amend Findings Of Fact And Conclusions Of Law

10/07/2019



Joinder

Filed By: Intervenor Defendant GreenMart of Nevada NLV LLC
Defendant-Intervenor GreenMart of Nevada NLV LLC's Joinder to Defendants in Intervention's Motion to Consolidate

10/07/2019



Joinder

Filed By: Counter Claimant Integral Associates LLC; Counter Claimant Essence Tropicana, LLC; Counter Claimant Essence Henderson, LLC
The Essence Entities' Joinder To Thrive's Motion to Consolidate

HEARINGS

12/13/2018



Motion (10:00 AM) (Judicial Officer: Bailus, Mark B)

Emergency Motion for Order Requiring the SMC to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information From Servers, Stand-Alone Computers, and Cell Phones

Granted in Part;

Journal Entry Details:

Affidavit of Steve E. Gilbert, FILED IN OPEN COURT. Robert Werbicky, Esq. and David Pope, Esq. present for State of Nevada Department of Taxation (SNDT). Leighton Koehler, Esq. present as a representative for MM Development Company and general counsel for Planet 13. Court asked for clarification as to the name of the third party consultants for SNDT referenced in Plaintiff's Motion retained by the State to evaluate and rate marijuana licensing applications. Mr. Werbicky clarified there was no out of state marijuana consultant hired by the Department of Taxation and the State was in possession of the data in question. The State advised SNDT hired 6 Graders from a temporary staffing agency, Manpower, in Carson City. Court noted its initial concern with this Court's jurisdiction over the third party from Carson City, however, after hearing the States representation, the Court advised it would direct any orders to SNDT as they had possession of the data. Court clarified the purpose of the Motion with Plaintiff. Mr. Kemp advised the 6 individuals were provided laptops by SNDT from which the electronically stored information (ESI). Arguments by Mr. Kemp and Mr. Werbicky regarding the merits of the Motion. Upon Court's inquiry, Defendant's counsel agreed the preservation of evidence in this matter falls under NRS 239.080, with the exception of the temporary employees personal cell phones. Mr. Werbicky advised the reason Plaintiff did not receive the total score of their licensing application was because they required a written request. Further, the State could only release the information to the Plaintiff's 'person of contact'. Mr. Leighton Koehler, Esq. stated he submitted a written request and was a 'person of contact' as well as the power of attorney for Plaintiff. Mr. Werbicky advised SNDT could provide Mr. Koehler the score. Further arguments by counsel with regard to the preservation of the 6 individuals records. Court advised counsel of the parameters of this Court's research. Court advised its decision would be based on the points and authorities and arguments provided in the hearing as well as the following law: NRCP Rule 7 (p) (b); NRCP Rule 26 (b) (1); Banks versus Sunrise Hospital, 102 Pacific 3d. 52, a 2004 case, Bass-Davis versus Davis, 122 Nevada Reports 42, a 2006 case; Zubulake versus UBS Warburg, LLC, 220 F.R.D. 212, Southern District of New York, a 2003 case. Treppel v. Biovail Corp., 249 F.R.D. 111 Southern District of New York, a 2008 case; Tracfone Wireless, Inc. versus Adams, 304 F.R.D. 672, a 2015 case; FRCP 26 (d) (f); Williams versus U.S. Department of Agriculture, A15 Fed 2d., 638 Fifth Circuit, 1987; Johnson versus Board of Regents, 263 Federal 3d., 1234 Eleventh Circuit, 2001 case. Colloquy regarding Ordering a 30 (b) (6) deposition. Upon Court's inquiry, Mr. Werbicky stated Defendant had not notified Manpower of the preservation of electronic records. Mr. Werbicky advised counsel would send out a litigation hold to Manpower. Colloquy regarding the State's possession of the documents, preservation of records and turning over. Court noted its intention to Grant the Motion with regard to the preservation of evidence without violating any statutory law. Court DIRECTED counsel to discuss parameters and establish a procedure which maintained the necessary confidentially procedures of the State. MATTER TRAILED. MATTER RECALLED. Mr. Werbicky stated, although the State opposed the Order, counsel advised they came to a partial agreement on the proposed Order. Counsel noted concerns regarding provisions on page 3 lines 11-21 regarding Manpower employees'

CASE SUMMARY
CASE NO. A-18-785818-W

| | |
|------------|--|
| | <p><i>production of personal cell phone records. Mr. Werbicky noted concern with the State receiving and holding personal data. Court cited case: Khiabani vs. Motor Coach Industries, Inc. case number A-17-755977 and advised counsel this Court would accept a similar procedure for copying the cell phone records. Colloquy regarding specific language with regard to the State's control of the cell phone information. Colloquy regarding acceptable procedures and language on the final proposed Order. Recess taken for the Court to review the final Order. MATTER TRAILED MATTER RECALLED. COURT DIRECTED counsel to include language in the Order regarding use of identifiers for the employees of Manpower that would not reveal any names or personal information; e.g., Manpower Employee No. 1. FURTHER, COURT DIRECTED counsel to add language about information being provided to the Court under seal. Colloquy regarding privacy issues. Court referred counsel to review the following case law: Comstock Residence Association vs. Lyon County Board of Commissioners, 414 Pacific 3d. 318 and LVMPD vs Blackjack Bonding, Inc., 343 Pacific 3d. 608. Colloquy regarding future litigation of the matter. COURT ORDERED, Motion GRANTED IN PART as to the preservation of evidence and DENIED IN PART as to Turnover. Counsel to submit the Order to Chambers.;</i></p> |
| 02/05/2019 | <p>Motion For Reconsideration (8:30 AM) (Judicial Officer: Barker, David) Granted;</p> |
| 02/05/2019 | <p>Motion for Order (8:30 AM) (Judicial Officer: Barker, David) <i>Motion for Order of Contempt Against State of Nevada, Department of Taxation for Failure to Preserve Relevant Electronically Stored Information from Cell Phones and Order Shortening Time</i> Denied;</p> |
| 02/05/2019 | <p> All Pending Motions (8:30 AM) (Judicial Officer: Barker, David) Matter Heard; Journal Entry Details: <i>MOTION FOR RECONSIDERATION ... MOTION FOR ORDER OF CONTEMPT AGAINST THE STATE OF NEVADA, DEPARTMENT OF TAXATION FOR FAILURE TO PRESERVE RELEVANT ELECTRONICALLY STORED INFORMATION FROM CELL PHONES AND ORDER SHORTENING TIME</i> Argument by Mr. Werbicky, noting that imaging was requested, however, it must be done by their criminal department. Further, Mr. Werbicky advised four out of the six Manpower employees indicated they had no opposition to the imaging of their phones, then changed their minds. Further, Mr. Werbicky noted the motion was filed when they began imagine laptops. Mr. Kemp argued against the motion, however, requested the Manpower employees be deposed. Mr. Pope reviewed the transcript and argued that depositions are premature. Court noted Mr. Kemp has requested the Motion for Contempt be WITHDRAWN. Mr. Werbicky advised there is no opposition to following normal discovery rules or for subpoena's issuing as long as they are appropriate under rule 45. Mr. Kemp argued section B of the Manpower contract allows for the imaging of employee's phones. Mr. Werbicky argued that the phones are personal property. COURT ORDERED, Motion for Reconsideration GRANTED; Motion for Order of Contempt DENIED and WITHDRAWN; Court will allow depositions for the limited purposes of Manpower employees being asked the types of phones they have, their service provider, and to explain the limits of the Court order; Mr. Kemp to prepare the order. ;</p> |
| 02/21/2019 | <p>Motion to Intervene (1:30 PM) (Judicial Officer: Barker, David) Granted;</p> |
| 02/21/2019 | <p>Motion to Dismiss (1:30 PM) (Judicial Officer: Barker, David) <i>Defendant's Motion to Dismiss Amended Complaint</i> Denied;</p> |
| 02/21/2019 | <p>Motion for Protective Order (1:30 PM) (Judicial Officer: Barker, David) 02/21/2019, 03/07/2019 <i>Defendant's Motion for Protective Order on Order Shortening Time</i> Continued; Denied; Continued; Denied;</p> |

CASE SUMMARY

CASE NO. A-18-785818-W

02/21/2019



All Pending Motions (1:30 PM) (Judicial Officer: Barker, David)

Matter Heard;

Journal Entry Details:

DEFENDANT'S MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME ... MOTION TO INTERVENE ... DEFENDANT'S MOTION TO DISMISS AMENDED COMPLAINT DEFENDANT'S MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME Argument by Mr. Werbicky. Court noted that the computers have been preserved and Manpower has been put on notice. Mr. Kemp requested a status check be SET on the auto delete function of the cell phone. COURT SO ORDERED. MOTION TO INTERVENE Mr. Koch noted his client was awarded the license, and now the Plaintiff is requesting it be taken away and given to them. Mr. Kemp argued that their application scores only went down when the diversity questions were added. Further arguments by counsel. COURT ORDERED, motion GRANTED. DEFENDANT'S MOTION TO DISMISS AMENDED COMPLAINT Argument by Mr. Werbicky in support of the Motion, noting a remedy should have been sought during the notice period. Colloquy regarding the application process and review of the applications. Mr. Rulis argued against the Motion, noting multiple parties received more than one license, and noted they are challenging the application process. Mr. Werbicky argued they should be suing Manpower, and should have raised any concerns during the notice period. COURT ORDERED, matter UNDER ADVISEMENT. 3/7/19 8:30 AM STATUS CHECK: MOTION TO DISMISS / MANPOWER ORDER / CELL PHONES AUTO DELETE FUNCTION;

03/07/2019

Status Check (8:30 AM) (Judicial Officer: Barker, David)

Motion to Dismiss / Order Regarding Manpower Phones

Matter Heard;

03/07/2019



All Pending Motions (8:30 AM) (Judicial Officer: Barker, David)

Matter Heard;

Journal Entry Details:

DEFENDANT'S MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME ... STATUS CHECK: MOTION TO DISMISS / ORDER REGARDING MANPOWER PHONES Arguments by counsel with respect to the Writ of Mandamus. Mr. Werbicky argued the State used its discretion and it was not arbitrary and capricious. COURT ORDERED, Motion to Dismiss and Motion for Protective Order DENIED; Mr. Rulis to prepare the order, findings of fact, and conclusions of law. Mr. Werbicky requested the order entered 12/13/18 be stricken as they have complied. Arguments regarding striking the 12/13/18 Court Order. Court advised it is not finding that the State has done anything wrong regarding preserving evidence. Further arguments by counsel. COURT ORDERED, oral Motion to Strike DENIED.;

04/22/2019



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

Matter Heard;

Journal Entry Details:

APPEARANCES CONTINUED: A-19-786962-B - Serenity Wellness Center, LLC vs. State of Nevada Department of Taxation (Department XI case): Attorney Dominic Gentile and Attorney Michael Cristalli for the Plaintiffs; Attorney Jared Kahn for Intervenor Defendant Helping Hands Wellness Center, Inc.; Attorney Alina Shell for Intervenor Defendant GreenMart of Nevada NLV LLC. Mr. Kahn participated by telephone. 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 (A-19-786962-B Serenity Wellness), the one with 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

CASE SUMMARY**CASE NO. A-18-785818-W**

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. 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 in Serenity Wellness - 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 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 in A-19-786962-B (Serenity Wellness) 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. 5-15-19 CHAMBERS MOTION TO INTERVENE AS DEFENDANTS (Dept IX - Silva) 5-22-19 CHAMBERS MOTION TO INTERVENE (Dept IX - Silva) 5-24-19 9:00 AM PRELIMINARY INJUNCTION HEARING IN A-19-786962-B IN DEPARTMENT XI (Dept XI - Gonzalez);

05/08/2019

Motion to Intervene (3:00 AM) (Judicial Officer: Bonaventure, Joseph T.)*Motion to Intervene as Defendants*

CASE SUMMARY
CASE NO. A-18-785818-W

[illegible]

CASE SUMMARY
CASE NO. A-18-785818-W

Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;

Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;

Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

CASE SUMMARY

CASE NO. A-18-785818-W

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

CASE SUMMARY

CASE NO. A-18-785818-W

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;

Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

CASE SUMMARY

CASE NO. A-18-785818-W

Hearing Continued;

Hearing Continued;

Hearing Continued;

Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date. CLERK'S NOTE: Minutes completed by Dulce Romea on behalf of Michaela Tapia.;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

CASE SUMMARY
CASE NO. A-18-785818-W

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;
Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;
Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;
Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

CASE SUMMARY
CASE NO. A-18-785818-W

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

Hearing Continued;
Hearing Continued;
Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;
Hearing Continued;

CASE SUMMARY
CASE NO. A-18-785818-W

Hearing Continued;

Hearing Continued;

Hearing Continued;

Decision Pending;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Decision Pending;

Journal Entry Details:

See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Hearing Continued;

Decision Pending;

Journal Entry Details:

Preliminary Injunction Hearing (Serenity Wellness against Defendant-Intervenor CPCMC 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: Cristalli, Michael Attorney for Plaintiff Gentile, Dominic P. Attorney for Plaintiff Miller, Ross J. Attorney for Plaintiff Savarese, Vincent Attorney for Plaintiff Bhirud, Ketan D. Attorney for Defendant Shevovski, Steven G. Attorney for Defendant Haar, Theresa M. Attorney for Defendant Graf, J. Rusty Attorney for Intervenor Defendant Higgins, Brigid M. Attorney for Intervenor Defendant Shell, Alina Attorney for Intervenor Defendant Kahn, Jared B. Attorney for Intervenor Defendant Hone, Eric D. Attorney for Intervenor Defendant Gutierrez, Joseph A. Attorney for Intervenor Defendant Hymanson, Philip M. Attorney for Intervenor Defendant Koch, David Attorney for Intervenor Defendant Wight, Brody R. Attorney for Intervenor Defendant Rulis, Nathanael R. Attorney for Other Plaintiff Kemp, William Attorney for Other Plaintiff APPEARANCES CONTINUED: William Kemp, Esq. and Nathanael Rulis, counsel for Livfree Wellness LLC; counsel for Livfree Wellness LLC (A-18-785818-W) Adam Bult,

CASE SUMMARY

CASE NO. A-18-785818-W

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;

- 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:
See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.;
- 06/24/2019 **CANCELED Motion for Protective Order** (8:30 AM) (Judicial Officer: Barker, David)
Vacated - Set in Error
Motion for a Protective Order on Shortening Time
- 09/27/2019  **Mandatory Rule 16 Conference** (9:00 AM) (Judicial Officer: Cherry, Michael A.)
Matter Heard;
Journal Entry Details:
Court inquired if counsel would be interested in a Settlement Conference or Overflow referral. Mr. Rulis stated they were working on private mediation and that they had a discovery motion set for Monday. Mr. Holmes stated they may have some other discovery issues. Mr. Rulis requested a discovery cut off of March 3, 2020 and noted they may file a Motion to Consolidate in the other case. Following colloquy, counsel agreed they would need three to four trial weeks. COURT ORDERED, Trial Dates to be SET by Judicial Executive Assistant and a trial order prepared and counsel noticed. ;
- 09/30/2019  **Motion** (8:30 AM) (Judicial Officer: Atkin, Trevor)
Motion to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information from Department of Taxation's Employee's Cell Phone on OST
Granted; Motion to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information from Department of Taxation's Employee's Cell Phone on OST
Journal Entry Details:
Argument by counsel. COURT FINDS based on the pleadings and ORDERED. Motion to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information from Department of Taxation's Employee's Cell Phone is GRANTED. FURTHER, State's request for stay to seek relief from Nevada Supreme Court is granted.;
- 10/23/2019 **Motion for Summary Judgment** (8:30 AM) (Judicial Officer: Atkin, Trevor)
MM Development Company, Inc. 's and Livfree Wellness, LLC's Motion for Summary Judgment or for Writ of Mandamus
- 10/23/2019 **Opposition and Countermotion** (8:30 AM) (Judicial Officer: Atkin, Trevor)
The Essence Entities' Opposition to MM Development Company Inc's and Livfree Wellness LLC's motion for Summary Judgment or for Writ of Mandamus; and Countermotion for Summary Judgment
- 10/23/2019 **Opposition and Countermotion** (8:30 AM) (Judicial Officer: Atkin, Trevor)
Department of Taxation's Opposition to Motion for Summary Judgment or for Writ of Mandamus and Countermotion for Summary Judgment
- 10/23/2019 **Opposition and Countermotion** (8:30 AM) (Judicial Officer: Atkin, Trevor)
Lone Mountain Partners, LLC s Opposition To Plaintiffs Motion For Summary Judgment Or For Writ Of Mandamus And Countermotion For Summary Judgment

EIGHTH JUDICIAL DISTRICT COURT

CASE SUMMARY

CASE NO. A-18-785818-W

| | |
|------------|--|
| 10/23/2019 | Opposition and Countermotion (8:30 AM) (Judicial Officer: Atkin, Trevor) <i>Lone Mountain Partners LLC's Joinder to the Essence Entities' Opposition to MM Development Company Inc's and Livfree Wellness LLC's Motion for Summary Judgment or for Writ of Mandamus; and Countermotion for Summary Judgment</i> |
| 10/23/2019 | Joinder (8:30 AM) (Judicial Officer: Atkin, Trevor) <i>Lone Mountain Partners, LLC's Joinder to the Department of Taxation's Opposition to Motion for Summary Judgment or for Writ of Mandamus and Countermotion for Summary Judgment</i> |
| 10/23/2019 | Joinder (8:30 AM) (Judicial Officer: Atkin, Trevor) <i>Defendant Intervenor Helping Hands Wellness Center, Inc. s Joinder To Nevada Organic Remedies Opposition To Motion For Summary Judgment, Joinder to Lone Mountain Partners, LLC s Opposition to Motion for Summary Judgment and Countermotion For Summary Judgment, Joinder to Greenmart of Nevada NLV, LLC s Opposition to Motion for Summary Judgment, Joinder to the Essence Entities Opposition to Motion for Summary Judgment, Joinder to State of Nevada Opposition to Motion for Summary Judgment and Countermotion for Summary Judgment</i> |
| 11/05/2019 | CANCELED Motion (9:00 AM) (Judicial Officer: Atkin, Trevor) <i>Vacated - On in Error</i> <i>MM Development Company, Inc.'s and Livfree Wellness, LLC's Motion to Alter or Amend Findings of Fact and Conclusions of Law</i> |
| 06/30/2020 | Pre Trial Conference (8:30 AM) (Judicial Officer: Atkin, Trevor) |
| 07/27/2020 | Calendar Call (8:30 AM) (Judicial Officer: Atkin, Trevor) |
| 08/03/2020 | Bench Trial (9:00 AM) (Judicial Officer: Atkin, Trevor) |

DATE

FINANCIAL INFORMATION

| | |
|--|---------------|
| Defendant State of Nevada, Department of Taxation | |
| Total Charges | 223.00 |
| Total Payments and Credits | 223.00 |
| Balance Due as of 10/8/2019 | 0.00 |
| Intervenor Helping Hands Wellness Center Inc | |
| Total Charges | 423.00 |
| Total Payments and Credits | 223.00 |
| Balance Due as of 10/8/2019 | 200.00 |
| Counter Claimant Nevada Organic Remedies LLC | |
| Total Charges | 247.00 |
| Total Payments and Credits | 247.00 |
| Balance Due as of 10/8/2019 | 0.00 |
| Intervenor Defendant GreenMart of Nevada NLV LLC | |
| Total Charges | 247.00 |
| Total Payments and Credits | 247.00 |
| Balance Due as of 10/8/2019 | 0.00 |
| Counter Claimant Integral Associates LLC | |
| Total Charges | 573.00 |
| Total Payments and Credits | 253.00 |
| Balance Due as of 10/8/2019 | 320.00 |
| Intervenor Defendant Lone Mountain Partners LLC | |
| Total Charges | 623.00 |
| Total Payments and Credits | 223.00 |
| Balance Due as of 10/8/2019 | 400.00 |
| Counter Defendant Livfree Wellness LLC | |
| Total Charges | 33.50 |

CASE SUMMARY

CASE NO. A-18-785818-W

| | |
|---|---------------|
| Total Payments and Credits | 33.50 |
| Balance Due as of 10/8/2019 | 0.00 |
| | |
| Counter Defendant MM Development Company, Inc | |
| Total Charges | 623.50 |
| Total Payments and Credits | 623.50 |
| Balance Due as of 10/8/2019 | 0.00 |
| | |
| Counter Claimant Nevada Organic Remedies LLC | |
| Appeal Bond Balance as of 10/8/2019 | 500.00 |
| | |
| Intervenor Defendant GreenMart of Nevada NLV LLC | |
| Appeal Bond Balance as of 10/8/2019 | 500.00 |

DISTRICT COURT CIVIL COVER SHEET

A-18-785818-W

County, Nevada

Case No.

Department 18

(Assigned by Clerk's Office)

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

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

MM Development Company, Inc.

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

State of Nevada, Department of Taxation

Attorney (name/address/phone):

Will Kemp, Esq. and Nathanael Rulis, Esq.

Attorney (name/address/phone):

Kemp, Jones & Coulthard, LLP

3800 Howard Hughes Pkwy, 17th Floor, Las Vegas, NV 89169

Phone: (702) 385-6000

II. Nature of Controversy (please select the one most applicable filing type below)**Civil Case 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"/> Other Title to Property Other Real Property <input type="checkbox"/> Condemnation/Eminent Domain <input type="checkbox"/> Other Real Property | 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 | Torts 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 |
| Probate Probate (select case type and estate value) <input type="checkbox"/> Summary Administration <input type="checkbox"/> General Administration <input type="checkbox"/> Special Administration <input type="checkbox"/> Set Aside <input type="checkbox"/> Trust/Conservatorship <input type="checkbox"/> Other Probate Estate Value <input type="checkbox"/> Over \$200,000 <input type="checkbox"/> Between \$100,000 and \$200,000 <input type="checkbox"/> Under \$100,000 or Unknown <input type="checkbox"/> Under \$2,500 | 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 | Judicial Review/Appeal Judicial Review <input type="checkbox"/> Foreclosure Mediation Case <input type="checkbox"/> Petition to Seal Records <input type="checkbox"/> Mental Competency Nevada State Agency Appeal <input type="checkbox"/> Department of Motor Vehicle <input type="checkbox"/> Worker's Compensation <input type="checkbox"/> Other Nevada State Agency Appeal Other <input type="checkbox"/> Appeal from Lower Court <input type="checkbox"/> Other Judicial Review/Appeal |
| Civil Writ Civil Writ <input type="checkbox"/> Writ of Habeas Corpus <input checked="" type="checkbox"/> Writ of Mandamus <input type="checkbox"/> Writ of Quo Warrant <input type="checkbox"/> Writ of Prohibition <input type="checkbox"/> Other Civil Writ | | Other Civil Filing Other Civil Filing <input type="checkbox"/> Compromise of Minor's Claim <input type="checkbox"/> Foreign Judgment <input type="checkbox"/> Other Civil Matters |

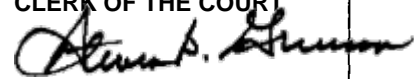
Business Court filings should be filed using the Business Court civil coversheet.

12/10/18

Date

Signature of initiating party or representative

See other side for family-related case filings.



FFCL

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,

Plaintiff(s),

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

RECEIVED
AUG 23 2019

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,

Intervenors.

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

26 ¹ Although a preservation order was entered on December 13, 2018, in A785818, no discovery in any case was done
27 prior to the commencement of the evidentiary hearing, in part due to procedural issues and to statutory restrictions on
28 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.

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

5 NRS 453D.020(3).

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

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

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

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

17
18
19 ⁷ The Final Task Force report (Exhibit 2009) contained the following statements:

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

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

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

27 The second recommendation of concern is:

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

- 5 (a) An organizational chart showing all owners, officers and board members of the proposed marijuana
6 establishment;
7 (b) A list of all owners, officers and board members of the proposed marijuana establishment that contains the
8 following information for each person:
9 (1) The title of the person;
10 (2) The race, ethnicity and gender of the person;
11 (3) A short description of the role in which the person will serve for the organization and his or her
12 responsibilities;
13 (4) Whether the person will be designated by the proposed marijuana establishment to provide written notice to
14 the Department when a marijuana establishment agent is employed by, volunteers at or provides labor as a
15 marijuana establishment agent at the proposed marijuana establishment;
16 (5) Whether the person has served or is currently serving as an owner, officer or board member for another
17 medical marijuana establishment or marijuana establishment;
18 (6) Whether the person has served as an owner, officer or board member for a medical marijuana establishment
19 or marijuana establishment that has had its medical marijuana establishment registration certificate or license, as
20 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
- 8 (a) Whether the owners, officers or board members have experience operating another kind
9 of business that has given them experience which is applicable to the operation of a marijuana
10 establishment;
 - 11 (b) The diversity of the owners, officers or board members of the proposed marijuana
12 establishment;
 - 13 (c) The educational achievements of the owners, officers or board members of the proposed
14 marijuana establishment;
 - 15 (d) The financial plan and resources of the applicant, both liquid and illiquid;
 - 16 (e) Whether the applicant has an adequate integrated plan for the care, quality and
17 safekeeping of marijuana from seed to sale;
 - 18 (f) The amount of taxes paid and other beneficial financial contributions, including, without
19 limitation, civic or philanthropic involvement with this State or its political subdivisions, by the
20 applicant or the owners, officers or board members of the proposed marijuana establishment;
 - 21 (g) Whether the owners, officers or board members of the proposed marijuana establishment
22 have direct experience with the operation of a medical marijuana establishment or marijuana
23 establishment in this State and have demonstrated a record of operating such an establishment in
24 compliance with the laws and regulations of this State for an adequate period of time to
25 demonstrate success;
 - 26 (h) The (unspecified) experience of key personnel that the applicant intends to employ in
27 operating the type of marijuana establishment for which the applicant seeks a license; and
 - 28 (i) Any other criteria that the Department determines to be relevant.

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

¹⁰ The DoT made a change to the application after circulating the first version of the application to delete the
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
27
28

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

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

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

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

23
24 40. The DoT created a Regulation that modified the mandatory BQ2 provision “[t]he
25 Department shall conduct a background check of each prospective owner, officer, and board member of
26 a marijuana establishment license applicant” and determined it would only require information on the

27
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

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

14 43. The limitation of “unreasonably impracticable” in BQ2¹² does not apply to the
15 mandatory language of BQ2, but to the Regulations which the DoT adopted.
16

17 44. The adoption of NAC 453D.255(1), as it applies to the application process is an
18 unconstitutional modification of BQ2.¹³ The failure of the DoT to carry out the mandatory provisions
19 of NRS 453D.200(6) is fatal to the application process.¹⁴ The DoT’s decision to adopt regulations in
20 direct violation of BQ2’s mandatory application requirements is violative of Article 19, Section 2(3) of
21 the Nevada Constitution.
22

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

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

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

28 ¹⁴ That provision states:

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

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

18
19 49. Pursuant to NAC 453D.295, the winning applicants received a conditional license that
20 will not be finalized unless within twelve months of December 5, 2018, the licensees receive a final
21 inspection of their marijuana establishment.
22
23
24

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

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

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

19 ...

20 3. If the initiative petition proposes a statute or an amendment to a statute, the person who
21 intends to circulate it shall file a copy with the secretary of state before beginning circulation
22 and not earlier than January 1 of the year preceding the year in which a regular session of the
23 legislature is held. After its circulation, it shall be filed with the secretary of state not less than
24 30 days prior to any regular session of the legislature. The circulation of the petition shall cease
25 on the day the petition is filed with the secretary of state or such other date as may be prescribed
26 for the verification of the number of signatures affixed to the petition, whichever is earliest. The
27 secretary of state shall transmit such petition to the legislature as soon as the legislature
28 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
approved by the voters shall not be amended, annulled, repealed, set aside or suspended
by the legislature within 3 years from the date it takes effect.**

7 (Emphasis added.)

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

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

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

23 67. NRS 453D.200(1) provides that “the Department shall adopt all regulations necessary or
24 convenient to carry out the provisions of this chapter.” The Court finds that the words “necessary or
25 convenient” are susceptible to at least two reasonable interpretations. This limitation applies only to
26 Regulations adopted by the DoT.
27
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
8 76. By selectively eliminating the requirement to disclose an actual physical address for
9 each and every proposed retail recreational marijuana establishment, the DoT limited the ability of the
10 Temporary Employees to adequately assess graded criteria such as (i) prohibited proximity to schools
11 and certain other public facilities, (ii) impact on the community, (iii) security, (iv) building plans, and
12 (v) other material considerations prescribed by the Regulations.

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

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

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

21 80. The DoT made licensure conditional for one year based on the grant of power to create
22 regulations that develop "[p]rocedures for the issuance, renewal, suspension, and revocation of a
23 license to operate a marijuana establishment." NRS 453D.200(1)(a). This was within the DoT's
24 discretion.
25
26
27

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

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

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.

11
12 / / / / /
13 / / / / /
14 / / / / /
15 / / / / /
16 / / / / /
17 / / / / /
18 / / / / /
19 / / / / /
20 / / / / /
21 / / / / /
22 / / / / /
23 / / / / /
24 / / / / /

25
26
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

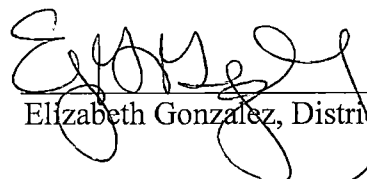
IT IS HEREBY ADJUDGED ORDERED AND DECREED that Plaintiffs' Motions for Preliminary Injunction are granted in part.

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.

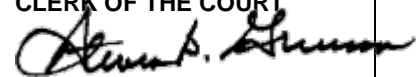

Elizabeth Gonzalez, District Court Judge

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.



James J. Pisanelli, Esq., Bar No. 4027

JJP@pisanellibice.com

Todd L. Bice, Esq., Bar No. 4534

TLB@pisanellibice.com

Jordan T. Smith, Esq., Bar No. 12097

JTS@pisanellibice.com

PISANELLI BICE PLLC

400 South 7th Street, Suite 300

Las Vegas, Nevada 89101

Telephone: 702.214.2100

Facsimile: 702.214.2101

*Attorneys for Defendants in Intervention,
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

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

Defendants in Intervention.

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

DATED this 28th day of August, 2019.

PISANELLI BICE PLLC

By: /s/ Todd L. Bice

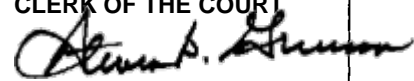
James J. Pisanelli, Esq., Bar No. 4027
Todd L. Bice, Esq., Bar No. 4534
Jordan T. Smith, Esq., Bar No. 12097
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101

*Attorneys for Defendants in Intervention,
Integral Associates LLC d/b/a Essence Cannabis
Dispensaries, Essence Tropicana, LLC, Essence
Henderson, LLC*

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



FFCL

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,

Plaintiff(s),

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

RECEIVED
AUG 23 2019

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,

Intervenors.

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

26 ¹ Although a preservation order was entered on December 13, 2018, in A785818, no discovery in any case was done
27 prior to the commencement of the evidentiary hearing, in part due to procedural issues and to statutory restrictions on
28 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.

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

5 NRS 453D.020(3).

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

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

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

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

17
18
19 ⁷ The Final Task Force report (Exhibit 2009) contained the following statements:

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

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

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

27 The second recommendation of concern is:

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

- 5 (a) An organizational chart showing all owners, officers and board members of the proposed marijuana
6 establishment;
7 (b) A list of all owners, officers and board members of the proposed marijuana establishment that contains the
8 following information for each person:
9 (1) The title of the person;
10 (2) The race, ethnicity and gender of the person;
11 (3) A short description of the role in which the person will serve for the organization and his or her
12 responsibilities;
13 (4) Whether the person will be designated by the proposed marijuana establishment to provide written notice to
14 the Department when a marijuana establishment agent is employed by, volunteers at or provides labor as a
15 marijuana establishment agent at the proposed marijuana establishment;
16 (5) Whether the person has served or is currently serving as an owner, officer or board member for another
17 medical marijuana establishment or marijuana establishment;
18 (6) Whether the person has served as an owner, officer or board member for a medical marijuana establishment
19 or marijuana establishment that has had its medical marijuana establishment registration certificate or license, as
20 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
- 8 (a) Whether the owners, officers or board members have experience operating another kind
9 of business that has given them experience which is applicable to the operation of a marijuana
10 establishment;
 - 11 (b) The diversity of the owners, officers or board members of the proposed marijuana
12 establishment;
 - 13 (c) The educational achievements of the owners, officers or board members of the proposed
14 marijuana establishment;
 - 15 (d) The financial plan and resources of the applicant, both liquid and illiquid;
 - 16 (e) Whether the applicant has an adequate integrated plan for the care, quality and
17 safekeeping of marijuana from seed to sale;
 - 18 (f) The amount of taxes paid and other beneficial financial contributions, including, without
19 limitation, civic or philanthropic involvement with this State or its political subdivisions, by the
20 applicant or the owners, officers or board members of the proposed marijuana establishment;
 - 21 (g) Whether the owners, officers or board members of the proposed marijuana establishment
22 have direct experience with the operation of a medical marijuana establishment or marijuana
23 establishment in this State and have demonstrated a record of operating such an establishment in
24 compliance with the laws and regulations of this State for an adequate period of time to
25 demonstrate success;
 - 26 (h) The (unspecified) experience of key personnel that the applicant intends to employ in
27 operating the type of marijuana establishment for which the applicant seeks a license; and
 - 28 (i) Any other criteria that the Department determines to be relevant.

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

¹⁰ The DoT made a change to the application after circulating the first version of the application to delete the
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
27
28

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

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

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

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

23
24 40. The DoT created a Regulation that modified the mandatory BQ2 provision “[t]he
25 Department shall conduct a background check of each prospective owner, officer, and board member of
26 a marijuana establishment license applicant” and determined it would only require information on the

27
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

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

14 43. The limitation of “unreasonably impracticable” in BQ2¹² does not apply to the
15 mandatory language of BQ2, but to the Regulations which the DoT adopted.
16

17 44. The adoption of NAC 453D.255(1), as it applies to the application process is an
18 unconstitutional modification of BQ2.¹³ The failure of the DoT to carry out the mandatory provisions
19 of NRS 453D.200(6) is fatal to the application process.¹⁴ The DoT’s decision to adopt regulations in
20 direct violation of BQ2’s mandatory application requirements is violative of Article 19, Section 2(3) of
21 the Nevada Constitution.
22

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

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

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

28 ¹⁴ That provision states:

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

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

18
19 49. Pursuant to NAC 453D.295, the winning applicants received a conditional license that
20 will not be finalized unless within twelve months of December 5, 2018, the licensees receive a final
21 inspection of their marijuana establishment.
22
23
24

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

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

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

19 ...

20 3. If the initiative petition proposes a statute or an amendment to a statute, the person who
21 intends to circulate it shall file a copy with the secretary of state before beginning circulation
22 and not earlier than January 1 of the year preceding the year in which a regular session of the
23 legislature is held. After its circulation, it shall be filed with the secretary of state not less than
24 30 days prior to any regular session of the legislature. The circulation of the petition shall cease
25 on the day the petition is filed with the secretary of state or such other date as may be prescribed
26 for the verification of the number of signatures affixed to the petition, whichever is earliest. The
27 secretary of state shall transmit such petition to the legislature as soon as the legislature
28 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
approved by the voters shall not be amended, annulled, repealed, set aside or suspended
by the legislature within 3 years from the date it takes effect.**

7 (Emphasis added.)

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

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

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

23 67. NRS 453D.200(1) provides that “the Department shall adopt all regulations necessary or
24 convenient to carry out the provisions of this chapter.” The Court finds that the words “necessary or
25 convenient” are susceptible to at least two reasonable interpretations. This limitation applies only to
26 Regulations adopted by the DoT.
27
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
8 76. By selectively eliminating the requirement to disclose an actual physical address for
9 each and every proposed retail recreational marijuana establishment, the DoT limited the ability of the
10 Temporary Employees to adequately assess graded criteria such as (i) prohibited proximity to schools
11 and certain other public facilities, (ii) impact on the community, (iii) security, (iv) building plans, and
12 (v) other material considerations prescribed by the Regulations.

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

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

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

21 80. The DoT made licensure conditional for one year based on the grant of power to create
22 regulations that develop "[p]rocedures for the issuance, renewal, suspension, and revocation of a
23 license to operate a marijuana establishment." NRS 453D.200(1)(a). This was within the DoT's
24 discretion.
25
26
27

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

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

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.

11
12 / / / / /
13 / / / / /
14 / / / / /
15 / / / / /
16 / / / / /
17 / / / / /
18 / / / / /
19 / / / / /
20 / / / / /
21 / / / / /
22 / / / / /
23 / / / / /
24 / / / / /
25
26

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

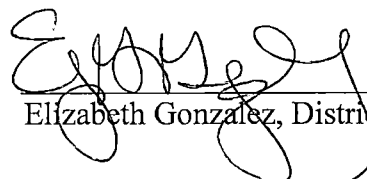
IT IS HEREBY ADJUDGED ORDERED AND DECREED that Plaintiffs' Motions for Preliminary Injunction are granted in part.

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.

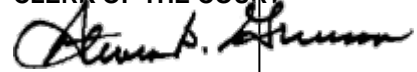

Elizabeth Gonzalez, District Court Judge

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.

29 STATE OF NEVADA, DEPARTMENT OF
30 TAXATION,
31 Defendant,

32 and

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

36 ETW MANAGEMENT GROUP LLC, a
37 Nevada limited liability company; GLOBAL
38 HARMONY LLC, a Nevada limited liability
39 company; GREEN LEAF FARMS
40 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. MCLETSCHIE, Nevada Bar No. 10931

ALINA M. SHELL, Nevada Bar No. 11711

MCLETSCHIE 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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

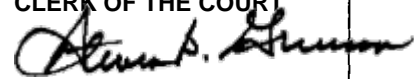
I hereby certify that on this 19th day of September, 2019, pursuant to Administrative Order 14-2 and N.E.F.C.R. 9, I did cause a true copy of the foregoing AMENDED NOTICE OF ENTRY OF ORDER in *Serenity Wellness Center, LLC, et al. v. State of Nevada, Department of Taxation, et al.*, Clark County District 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



FFCL

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,

Plaintiff(s),

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

RECEIVED
AUG 23 2019

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,

Intervenors.

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

26 ¹ Although a preservation order was entered on December 13, 2018, in A785818, no discovery in any case was done
27 prior to the commencement of the evidentiary hearing, in part due to procedural issues and to statutory restrictions on
28 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;

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

- 5 (a) An organizational chart showing all owners, officers and board members of the proposed marijuana
6 establishment;
7 (b) A list of all owners, officers and board members of the proposed marijuana establishment that contains the
8 following information for each person:
9 (1) The title of the person;
10 (2) The race, ethnicity and gender of the person;
11 (3) A short description of the role in which the person will serve for the organization and his or her
12 responsibilities;
13 (4) Whether the person will be designated by the proposed marijuana establishment to provide written notice to
14 the Department when a marijuana establishment agent is employed by, volunteers at or provides labor as a
15 marijuana establishment agent at the proposed marijuana establishment;
16 (5) Whether the person has served or is currently serving as an owner, officer or board member for another
17 medical marijuana establishment or marijuana establishment;
18 (6) Whether the person has served as an owner, officer or board member for a medical marijuana establishment
19 or marijuana establishment that has had its medical marijuana establishment registration certificate or license, as
20 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
- 8 (a) Whether the owners, officers or board members have experience operating another kind
9 of business that has given them experience which is applicable to the operation of a marijuana
10 establishment;
 - 11 (b) The diversity of the owners, officers or board members of the proposed marijuana
12 establishment;
 - 13 (c) The educational achievements of the owners, officers or board members of the proposed
14 marijuana establishment;
 - 15 (d) The financial plan and resources of the applicant, both liquid and illiquid;
 - 16 (e) Whether the applicant has an adequate integrated plan for the care, quality and
17 safekeeping of marijuana from seed to sale;
 - 18 (f) The amount of taxes paid and other beneficial financial contributions, including, without
19 limitation, civic or philanthropic involvement with this State or its political subdivisions, by the
20 applicant or the owners, officers or board members of the proposed marijuana establishment;
 - 21 (g) Whether the owners, officers or board members of the proposed marijuana establishment
22 have direct experience with the operation of a medical marijuana establishment or marijuana
23 establishment in this State and have demonstrated a record of operating such an establishment in
24 compliance with the laws and regulations of this State for an adequate period of time to
25 demonstrate success;
 - 26 (h) The (unspecified) experience of key personnel that the applicant intends to employ in
27 operating the type of marijuana establishment for which the applicant seeks a license; and
 - 28 (i) Any other criteria that the Department determines to be relevant.

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

¹⁰ The DoT made a change to the application after circulating the first version of the application to delete the
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
27
28

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

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

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

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

23
24 40. The DoT created a Regulation that modified the mandatory BQ2 provision “[t]he
25 Department shall conduct a background check of each prospective owner, officer, and board member of
26 a marijuana establishment license applicant” and determined it would only require information on the

27
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

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

14 43. The limitation of “unreasonably impracticable” in BQ2¹² does not apply to the
15 mandatory language of BQ2, but to the Regulations which the DoT adopted.
16

17 44. The adoption of NAC 453D.255(1), as it applies to the application process is an
18 unconstitutional modification of BQ2.¹³ The failure of the DoT to carry out the mandatory provisions
19 of NRS 453D.200(6) is fatal to the application process.¹⁴ The DoT’s decision to adopt regulations in
20 direct violation of BQ2’s mandatory application requirements is violative of Article 19, Section 2(3) of
21 the Nevada Constitution.
22

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

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

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

28 ¹⁴ That provision states:

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

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

18
19 49. Pursuant to NAC 453D.295, the winning applicants received a conditional license that
20 will not be finalized unless within twelve months of December 5, 2018, the licensees receive a final
21 inspection of their marijuana establishment.
22
23
24

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.

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

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

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

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

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

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

...

3. If the initiative petition proposes a statute or an amendment to a statute, the person who intends to circulate it shall file a copy with the secretary of state before beginning circulation and not earlier than January 1 of the year preceding the year in which a regular session of the legislature is held. After its circulation, it shall be filed with the secretary of state not less than 30 days prior to any regular session of the legislature. The circulation of the petition shall cease on the day the petition is filed with the secretary of state or such other date as may be prescribed 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
approved by the voters shall not be amended, annulled, repealed, set aside or suspended
by the legislature within 3 years from the date it takes effect.**

7 (Emphasis added.)

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

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

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

23 67. NRS 453D.200(1) provides that “the Department shall adopt all regulations necessary or
24 convenient to carry out the provisions of this chapter.” The Court finds that the words “necessary or
25 convenient” are susceptible to at least two reasonable interpretations. This limitation applies only to
26 Regulations adopted by the DoT.
27
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
8 76. By selectively eliminating the requirement to disclose an actual physical address for
9 each and every proposed retail recreational marijuana establishment, the DoT limited the ability of the
10 Temporary Employees to adequately assess graded criteria such as (i) prohibited proximity to schools
11 and certain other public facilities, (ii) impact on the community, (iii) security, (iv) building plans, and
12 (v) other material considerations prescribed by the Regulations.

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

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

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

21 80. The DoT made licensure conditional for one year based on the grant of power to create
22 regulations that develop "[p]rocedures for the issuance, renewal, suspension, and revocation of a
23 license to operate a marijuana establishment." NRS 453D.200(1)(a). This was within the DoT's
24 discretion.
25
26
27

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.

11
12 / / / / /
13 / / / / /
14 / / / / /
15 / / / / /
16 / / / / /
17 / / / / /
18 / / / / /
19 / / / / /
20 / / / / /
21 / / / / /
22 / / / / /
23 / / / / /
24 / / / / /

25
26
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

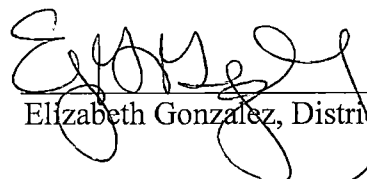
IT IS HEREBY ADJUDGED ORDERED AND DECREED that Plaintiffs' Motions for Preliminary Injunction are granted in part.

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**

Writ of Mandamus

COURT MINUTES

December 13, 2018

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

December 13, 2018 10:00 AM Motion

HEARD BY: Bailus, Mark B

COURTROOM: Phoenix Building 11th Floor
110

COURT CLERK: Lauren Kidd

RECORDER: Robin Page

REPORTER:

PARTIES

PRESENT: Kemp, William Simon Attorney
Rulis, Nathanael R., ESQ Attorney

JOURNAL ENTRIES

- Affidavit of Steve E. Gilbert, FILED IN OPEN COURT.

Robert Werbicky, Esq. and David Pope, Esq. present for State of Nevada Department of Taxation (SNDT). Leighton Koehler, Esq. present as a representative for MM Development Company and general counsel for Planet 13.

Court asked for clarification as to the name of the third party consultants for SNDT referenced in Plaintiff's Motion retained by the State to evaluate and rate marijuana licensing applications. Mr. Werbicky clarified there was no out of state marijuana consultant hired by the Department of Taxation and the State was in possession of the data in question. The State advised SNDT hired 6 Graders from a temporary staffing agency, Manpower, in Carson City. Court noted its initial concern with this Court's jurisdiction over the third party from Carson City, however, after hearing the States representation, the Court advised it would direct any orders to SNDT as they had possession of the data. Court clarified the purpose of the Motion with Plaintiff. Mr. Kemp advised the 6 individuals were provided laptops by SNDT from which the electronically stored information (ESI). Arguments by Mr. Kemp and Mr. Werbicky regarding the merits of the Motion. Upon Court's inquiry,

Defendant's counsel agreed the preservation of evidence in this matter falls under NRS 239.080, with the exception of the temporary employees personal cell phones. Mr. Werbicky advised the reason Plaintiff did not receive the total score of their licensing application was because they required a written request. Further, the State could only release the information to the Plaintiff's 'person of contact'. Mr. Leighton Koehler, Esq. stated he submitted a written request and was a 'person of contact' as well as the power of attorney for Plaintiff. Mr. Werbicky advised SNTD could provide Mr. Koehler the score. Further arguments by counsel with regard to the preservation of the 6 individuals records. Court advised counsel of the parameters of this Court's research. Court advised its decision would be based on the points and authorities and arguments provided in the hearing as well as the following law: NRCP Rule 7 (p) (b); NRCP Rule 26 (b)(1); Banks versus Sunrise Hospital, 102 Pacific 3d. 52, a 2004 case, Bass-Davis versus Davis, 122 Nevada Reports 42, a 2006 case; Zubulake versus UBS Warburg, LLC, 220 F.R.D. 212, Southern District of New York, a 2003 case. Treppel v. Biovail Corp., 249 F.R.D. 111 Southern District of New York, a 2008 case; Tracfone Wireless, Inc. versus Adams, 304 F.R.D. 672, a 2015 case; FRCP 26 (d) (f); Williams versus U.S. Department of Agriculture, A15 Fed 2d., 638 Fifth Circuit, 1987; Johnson versus Board of Regents, 263 Federal 3d., 1234 Eleventh Circuit, 2001 case. Colloquy regarding Ordering a 30 (b) (6) deposition. Upon Court's inquiry, Mr. Werbicky stated Defendant had not notified Manpower of the preservation of electronic records. Mr. Werbicky advised counsel would send out a litigation hold to Manpower. Colloquy regarding the State's possession of the documents, preservation of records and turning over. Court noted its intention to Grant the Motion with regard to the preservation of evidence without violating any statutory law. Court DIRECTED counsel to discuss parameters and establish a procedure which maintained the necessary confidentially procedures of the State. MATTER TRAILED.

MATTER RECALLED. Mr. Werbicky stated, although the State opposed the Order, counsel advised they came to a partial agreement on the proposed Order. Counsel noted concerns regarding provisions on page 3 lines 11-21 regarding Manpower employees' production of personal cell phone records. Mr. Werbicky noted concern with the State receiving and holding personal data. Court cited case: Khiabani vs. Motor Coach Industries, Inc. case number A-17-755977 and advised counsel this Court would accept a similar procedure for copying the cell phone records. Colloquy regarding specific language with regard to the State's control of the cell phone information. Colloquy regarding acceptable procedures and language on the final proposed Order. Recess taken for the Court to review the final Order. MATTER TRAILED

MATTER RECALLED. COURT DIRECTED counsel to include language in the Order regarding use of identifiers for the employees of Manpower that would not reveal any names or personal information; e.g., Manpower Employee No. 1. FURTHER, COURT DIRECTED counsel to add language about information being provided to the Court under seal. Colloquy regarding privacy issues. Court referred counsel to review the following case law: Comstock Residence Association vs. Lyon County Board of Commissioners, 414 Pacific 3d. 318 and LVMPD vs Blackjack Bonding, Inc., 343 Pacific 3d. 608. Colloquy regarding future litigation of the matter. COURT ORDERED, Motion GRANTED IN PART as to the preservation of evidence and DENIED IN PART as to Turnover. Counsel to submit the Order to Chambers.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

February 05, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

February 05, 2019 8:30 AM All Pending Motions

HEARD BY: Barker, David **COURTROOM:** Phoenix Building 11th Floor
110

COURT CLERK:
Athena Trujillo

RECORDER: Robin Page

REPORTER:

PARTIES

PRESENT: Kemp, William Simon Attorney
Pope, David J. Attorney
RAKOWSKY, VIVIENNE, ESQ Attorney
Rulis, Nathanael R., ESQ Attorney
Werbicky, Robert E. Attorney

JOURNAL ENTRIES

- MOTION FOR RECONSIDERATION ... MOTION FOR ORDER OF CONTEMPT AGAINST THE STATE OF NEVADA, DEPARTMENT OF TAXATION FOR FAILURE TO PRESERVE RELEVANT ELECTRONICALLY STORED INFORMATION FROM CELL PHONES AND ORDER SHORTENING TIME

Argument by Mr. Werbicky, noting that imaging was requested, however, it must be done by their criminal department. Further, Mr. Werbicky advised four out of the six Manpower employees indicated they had no opposition to the imaging of their phones, then changed their minds. Further, Mr. Werbicky noted the motion was filed when they began imagine laptops. Mr. Kemp argued against the motion, however, requested the Manpower employees be deposed. Mr. Pope reviewed the transcript and argued that depositions are premature. Court noted Mr. Kemp has requested the Motion for Contempt be WITHDRAWN. Mr. Werbicky advised there is no opposition to following

normal discovery rules or for subpoena's issuing as long as they are appropriate under rule 45. Mr. Kemp argued section B of the Manpower contract allows for the imaging of employee's phones. Mr. Werbicky argued that the phones are personal property. COURT ORDERED, Motion for Reconsideration GRANTED; Motion for Order of Contempt DENIED and WITHDRAWN; Court will allow depositions for the limited purposes of Manpower employees being asked the types of phones they have, their service provider, and to explain the limits of the Court order; Mr. Kemp to prepare the order.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

February 21, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

February 21, 2019 1:30 PM All Pending Motions

HEARD BY: Barker, David **COURTROOM:** Phoenix Building 11th Floor
110

COURT CLERK:
Athena Trujillo

RECORDER: Robin Page

REPORTER:

PARTIES

| | | |
|-----------------|--------------------------|----------|
| PRESENT: | Kemp, William Simon | Attorney |
| | Koch, David | Attorney |
| | Pope, David J. | Attorney |
| | Rulis, Nathanael R., ESQ | Attorney |
| | Werbicky, Robert E. | Attorney |

JOURNAL ENTRIES

- DEFENDANT'S MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME ...
MOTION TO INTERVENE ... DEFENDANT'S MOTION TO DISMISS AMENDED COMPLAINT

DEFENDANT'S MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME
Argument by Mr. Werbicky. Court noted that the computers have been preserved and Manpower has been put on notice. Mr. Kemp requested a status check be SET on the auto delete function of the cell phone. COURT SO ORDERED.

MOTION TO INTERVENE

Mr. Koch noted his client was awarded the license, and now the Plaintiff is requesting it be taken away and given to them. Mr. Kemp argued that their application scores only went down when the diversity questions were added. Further arguments by counsel. COURT ORDERED, motion

GRANTED.

DEFENDANT'S MOTION TO DISMISS AMENDED COMPLAINT

Argument by Mr. Werbicky in support of the Motion, noting a remedy should have been sought during the notice period. Colloquy regarding the application process and review of the applications. Mr. Rulis argued against the Motion, noting multiple parties received more than one license, and noted they are challenging the application process. Mr. Werbicky argued they should be suing Manpower, and should have raised any concerns during the notice period. COURT ORDERED, matter UNDER ADVISEMENT.

3/7/19 8:30 AM STATUS CHECK: MOTION TO DISMISS / MANPOWER ORDER / CELL PHONES AUTO DELETE FUNCTION

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

March 07, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) vs. State of Nevada, Department of Taxation, Defendant(s) |
|---------------|---|

March 07, 2019 8:30 AM All Pending Motions

HEARD BY: Barker, David **COURTROOM:** Phoenix Building 11th Floor
110

COURT CLERK:
Athena Trujillo

RECORDER: Sandra Pruchnic

REPORTER:

PARTIES

| | | |
|-----------------|---|----------------------------------|
| PRESENT: | Pope, David J. Rulis, Nathanael R., ESQ Werbicky, Robert E. | Attorney Attorney Attorney |
|-----------------|---|----------------------------------|

JOURNAL ENTRIES

- DEFENDANT'S MOTION FOR PROTECTIVE ORDER ON ORDER SHORTENING TIME ...
STATUS CHECK: MOTION TO DISMISS / ORDER REGARDING MANPOWER PHONES

Arguments by counsel with respect to the Writ of Mandamus. Mr. Werbicky argued the State used its discretion and it was not arbitrary and capricious. COURT ORDERED, Motion to Dismiss and Motion for Protective Order DENIED; Mr. Rulis to prepare the order, findings of fact, and conclusions of law. Mr. Werbicky requested the order entered 12/13/18 be stricken as they have complied. Arguments regarding striking the 12/13/18 Court Order. Court advised it is not finding that the State has done anything wrong regarding preserving evidence. Further arguments by counsel. COURT ORDERED, oral Motion to Strike DENIED.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

April 22, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) vs. State of Nevada, Department of Taxation, Defendant(s) |
|---------------|---|

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 |
| | Gutierrez, Joseph A. | Attorney |
| | Hone, Eric D. | Attorney |
| | Kemp, William Simon | Attorney |
| | Koch, David | Attorney |
| | Pope, David J. | Attorney |
| | Rulis, Nathanael R., ESQ | Attorney |
| | Werbicky, Robert E. | Attorney |

JOURNAL ENTRIES

- APPEARANCES CONTINUED:

A-19-786962-B - Serenity Wellness Center, LLC vs. State of Nevada Department of Taxation (Department XI case):

Attorney Dominic Gentile and Attorney Michael Cristalli for the Plaintiffs; Attorney Jared Kahn for Intervenor Defendant Helping Hands Wellness Center, Inc.; Attorney Alina Shell for Intervenor Defendant GreenMart of Nevada NLV LLC.

Mr. Kahn participated by telephone.

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 (A-19-786962-B Serenity Wellness), the one with 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 in Serenity Wellness - 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 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 in A-19-786962-B (Serenity Wellness) 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.

5-15-19 CHAMBERS MOTION TO INTERVENE AS DEFENDANTS (Dept IX - Silva)

5-22-19 CHAMBERS MOTION TO INTERVENE (Dept IX - Silva)

5-24-19 9:00 AM PRELIMINARY INJUNCTION HEARING IN A-19-786962-B IN
DEPARTMENT XI (Dept XI - Gonzalez)

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

May 08, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

May 08, 2019

3:00 AM

All Pending Motions

HEARD BY: Bonaventure, Joseph T.

COURTROOM: No Location

COURT CLERK: Athena Trujillo

RECORDER:

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- MOTION TO INTERVENE AS DEFENDANTS ... MOTION TO INTERVENE ... MOTION TO INTERVENE ON ORDER SHORTENING TIME

No parties present.

COURT ORDERED, Motion to Intervene as Defendants, Motion to Intervene, and Motion to Intervene on Order Shortening Time GRANTED; counsel DIRECTED to prepare and submit appropriate orders.

CLERK S NOTE: Minute order electronically served to all registered parties through the Eighth Judicial District Court s EFT System. -amt

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

May 24, 2019

A-18-785818-W MM Development Company, Inc, 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 |
| Gutierrez, Joseph A. | Attorney |
| | Attorney |
| | Attorney |
| | Attorney |
| | Attorney |
| | Attorney |
| Hone, Eric D. | Attorney |
| Kemp, William Simon | Attorney |
| Koch, David | Attorney |
| Rulis, Nathanael R., ESQ | Attorney |
| | Attorney |
| Shell, Alina | Attorney |
| Wight, Brody R. | Attorney |

JOURNAL ENTRIES

- 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:

Cristalli, Michael Attorney for Plaintiff
Gentile, Dominic P. Attorney for Plaintiff
Miller, Ross J. Attorney for Plaintiff
Savarese, Vincent Attorney for Plaintiff

Bhirud, Ketan D. Attorney for Defendant
Shevorski, Steven G. Attorney for Defendant
Haar, Theresa M. Attorney for Defendant

Graf, J. Rusty Attorney for Intervenor Defendant
Higgins, Brigid M. Attorney for Intervenor Defendant

Shell, Alina Attorney for Intervenor Defendant

Kahn, Jared B. Attorney for Intervenor Defendant

Hone, Eric D. Attorney for Intervenor Defendant

Gutierrez, Joseph A. Attorney for Intervenor Defendant
Hymanson, Philip M. Attorney for Intervenor Defendant

Koch, David Attorney for Intervenor Defendant
Wight, Brody R. Attorney for Intervenor Defendant

Rulis, Nathanael R. Attorney for Other Plaintiff
Kemp, William Attorney for Other Plaintiff

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 Maximillien 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**

Writ of Mandamus

COURT MINUTES

May 28, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**May 28, 2019 9:45 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

May 29, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

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:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

May 30, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

| | | |
|---------------------|----------------|---|
| May 30, 2019 | 9:30 AM | Preliminary Injunction Hearing |
|---------------------|----------------|---|

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

May 31, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

| | | |
|---------------------|----------------|---|
| May 31, 2019 | 9:00 AM | Preliminary Injunction Hearing |
|---------------------|----------------|---|

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

June 10, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**June 10, 2019 10:30 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

June 11, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

| | | |
|----------------------|----------------|---|
| June 11, 2019 | 9:15 AM | Preliminary Injunction Hearing |
|----------------------|----------------|---|

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

June 18, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

| | | |
|----------------------|----------------|---|
| June 18, 2019 | 9:30 AM | Preliminary Injunction Hearing |
|----------------------|----------------|---|

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

June 19, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**June 19, 2019 9:00 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

June 20, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

| | | |
|----------------------|----------------|---|
| June 20, 2019 | 9:15 AM | Preliminary Injunction Hearing |
|----------------------|----------------|---|

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

July 01, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

| | | |
|----------------------|-----------------|---|
| July 01, 2019 | 10:00 AM | Preliminary Injunction Hearing |
|----------------------|-----------------|---|

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Michaela Tapia

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

CLERK'S NOTE: Minutes completed by Dulce Romea on behalf of Michaela Tapia.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

July 10, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**July 10, 2019 1:00 PM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

July 11, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**July 11, 2019 10:00 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

July 12, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**July 12, 2019 10:00 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

July 15, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**July 15, 2019 10:00 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

July 18, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**July 18, 2019 9:30 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

August 13, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

| | | |
|------------------------|----------------|---|
| August 13, 2019 | 9:30 AM | Preliminary Injunction Hearing |
|------------------------|----------------|---|

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

August 14, 2019

| | |
|---------------|---|
| A-18-785818-W | MM Development Company, Inc, Plaintiff(s) |
| | vs. |
| | State of Nevada, Department of Taxation, Defendant(s) |

| | | |
|------------------------|----------------|---|
| August 14, 2019 | 9:30 AM | Preliminary Injunction Hearing |
|------------------------|----------------|---|

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

August 15, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**August 15, 2019 9:15 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

August 16, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**August 16, 2019 9:00 AM Preliminary Injunction
Hearing**

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- See appearances and minutes under A-19-786962-B Serenity Wellness Center LLC vs. State of Nevada Department of Taxation on today's date.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

September 27, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**September 27, 2019 9:00 AM Mandatory Rule 16
Conference**

HEARD BY: Cherry, Michael A.

COURTROOM: Phoenix Building 11th Floor
110

COURT CLERK: Lorna Shell

RECORDER: Patti Slattery

REPORTER:

PARTIES

| | | |
|-----------------|--------------------------|----------|
| PRESENT: | Gutierrez, Joseph A. | Attorney |
| | Holmes, Dustun H | Attorney |
| | Hone, Eric D. | Attorney |
| | Rulis, Nathanael R., ESQ | Attorney |
| | Shevorski, Steven G. | Attorney |
| | Wight, Brody R. | Attorney |

JOURNAL ENTRIES

- Court inquired if counsel would be interested in a Settlement Conference or Overflow referral.

Mr. Rulis stated they were working on private mediation and that they had a discovery motion set for Monday.

Mr. Holmes stated they may have some other discovery issues.

Mr. Rulis requested a discovery cut off of March 3, 2020 and noted they may file a Motion to Consolidate in the other case.

Following colloquy, counsel agreed they would need three to four trial weeks.

COURT ORDERED, Trial Dates to be SET by Judicial Executive Assistant and a trial order prepared and counsel noticed.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Writ of Mandamus

COURT MINUTES

September 30, 2019

A-18-785818-W MM Development Company, Inc, Plaintiff(s)
vs.
State of Nevada, Department of Taxation, Defendant(s)

**September 30, 2019 8:30 AM Motion Motion to Preserve
and/or Immediately
Turn Over Relevant
Electronically Stored
Information from
Department of
Taxation's
Employee's Cell
Phone on OST**

HEARD BY: Atkin, Trevor

COURTROOM: Phoenix Building 11th Floor
110

COURT CLERK: Alan Castle

RECORDER: Jessica Kirkpatrick

REPORTER:

PARTIES

PRESENT: Gutierrez, Joseph A. Attorney
 Hone, Eric D. Attorney
 Kemp, William Simon Attorney
 Rulis, Nathanael R., ESQ Attorney
 Shell, Alina Attorney
 Shevorski, Steven G. Attorney
 Smith, Jordan T., ESQ Attorney

JOURNAL ENTRIES

- Argument by counsel. COURT FINDS based on the pleadings and ORDERED. Motion to Preserve and/or Immediately Turn Over Relevant Electronically Stored Information from Department of Taxation's Employee's Cell Phone is GRANTED. FURTHER, State's request for stay to seek relief from

Nevada Supreme Court is granted.

**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)

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)

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)

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

(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)

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)

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 |

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

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 CPCMC
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).

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

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 CPCMC
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,

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 Maximillien 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-

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)

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

PRINT DATE: 10/08/2019

Page 38 of 102

Minutes Date: March 01, 2019

(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

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

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-

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 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)

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 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.

**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);

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

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)

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)

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 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).

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 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.

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

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

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) |
|---------------|---|

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

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 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.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 05, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 05, 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: | 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 |
| | Prince, Dennis M | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |

JOURNAL ENTRIES

- 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 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.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 08, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 08, 2019 11:45 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 |
| | Gutierrez, Joseph A. | Attorney |
| | Higgins, Brigid M. | Attorney |
| | Hone, Eric D. | Attorney |
| | Kahn, Jared B | Attorney |
| | Koch, David | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |

JOURNAL ENTRIES

- 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 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)

08/14/2019 9:00 AM - DEPARTMENT 11 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)

08/15/2019 9:15 AM - DEPARTMENT 11 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)

08/16/2019 9:00 AM - DEPARTMENT 11 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)

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

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 12, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

**August 12, 2019 9:00 AM Motion for Temporary Bond SET at \$15,000.
Restraining Order**

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

PRESENT:

| | |
|-----------------------|----------|
| Bice, Todd L | Attorney |
| Cristalli, Michael | Attorney |
| Gentile, Dominic P. | Attorney |
| Graf, J. Rusty | Attorney |
| Higgins, Brigid M. | Attorney |
| Hone, Eric D. | Attorney |
| Koch, David | Attorney |
| Shell, Alina | Attorney |
| Smith, Jordan T., 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);

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.

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.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 13, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 13, 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 |
| | Bice, Todd L | Attorney |
| | Cristalli, Michael | Attorney |
| | Gentile, Dominic P. | Attorney |
| | Graf, J. Rusty | Attorney |
| | Gutierrez, Joseph A. | Attorney |
| | Higgins, Brigid M. | Attorney |
| | Hone, Eric D. | Attorney |
| | Hymanson, Philip M. | Attorney |
| | Kahn, Jared B | Attorney |
| | Miller, Ross J. | Attorney |
| | Pisanelli, James J | Attorney |
| | Prince, Dennis M | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |
| | Smith, Jordan T., ESQ | Attorney |
| | Wight, Brody R. | Attorney |

JOURNAL ENTRIES

- 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 Nuveda 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.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 14, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 14, 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: | Bice, Todd L | Attorney |
| | Cristalli, Michael | Attorney |
| | Gentile, Dominic P. | Attorney |
| | Graf, J. Rusty | Attorney |
| | Gutierrez, Joseph A. | Attorney |
| | Higgins, Brigid M. | Attorney |
| | Hone, Eric D. | Attorney |
| | Hymanson, Philip M. | Attorney |
| | Kahn, Jared B | Attorney |
| | Miller, Ross J. | Attorney |
| | Prince, Dennis M | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |
| | Wight, Brody R. | Attorney |

JOURNAL ENTRIES

- 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 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. Shevorski 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.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 15, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 15, 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: | Bice, Todd L | Attorney |
| | Cristalli, Michael | Attorney |
| | Gentile, Dominic P. | Attorney |
| | Graf, J. Rusty | Attorney |
| | Gutierrez, Joseph A. | Attorney |
| | Hone, Eric D. | Attorney |
| | Hymanson, Philip M. | Attorney |
| | Kahn, Jared B | Attorney |
| | Koch, David | Attorney |
| | Miller, Ross J. | Attorney |
| | Prince, Dennis M | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |
| | Wight, Brody R. | Attorney |

JOURNAL ENTRIES

- 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.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 16, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 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: | Bice, Todd L | Attorney |
| | Cristalli, Michael | Attorney |
| | Gentile, Dominic P. | Attorney |
| | Graf, J. Rusty | Attorney |
| | Gutierrez, Joseph A. | Attorney |
| | Higgins, Brigid M. | Attorney |
| | Hone, Eric D. | Attorney |
| | Hymanson, Philip M. | Attorney |
| | Kahn, Jared B | Attorney |
| | Koch, David | Attorney |
| | Miller, Ross J. | Attorney |
| | Prince, Dennis M | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |
| | Wight, Brody R. | Attorney |

JOURNAL ENTRIES

- 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-19-787004-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

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 19, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 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: | Bice, Todd L | Attorney |
| | Cristalli, Michael | Attorney |
| | Graf, J. Rusty | Attorney |
| | Gutierrez, Joseph A. | Attorney |
| | Hone, Eric D. | Attorney |
| | McLetchie, Margaret A. | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |

JOURNAL ENTRIES

- 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

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 22, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 22, 2019 10:08 AM Minute Order

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** Chambers

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- 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

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 22, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 22, 2019 10:53 AM Minute Order

HEARD BY: Gonzalez, Elizabeth

COURTROOM: Chambers

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

PARTIES

PRESENT:

JOURNAL ENTRIES

- 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

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 23, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

August 23, 2019 3:00 AM Status Check

HEARD BY: Gonzalez, Elizabeth **COURTROOM:** Chambers

COURT CLERK: Dulce Romea

RECORDER:

REPORTER:

**PARTIES
PRESENT:**

JOURNAL ENTRIES

- 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)

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

August 29, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

**August 29, 2019 9:00 AM All Pending Motions BOND \$5 million in
business court cases
collectively**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

| | | |
|-----------------|----------------------|----------|
| PRESENT: | Bice, Todd L | 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 |
| | Prince, Dennis M | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |
| | Wight, Brody R. | Attorney |

JOURNAL ENTRIES

- 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 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.

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

September 09, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

**September 09, 2019 9:00 AM Mandatory Rule 16
Conference**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

| | | |
|-----------------|--------------------------|----------|
| PRESENT: | Bice, Todd L | Attorney |
| | Gentile, Dominic P. | Attorney |
| | Graf, J. Rusty | Attorney |
| | Gutierrez, Joseph A. | Attorney |
| | Higgins, Brigid M. | Attorney |
| | Hone, Eric D. | Attorney |
| | Hunt, John A | Attorney |
| | Kahn, Jared B | Attorney |
| | Koch, David | Attorney |
| | Prince, Dennis M | Attorney |
| | Rulis, Nathanael R., ESQ | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |
| | Smith, Jordan T., ESQ | Attorney |

JOURNAL ENTRIES

- 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

**DISTRICT COURT
CLARK COUNTY, NEVADA**

Other Business Court Matters

COURT MINUTES

September 13, 2019

A-19-786962-B Serenity Wellness Center LLC, Plaintiff(s)
vs.
State of Nevada Department of Taxation, Defendant(s)

**September 13, 2019 10:00 AM Mandatory Rule 16
Conference**

HEARD BY: Gonzalez, Elizabeth

COURTROOM: RJC Courtroom 03E

COURT CLERK: Dulce Romea

RECORDER: Jill Hawkins

REPORTER:

PARTIES

| | | |
|-----------------|--------------------------|----------|
| PRESENT: | Bice, Todd L | 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 |
| | Prince, Dennis M | Attorney |
| | Rulis, Nathanael R., ESQ | Attorney |
| | Shell, Alina | Attorney |
| | Shevorski, Steven G. | Attorney |
| | Smith, Jordan T., ESQ | Attorney |

JOURNAL ENTRIES

- 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

EXHIBIT(S) LIST

Case No.: **A-19-786962-B**

Hearing Date:

**MAY 17, 2019 – TELEPHONIC
CONFERENCE**

Dept. No.: **XI**

Judge: **HON. ELIZABETH GONZALEZ**

Court Clerk: **DULCE ROMEA**

Plaintiff: **SERENITY WELLNESS CENTER**
LLC

Recorder: **JILL HAWKINS**

Counsel for Plaintiff: **MICHAEL CRISTALLI, ESQ.**

VS.

Defendant: **STATE OF NEVADA**
DEPARTMENT OF TAXATION

Counsel for Defendant: **KETAN BHIRUD, ESQ.;**

DAVID POPE, ESQ.; ROBERT WERBICKY, ESQ.

*** See May 17, 2019 minutes for more appearances.**

HEARING BEFORE THE COURT

COURT'S EXHIBIT

[illegible]

EXHIBIT(S) LIST

Case No.: **A-19-786962-B**

Hearing Date:

**MAY 23, 2019 – STATUS
CHECK**

Dept. No.: **XI**

Judge: **HON. ELIZABETH GONZALEZ**

Court Clerk: **DULCE ROMEA**

Plaintiff: **SERENITY WELLNESS CENTER,
LLC**

Recorder: **JILL HAWKINS**

Counsel for Plaintiff: **DOMINIC GENTILE, ESQ. ;
MICHAEL CRISTALLI, ESQ.**

vs.

Defendant: **STATE OF NEVADA
DEPARTMENT OF TAXATION**

Counsel for Defendant: **KETAN BHIRUD, ESQ. ;**

STEVEN SHEVORSKI, ESQ.

** See May 23, 2019 minutes for more appearances.*

HEARING BEFORE THE COURT

COURT'S EXHIBITS

| Exhibit Number | Exhibit Description | Date Offered | Objection | Date Admitted <i>Marked</i> |
|----------------|---|--------------|--------------|--------------------------------|
| <i>1A</i> | <i>BINDER: ESSENCE TROPICANA APPLICATION</i> | | | |
| | <i>BATES NOS. DOT-ESSTrop 000001 through</i> | | | |
| | <i>DOT-ESSTrop 001498</i> | <i>_____</i> | <i>_____</i> | <i>5-23-19</i> <i>in</i> |
| <i>1B</i> | <i>BINDER: ESSENCE TROPICANA APPLICATION</i> | | | |
| | <i>BATES NOS. DOT-ESSTrop 001499 through</i> | <i>_____</i> | <i>_____</i> | <i>5-23-19</i> <i>in</i> |
| <i>2</i> | <i>BINDER: THC NEVADA APPLICATION</i> | | | |
| | <i>BATES NOS. DOT-THCNV 000001-955</i> | <i>_____</i> | <i>_____</i> | <i>5-23-19</i> <i>in</i> |
| | <i>CLERK'S NOTE: CT'S EXH. 2 SETTLED BY COURT ORDER</i> | | | |
| <i>3</i> | <i>BINDER: MM DEVELOPMENT'S APPLICATION</i> | | | |
| | <i>BATES NOS. DOT-MM 000061 through 128</i> | <i>_____</i> | <i>_____</i> | <i>5-23-19</i> <i>in</i> |
| | <i>CLERK'S NOTE: CT'S EXH. 3 SETTLED BY COURT ORDER</i> | | | |
| <i>4</i> | <i>BINDER: LONE MOUNTAIN'S APPLICATION</i> | | | |
| | <i>BATES NOS. DOT-LoneMtn 000001 through 647</i> | <i>_____</i> | <i>_____</i> | <i>5-23-19</i> <i>in</i> |
| | | | | |
| | | | | |
| | | | | |

EXHIBIT(S) LIST

Case No.: A-19-786962-B

Hearing Date: May 24, 2019

Dept. No.: XI

Judge: Honorable Elizabeth Gonzalez

Court Clerk(s): Dulce Romea ALAN PAUL CASTLE SR

Recorder: Jill Hawkins

Counsel for Plaintiff: Will Kemp, Esq.
Nate Rulis, Esq.

Plaintiff: Serenity Wellness Center, LLC, et al.

Kemp, Jones and Coulthard, LLC

vs.

Defendants: STATE OF NEVADA,
DEPARTMENT OF TAXATION; Nevada
Organic Remedies, LLC, Defendant
IntervenorCounsel for Defendant: Aaron Ford, Esq.
Ketan Bhirud, Esq.
Steve Shevorski, Esq.
David Pope, Esq.

* NOTE: All exhibits that were not offered or admitted were returned to counsel. See minutes for complete list of appearances. Office of the Attorney General
 Receipt filed 8-29-19. 574

HEARING BEFORE THE COURT

PLAINTIFF'S EXHIBITS (MAM DEVELOPMENT represented by Attorneys Will Kemp and Nathaniel Rulis)

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted |
|----------------|-----------------------|---|--------------|-----------|---------------|
| 0001 | MMLF000001-MMLF000003 | State 2014 HHS Scoring Clark County Henderson [On DOT Website under "Provisional Certificates Awarded in November 2014: Scores and Rankings "Dispensaries"] | 5/24/19 | STIP | 5/24-19 |
| 0002 | MMLF000004-MMLF000006 | State 2014 HHS Scoring Clark County Uninc. [On DOT Website under "Provisional Certificates Awarded in November 2014: Scores and Rankings "Dispensaries"] | | | |
| 0003 | MMLF000007-MMLF000009 | State 2014 HHS Scoring Clark County Uninc. [On DOT Website under "Provisional Certificates Awarded in November 2014: Scores and Rankings "Dispensaries"] | | | |
| 0004 | MMLF000010-MMLF000011 | July 6, 2018 DOT Notice Of Intent To Accept Applications | | | |
| 0005* | MMLF000012-MMLF000045 | DOT Retail Marijuana Application | | | |
| 0006 | MMLF000046-MMLF000047 | August 16, 2018 DOT Notice of Remaining Store Allocations by Jurisdiction | | | |
| 0007 | MMLF000048-MMLF000053 | DOT Application Scoring Tool - Organizational Structure | 5/14/19 | STIP | 5/24/19 |

* 5A

RECREATIONAL MARIJUANA
LICENSE APPLICATION

5-31-19 ODS Printed May 23, 2019

EXHIBIT(S) LIST

| | | | | | | |
|-------|---------------------------|---|---------|----------|---------|----|
| 0008 | MMLF000054-MMLF000067 | DOT Application Scoring Tool - Care, Quality & Safekeeping | 5/24/19 | STIP | 5/24/19 | WA |
| 0009 | MMLF000068-72MMLF0000 | DOT Application Scoring Tool - Adequacy of Size of Building | | | | WA |
| 0010 | MMLF000073-MMLF000074 | DOT Application Scoring Tool - Likely Impact On Community | | | | WA |
| 0011 | MMLF000077-MMLF000080 | DOT Application Scoring Tool - Financial Resources | | | | WA |
| 0012 | MMLF000081-MMLF000084 | DOT Scoring Tool - Taxes & Financial Contributions | | | | WA |
| 0013 | MMLF000085-MMLF000091 | DOT Scoring All Jurisdictions All Applicants | | | | WA |
| 0014 | MMLF000092-MMLF000094 | DOT Scoring Clark County (Uninc.) (1 to 35) | | | | WA |
| 0015 | MMLF000095-MMLF000096 | DOT 2018 Scoring LV (1 to 30) | | | | WA |
| 0016 | MMLF000097 | DOT 2018 Scoring Henderson | | | | WA |
| 0017 | MMLF000098-MMLF000099 | DOT 2018 Scoring NLV | | | | WA |
| 0018 | MMLF000100-MMLF000101 | DOT 2018 Scoring Reno | | | | WA |
| 0019 | MMLF000102-MMLF000103 | DOT Scoring Lyon | | | | WA |
| 0020 | DOT-MM000001-DOT-MM007520 | MM Development 2018 Apps | | | | WA |
| * 20A | 0021 | DOT-LivFree000001-DOT-LivFree012790 | | | | WA |
| | 0022 | DOT-LivFree006569-DOT-LivFree006570 | | | | WA |
| | 0023 | MMLF000104-MMLF000110 | | | | WA |
| | 0024 | MMLF00111-MMFL00117 | | | | WA |
| | 0025 | MMFL00118-MMFL00126 | | | | WA |
| | 0026 | TO BE PRODUCED | | | | WA |
| | 0027 | TO BE PRODUCED | 5/24/19 | STIP | 5/24/19 | WA |
| | 0028 | TO BE PRODUCED | NOT | PROVIDED | | |
| 0029 | TO BE PRODUCED | Nevada Organic Remedies, LLC ("The Source") Diversity Section Only From 2018 Apps | NOT | PROVIDED | | |

* 20A DOT-MM 001122 MM DISPENSARY OPERATING 6-20-19 NO 6-20-19 WA
 DOT-MM 001123 BUDGET
 (NOTE: Exhibit 20A is in the back of binder 5.)
 Printed May 23, 2019

EXHIBIT(S) LIST

| | | | | | |
|---------------------------------|---|---|-------------------------|----------------|------------------|
| 0030 | TO BE PRODUCED | Deep Roots Medical, LLC ("Deep Roots Harvest") 2018 Apps [RD397-401] | NOT | PROVIDED | |
| 0031 31A | TO BE PRODUCED | Helping Hands Wellness Center, Inc. 2018 Apps [RD546-548] | NOT Redacted 8-14-19 | PROVIDED NO | 31A 008-14-19 WA |
| 0032 | TO BE PRODUCED | Cheyenne Medical, LLC ("Thrive") 2018 Apps [RD263-267] | | | |
| 0033 | TO BE PRODUCED | Commerce Park Medical, LLC ("Thrive") 2018 Apps [RD329-332] | | | |
| 0034 | TO BE PRODUCED | Lone Mountain Partners, LLC ("Zenleaf") 2018 Apps [RD590-602] | NOT | PROVIDED | |
| 0035 | TO BE PRODUCED | Greenmart of Nevada NLV, LLC ("Health For Life") 2018 Apps [RD504-511] | | | |
| 0036 | --- | Greenmart of Nevada NLV, LLC ("Health For Life") Diversity Section Only From 2018 Apps | | | |
| 0037 37A 1737, 1741, 1744 | TO BE PRODUCED NOT CLEAR RIVER | Clear River, LLC ("Kabunky") 2018 Apps [RD229-232] | 37A-767879 | NO | 37A 8-18-19 WA |
| 0038 | TO BE PRODUCED | Clear River, LLC ("Kabunky") Diversity Section Only From 2018 Apps | NOT | PROVIDED | |
| 0039 | TO BE PRODUCED | Wellness Connections of Nevada, LLC ("Cultivate") 2018 Apps [RD631-633] | NOT | PROVIDED | |
| 0040 | TO BE PRODUCED | Circle S Farms, LLC ("Circle S") 2018 Apps [RD373-377] | NOT | PROVIDED | |
| 0041 | MMLF00127-MMLF00128 | Essence Tropicana, LLC ("Essence") Identified and NonIdentified 2018 Grades (Uninc. Clark County) [227.84] | 5/24/19 | STIP | 5/24/19 WA |
| 0042 | MMLF00129-MMLF00130 | Essence Henderson, LLC ("Essence") Identified and NonIdentified 2018 Grades (Uninc. Clark County) [227.17] | | | WA |
| 0043 | MMLF00131-MMLF00132 | Nevada Organic Remedies, LLC ("The Source") Identified and NonIdentified 2018 Grades (Uninc. Clark County) [222.66] | | | WA |
| 0044 | MMLF00133-MMLF00137 | Deep Roots Medical, LLC ("Deep Roots Harvest") Identified and Non-Identified 2018 Grades (Uninc. Clark County) [222.49] | 5/24/19 | STIP | 5/24/19 WA |

EXHIBIT(S) LIST

| | | | | | | |
|------|-------------------------|--|---------|------|---------|----|
| 0045 | MMLF00138- MMLF00139 | Helping Hands Wellness Center, Inc. Identified 2018 Grades (Uninc. Clark County) Identified [218. 50] | 5/24/19 | STIP | 5/24/19 | wt |
| 0046 | MMLF00140- MMLF00141 | Cheyenne Medical, LLC ("Thrive") Identified and Non-Identified 2018 Grades (Uninc. Clark County) [216.50] | | | | wt |
| 0047 | MMLF00142- MMLF00143 | Greenmart of Nevada NLV, LLC ("Health For Life") Identified and Non- Identified 2018 Grades (Uninc. Clark County) [214. 50] | | | | wt |
| 0048 | MMLF00144- MMLF00145 | Lone Mountain Partners, LLC ("Zenleaf") Identified and NonIdentified 2018 Grades (Uninc.) [214.58] | | | | wt |
| 0049 | MMLF00146- MMLF00147 | Commerce Park Medical, LLC ("Thrive") Identified and NonIdentified 2018 Grades (Uninc.) [212 .16] | | | | wt |
| 0050 | MMLF00148- MMLF00149 | Clear River, LLC ("Kabunky") Identified and Non-Identified 2018 Grades (Las Vegas) [210 .16] | | | | wt |
| 0051 | MMLF00150- MMLF00151 | Essence Tropicana, LLC ("Essence") Identified and NonIdentified 2018 Grades (Las Vegas) [227.84] | | | | wt |
| 0052 | MMLF00152- MMLF00153 | Nevada Organic Remedies, LLC ("The Source") Identified and NonIdentified 2018 Grades (Las Vegas) [222. 66] | | | | wt |
| 0053 | MMLF00154- MMLF00155 | Deep Roots Medical, LLC ("Deep Roots Harvest") Identified and Non- Identified 2018 Grades (Las Vegas) [222.49] | | | | wt |
| 0054 | MMLF00156- MMLF00157 | Helping Hands Wellness Center, Inc. Identified and NonIdentified 2018 Grades (Las Vegas) [218.50] | | | | wt |
| 0055 | MMLF00158- MMLF00159 | Cheyenne Medical, LLC ("Thrive") Identified and Non-Identified 2018 Grades (Las Vegas) [216. 50] | | | | wt |
| 0056 | MMLF00160- MMLF00161 | Lone Mountain Partners, LLC ("Zenleaf") Identified and NonIdentified 2018 Grades (Las Vegas) [214. 50] | 5/24/19 | STIP | 5/24/19 | wt |

EXHIBIT(S) LIST

| | | | | | | |
|------|-------------------------|---|---------|------|---------|----|
| 0057 | MMLF00162- MMLF00163 | Greenmart of Nevada NLV, LLC ("Health For Life") Identified and Non- Identified 2018 Grades (Las Vegas) [212. 33] | 5/24/19 | STIP | 5/24/19 | WA |
| 0058 | MMLF00164- MMLF00165 | Clear River, LLC ("Kabunky") Identified and Non-Identified 2018 Grades (Las Vegas) [210 .16] | | | | WA |
| 0059 | MMLF00166- MMLF00167 | Wellness Connections of Nevada, LLC ("Cultivate") Identified and Non- Identified 2018 Grades (Las Vegas) [208. 67] | | | | WA |
| 0060 | MMLF00168- MMLF00169 | Circle S Farms, LLC ("Circle S") Identified and Non-Identified 2018 Grades (Las Vegas) [208] | | | | WA |
| 0061 | MMLF00170 | Chart -- Diversity Scores of The Ten 2018 Winning Applicants in Uninc. Clark County | | | | WA |
| 0062 | MMLF00171 | Chart -- Diversity Scores of The Ten 2018 Winning Applicants in Las Vegas | 5/24/19 | STIP | 5/24/19 | WA |
| 0063 | MMLF00172 | Chart -- Financial Scores of The Ten 2018 Winning Applicants in Uninc. Clark County | | | | |
| 0064 | MMLF00173 | Chart -- Financial Scores of The Ten 2018 Winning Applicants in Las Vegas | | | | |
| 0065 | MMLF00174 | Chart -- Building Scores of The Ten 2018 Winning Applicants in Uninc. Clark County | | | | |
| 0066 | MMLF00175 | Chart -- Building Scores of The Ten 2018 Winning Applicants in Las Vegas | | | | |
| 0067 | MMLF00176 | Chart -- Cheyenne Medical, LLC ("Thrive") and Commerce Park Medical Identical 19.67 Scores On ____ Applications For Locations With No Address | | | | |
| 0068 | MMLF00177 | Chart - - Taxes And Other Beneficial Contributions of 2018 Winning Applicants in Uninc. Clark County | | | | |

EXHIBIT(S) LIST

| | | | | | | |
|------|---------------------|---|---------|------|---------|----|
| 0069 | MMLF00178 | Chart - - Taxes And Other Beneficial Contributions of 2018 Winning Applicants in Las Vegas | | | | |
| 0070 | MMLF00179 | Chart -- Scores Of 2018 Winning Applicants And 5 Applicants Under Winners In Uninc. Clark County Giving Zero Diversity Score To Winning Applicants Owned Or Controlled By Canadian Publicly Traded Companies [Green Shade Revised Winners | 6-11-19 | NO | 6-11-19 | WA |
| 0071 | MMLF00180 | Chart -- Scores Of 2018 Winning Applicants And 5 Applicants Under Winners In Las Vegas Giving Zero Diversity Score To Winning Applicants Owned Or Controlled By Canadian Publicly Traded Companies [Green Shade Revised Winners] | 6-11-19 | NO | 6-11-19 | WA |
| 0072 | MMLF00181-MMLF00350 | DOT May 1, 2019 Licensed Entity -- Owners/Officers/Board Members | 5/24/19 | STIP | 5/24/19 | WA |
| 0073 | MMLF00351 | RD505 section from DOT May 1, 2019 Licensed Entity -- Owners/Officers/Board Members "Greenmart of Nevada, NLV LLC ("Greenmart of Nevada") Uninc. Clark | | | | |
| 0074 | MMLF00352 | RD215 section from DOT May 1, 2019 Licensed Entity -- Owners/Officers/Board Members Nevada Organic Remedies ("The Source") Uninc. Clark | | | | |
| 0075 | MMLF00353 | RD229 section from DOT May 1, 2019 Licensed Entity -- Owners/Officers/Board Members [Clear River LLC ("Kabunky") Uninc. Clark | | | | |
| 0076 | MMLF00354 | RD263 section from DOT May 1, 2019 Licensed Entity -- Owners/Officers/Board Members Cheyenne Medical LLC ("Thrive") Uninc. Clark | | | | |
| 0077 | MMLF00355 | RD329 section from DOT May 1, 2019 Licensed Entity -- owners/Officers/Board Members Commerce Park Medical LLC ("Thrive") Uninc. Clark | | | | |

EXHIBIT(S) LIST

| | | | | | | |
|------|-------------------------|--|---------|------|---------|----|
| 0078 | MMLF00356 | RD345 section from DOT May 1, 2019 Licensed Entity -- owners/Officers/Board Members Essence Henderson ("Essence") Uninc. Clark | | | | |
| 0079 | MMLF00357 | RD316 section from DOT May 1, 2019 Licensed Entity -- Owners/Officers/Board Members Essence Tropicana LLC ("Essence") Uninc. Clark | | | | |
| 0080 | MMLF00358- MMLF00359 | Essence Henderson, LLC 12/29/17 Nev.Sec.State filing | 5/24/19 | STIP | 5/24/19 | wr |
| 0081 | MMLF00360- MMLF00361 | Essence Tropicana, LLC 12/29/17 Nev.Sec.State filing | | | | wr |
| 0082 | MMLF00362- MMLF00363 | Cheyenne Medical, LLC 7/25/14 Nev.Sec.State filing ("Thrive") | | | | wr |
| 0083 | MMLF00364- MMLF00365 | Commerce Park Medical, LLC 7/7/2014 Nev.Sec.State filing ("Thrive") | | | | wr |
| 0084 | MMLF00366- MMLF00380 | Greenmart of Nevada NLV, LLC Nev.Sec.State filing ("Health For Life") [Have Certified Copies]-.-Only Manager in 2018 is "F & L Investments, LLC." | | | | wr |
| 0085 | MMLF00381- MMLF00383 | 12/11/18 Essence Press Release (Nov. 13???) | | | | wr |
| 0086 | MMLF00384- MMLF00386 | 12/13/18 Gilbert Aff. (Para. 15-16; "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;") | 5/24/19 | STIP | 5/24/19 | wr |
| 0087 | MMLF00387- MMLF00389 | 5/15/19 LV City Council package from Commerce Park Medical, LLC re: Sahara Store | | | | |
| 0088 | MMLF00390- MMLF00396 | January 23, 2017 Article in New Cannabis Ventures entitled "Wall Street Veteran Sells Cannabis Operations Stake in \$25 million Deal" regarding CXF Life Sciences, a subsidiary or | | | | |

EXHIBIT(S) LIST

| | | | | | |
|------|---------------------|--|--------------|------|------------|
| | | Canadian Bioceuticals (CSE:BCC) buying an option to buy GreenMart in Nevada Nevada Secretary of State Information for CGX Life Sciences, Inc. [Have Certified] | | | |
| 0089 | MMLF00397-MMLF00411 | Nevada Secretary of State Information for CGX Life Sciences, Inc. [Have Certified Copies]. Only officers in 2018 were Elizabeth Stavola as President and William Boyes as Sec/Treas/Director | 5/24/19 | STIP | 5/24/19 WY |
| 0090 | MMLF00412-MMLF00413 | May 9, 2019 Terteryan Aff.; "3. HHWC is a lawfully licensed cannabis cultivator and production facility in North Las Vegas.") | 5/24/19 | STIP | 5/24/19 WY |
| 0091 | TO BE PRODUCED | Chart of 8 "Board Members" of Greenmart of Nevada, LLC, i.e., Caroline D. Clark, Stacey L. Dugan, Lucy Flores, Shelli Hayes, Hae U. Lee, Laura Martin and Scot D. Rutledge | NOT PROVIDED | | |
| 0092 | MMLF00416-MMLF00652 | Xanthic Biopharma Inc. Securities Filings | 5/24/19 | STIP | 5/24/19 WY |
| 0093 | MMLF00414-MMLF00415 | Xanthic Biopharma Inc. Form 51-102F4 Business Acquisition Report, Item 2.1, regarding "acquisition by GGB Nevada LLC ("GGB Nevada"), a wholly-owned subsidiary of Xanthic, of 100% of the outstanding membership interests of Nevada Organic Remedies LLC ("NOR") ... Xanthic ... completed the NOR Acquisition on September 7, 2018." and Item 2.2 "Date of Acquisition" stating that "[t]he effective date of the NOR Acquisition is September 4, 2018." | 5/24/19 | STIP | 5/24/19 WY |
| 0094 | MMLF00653-MMLF00666 | Nevada Organic Remedies LLC Consolidated Financial Statements for June 30, 2018 and 2017 stating in part that "In September 2018, the members of the Company sold 100% of their membership interest to GGB Nevada LLC in an arm's length arrangement." | 5/24/19 | STIP | 5/24/19 WY |
| 0095 | MMLF00667-MMLF00671 | GGB Nevada LLC Nevada Secretary of State filings | 5/24/19 | STIP | 5/24/19 WY |

EXHIBIT(S) LIST

| | | | | | | |
|------|-------------------------|---|--------------|------|---------|----|
| 0096 | MMLF00672 | Cronkhite email re: NOR minor sales | 5/24/19 | STIP | 5/24/19 | WA |
| 0097 | MMLF00673- MMLF00682 | September 7, 2018 Newswire report stating that "[t]he NOR Acquisition was completed on September 4, 2018. ... The trading of Xanthic's common shares on the Canadian Securities Exchange (the "CSE") remains halted. ... " because of completion of a reverse take-over of Xanthic by Green Growth Brands – another publicly traded entity. Green Growth Brands traded under the symbol OTCQB on OTCQB. Xanthic formally changed its name to Green Growth Brands, Inc., on January 2, 2019. | | | | |
| 0098 | TO BE PRODUCED | February 27, 2019, Green Growth Brands reported revenue of \$3.14 Million. | NOT PROVIDED | | | |
| 0099 | MMLF00683- MMLF00724 | Nevada Organic Remedies LLC Secretary Of State filing. Only managers in 4/12/18 filing were Stephen J. Byrne and Andrew M. Jolley. 1/2/19 filing changes also has Byrne and Jolley despite fact that GCB owned NOR membership interest at time -- not Byrne and Jolley | 5/24/19 | STIP | 5/24/19 | WA |
| 0100 | MMLF00725- MMLF00726 | Naturex, LLC Nev. Secretary of State filing. Lists BB Marketing, LLC as only officer | | | | WA |
| 0101 | MMLF00727- MMLF00729 | BB Marketing, LLC. Nev. Secretary of State filing. Lists Ghost Pepper, LLC, Kosh, LLC and No. 2 With Swiss, LLC as only officers. | | | | WA |
| 0102 | MMLF00730- MMLF00731 | Ghost Pepper, LLC Nev. Secretary of State filing. Michael Frey as only officer. | | | | WA |
| 0103 | MMLF00732- MMLF00733 | Kosh, LLC Nev. Secretary of State filing. Lists Robert Frey as only officer. | | | | WA |
| 0104 | MMLF00734- MMLF00735 | No. 2 With Swiss, LLC Nev. Secretary of State filing. Lists Robert Frey as only officer | 5/24/19 | STIP | 5/24/19 | WA |
| 0105 | MMLF00736- MMLF00767 | Naturex/BB Marketing Complaint against Verano/Lone Mountain alleging Verano/Lone Mountain committed | | | | |

EXHIBIT(S) LIST

| | | | | | |
|------|-------------------------|---|---------|------|---------|
| | | fraud in getting 11 licenses. | | | |
| 106 | MMLF00768- MMLF00868 | LivFree handwritten graders by 3 different evaluators and handwritten team grades | 5/24/19 | STIP | 5/24/19 |
| 0107 | | Nevada Secretary of State – Lone Mountain Partners, LLC | 5/24/19 | STIP | 5/24/19 |

SEE NEXT PAGE →

SUPPLEMENTAL EXHIBIT(S) LIST

PLAINTIFF'S EXHIBITS (CONTINUED)

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted |
|----------------|-------------------------|--|--------------|-----------|---------------|
| 0108 | KP000000001-P0000000044 | Kyryl Plaskon Cell Phone Extraction Report | 5-28-19 | NO | 5-28-19 NY |
| 0109 | SG000000001-SG000000101 | Steve Gilbert Cell Phone Extraction Report | 6-11-19 | NO | 6-11-19 NY |
| 0110 | SG000000102-SG000000108 | Steve Gilbert Cell Phone Voicemails (THUMB DRIVE) In binder | | | |
| 0111 | DOT020839-DOT020841 | Department of Taxation September 2018 Marijuana Application Diversity Scoring Desktop Procedure | 5-28-19 | NO | 5-28-19 NY |
| 0112 | MMLF00882-MMLF00888 | Article "GTI - Green Thumb Industries, INC. Expands with the Acquisition of Integral Associates, Nevada's Top Cannabis Operator" | | | |
| 0113 | MMLF00889-MMLF00890 | Top 20 Clark County Building & Location Subpart Scores | | | |
| 0114 | DOT020829-DOT020838 | Regulation Training 3 - Nevada Department of Taxation Marijuana Compliance Certification Program | 5-28-19 | NO | 5-28-19 NY |
| 0115 | MMLF00891-MMLF00911 | Natural Medicine, LLC - Recreational Retain Marijuana Store, Part I, Tab IV | | | |
| | | | | | |

SEE NEXT PAGE ->

SUPPLEMENTAL EXHIBIT(S) LIST

| | | | | | |
|------|--|---|--|--|--|
| 0116 | MMLF00912- MMLF00946 | 2018 iAnthus MPX Bioceutical Corporation | | | |
| 0117 | MMLF00947- MMLF00953 | Excerpts of MPX Bioceutical Corporation Notice of Meeting and Management Information Circular | | | |
| 0118 | MMLF00954- MMLF00957 | MPX Bioceutical Corporation Board of Directors | | | |
| 0119 | MMLF00958- MMLF01000 | MPX Bioceutical Corporation – Management Discussion and Analysis for period ended 12/31/17 | | | |
| 0120 | MMLF01001- MMLF01004 <i>(Transcript)</i> | Excerpt of Hearing on Motion for Protective Order and Motion to Compel 05/29/19 | | | |
| | | | | | |
| | | | | | |

SUPPLEMENTAL EXHIBIT(S) LIST

| | | | | | | |
|------|---|---|---------------------------------------|---------------------------------|-----------------------------------|----|
| 0121 | | Excerpts -Handwritten Notes. Adequacy of Size – Building Plans (Non-identified) RD 284) | 5-31-19 | NO | 5-31-19 | Wx |
| 0122 | | Excerpts -Handwritten Notes. Financial Resources (Identified) RD292-RD297) | 5-31-19 | NO | 5-31-19 | Wx |
| 0123 | | Excerpts -Handwritten Notes. (Organizational Structure (Identified) RD284-289) | 5-31-19 | NO | 5-31-19 | Wx |
| 0124 | DOT034932-DOT035223 | Commerce Park Medical, LLC/ (RD 329-332) – State of Nevada Evaluation | | | | |
| 0125 | DOT036694-DOT037138 | Greenmart of NV (RD504-511) – State of Nevada Evaluation | | | | |
| 0126 | DOT028046-DOT029567 | Nevada Organic Remedies (RD215-222) – State of Nevada Evaluation | | | | |
| 0127 | DOTNVOrganic000002-DOTNVOrganic002039 | Nevada Organic Remedies Application. | 6-10-19 pages 12 + 12 + 13 only 13 | NO to | 6-10-19 as 127A (pages 12 + 13) | Wx |
| 0128 | DOT-Greenmart001055-DOT-Greenmart001749 | Greenmart of Nevada NLV, LLC Redacted 505ID | | | | |
| 0129 | DOT039371-DOT039690 | Cheyenne Medical, LLC/Thrive (RD263-267) – State of Nevada Evaluation | 6-10-19 39473 39473 39449 | NO to pages 39472 + 39473 | 6-10-19 Admitted as 129A, 129B | Wx |
| 0130 | DOT044450-DOT044452 | Department of Taxation Monopoly Analysis 2018 Retail Stores | 6-18-19 | NO | 6-18-19 | Wx |
| 0131 | DOT042990-DOT042991 | Department of Taxation Final Letter – RD 230 – Clear River 30 day CHOW | 6-18-19 | NO | 6-18-19 | Wx |
| 0132 | DOT030741-DOT030830 | Handwritten Excerpts of Clear River, LLC (RD230) – State of Nevada Evaluation | | | | |
| 132A | DOT030782 | A page out of exhibit 132 | 6-18-19 | OBJ | Admitted as 132A 6/18-19 | Wx |

SUPPLEMENTAL EXHIBIT(S) LIST

| | | | | | |
|-----------------|-------------------------|---|---------|----|------------|
| 0129A | DOT039472-DOT039473 | Excerpts from Cheyenne Medical, LLC/Thrive (RD263-267) – State of Nevada Evaluation | | | |
| 0129B | DOT039449 | Excerpt from Cheyenne Medical, LLC/Thrive (RD263-267) – State of Nevada Evaluation | | | |
| 0130 | DOT044450-DOT044452 | Department of Taxation Monopoly Analysis 2018 Retail Stores | | | |
| 0131 | DOT042990-DOT042991 | Department of Taxation Final Letter – RD 230 – Clear River 30 day CHOW | | | |
| 0132 | DOT030741-DOT030830 | Handwritten Excerpts of Clear River, LLC (RD230) – State of Nevada Evaluation | | | |
| 0132A | DOT030782 | Page from Handwritten Excerpts of Clear River, LLC (RD230) – State of Nevada Evaluation | | | |
| Story be 133 | MMLF01005- MMLF01023 | Transcript of State of Nevada Tax Commission Video Conference Open Meeting January 14, 2019 | 7-12-19 | NO | 7-12-19 WA |
| 0134 | MMLF01024- MMLF01037 | Transcript of State of Nevada Tax Commission Video Conference Open Meeting March 4, 2019 | 7-12-19 | NO | 7-12-19 WA |
| 0135 | DOT044539-DOT044551 | Listserve Statement | 7-10-19 | NO | 7-10-19 WA |
| 0136 | DOT044552-DOT044558 | Listserve Statement Subscriptions for Cultivation List | | | |
| 0137 | DOT044559-DOT044566 | Listserve Subscriptions for Dispensary List | | | |
| 0138 | DOT044567-DOT044569 | Listserve Subscriptions for Lab List | | | |
| 0139 | DOT044570-DOT044575 | Listserve Subscriptions for Production List | | | |
| 0140 | DOT044576-DOT044640 | Listserve Subscriptions for Public List | | | |
| 0141 | DOT043175-DOT043184 | DOT Meeting Notes | | | |
| | | | | | |
| | | | | | |

EXHIBIT(S) LIST

Case No.: A-19-786962-B

Hearing Date: May 24, 2019

Dept. No.: XI

Judge: Honorable Elizabeth Gonzalez

Court Clerk: DULCE ROMERA

Plaintiff: Serenity Wellness Center, LLC, et al.

Recorder: Jill Hawkins

Counsel for Plaintiff: Dominic P. Gentile, Esq.,
Michael V. Cristalli, Esq., Ross
Miller, Esq., Vincent Savarese,
Esq.

vs.

Gentile Cristalli Miller Armeni Savarese

Defendants: STATE OF NEVADA,
DEPARTMENT OF TAXATION; Nevada
Organic Remedies, LLC, Defendant
Intervenor

Counsel for Defendant: Aaron Ford, Esq.
Ketan Bhirud, Esq.
Steve Shevorski, Esq.
David Pope, Esq.

* NOTE: All exhibits that were offered
or admitted were returned to counsel. See
Receipt filed 8-16-19. *ARK*

Office of the Attorney General

HEARING BEFORE THE COURT

PLAINTIFF'S EXHIBITS

*(SERENITY WELLNESS represented by Gentile, Cristalli,
Miller, Savarese)*

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted | |
|----------------|------------------------------------|---|--------------|-----------|---------------|----|
| 201 | Serenity000001 – Serenity000003 | Essence Cannabis Dispensary Awarded Record Number of New Licenses in the State of Nevada (Article) – Not disclosed | 5-24-19 | STP | 5-24-19 | WA |
| 202 | Serenity000004 – Serenity000007 | Green Growth Brands Solidifies Nevada Market Position with Award of Seven Additional Cannabis Licenses (Article) – Not Disclosed | | | | WA |
| 203 | Serenity000008 – Serenity000013 | Green Thumb Industries Inc. (GTI) Expands with the Acquisition of Integral Associates, Nevada Top Cannabis Operator (Article) – Not disclosed | | | | WA |
| 204 | Serenity000014 – Serenity000017 | MPX Awarded Four Conditional Retail Dispensary Licenses in Nevada (Article) – Not disclosed | | | | WA |
| 205 | DOT1 – DOT170 | Powerpoint Training – Day1 | | | | WA |
| 206 | DOT171 – DOT234 | Powerpoint Training – Train the Trainer | | | | WA |
| 207 | DOT235 – DOT367 | Powerpoint Training – Application & Score Sheet | | | | WA |
| 208 | DOT368 – DOT390 | Powerpoint Training – Application Practice | 5-24-19 | STP | 5-24-19 | WA |

EXHIBIT(S) LIST

[illegible]

SEE NEXT PAGE →

EXHIBIT(S) LIST

| | | | | | | |
|-----|---------------------------------|---|---------|----|---------|----|
| | | Liability Partnership Financial Questionnaire | | | | |
| 230 | Serenity000633 – Serenity000701 | Privileged Business License Application Packet | 6-19-19 | NO | 6-19-19 | WA |
| 231 | Serenity000702 – Serenity000703 | Video re: Assembly Agenda Committee Judiciary Meeting on May 21, 2019 | | | | |
| 232 | Serenity000704 – Serenity000714 | Transfer of Interest Checklist | 8-14-19 | NO | 8-14-19 | WA |
| 233 | Serenity000715 – Serenity000758 | Chapter 453D – Adult Use of Marijuana / Production and Distribution of Marijuana | 8-14-19 | NO | 8-14-19 | WA |
| 234 | Serenity000759 – Serenity000762 | Nevada Dept. of Taxation Regulatory Workshop – Minutes dated July 24, 2017 | 8-14-19 | NO | 8-14-19 | WA |
| 235 | Serenity000763 – Serenity000778 | Nevada Tax Commission Meeting Minutes dated January 16, 2018 | 7/1/19 | NO | 7/1/19 | WA |
| 236 | Serenity000779 – Serenity000808 | Minutes of the Legislative Commission / Nevada Legislative Counsel Bureau dated February 27, 2018 | 7-12-19 | NO | 7-12-19 | WA |
| 237 | Serenity000809 – Serenity000813 | Nevada Dept. of Taxation Marijuana Enforcement Division Bulletin – May 2019 | | | | |
| 238 | Serenity000814 – Serenity000848 | Calendar Entries | 6-20-19 | NO | 6-20-19 | WA |
| 239 | Serenity000849 – Serenity000914 | Phone Records | 6-19-19 | NO | 6-19-19 | WA |
| 240 | Serenity 000915 | Facebook Post | | | | |
| 241 | Serenity000916 – Serenity000917 | Las Vegas Sun Article – <i>Competitive licensing for marijuana businesses helps the entire industry</i> | | | | |
| 242 | DOT020885- DOT020964 | PowerPoint for MMP Orientation and supporting documents | 8-14-19 | NO | 8-14-19 | WA |
| 243 | DOT020965- DOT021061 | PowerPoint for MMP Application Eval Overview Class 201 and supporting documents | 8-14-19 | NO | 8-14-19 | WA |
| 244 | DOT021062- DOT021151 | PowerPoint for MMP Application Eval Admin Team 202 and supporting documents | 8-14-19 | NO | 8-14-19 | WA |
| 245 | DOT021152- DOT021244 | PowerPoint for MMP Application Eval Admin Team 203 and supporting documents | 7/1/19 | NO | 7/1/19 | WA |
| 246 | DOT021245- DOT021346 | PowerPoint for MMP Application Eval Non Identified 204 and supporting documents | 7/1/19 | NO | 7/1/19 | WA |
| 247 | DOT021347- DOT021400 | PowerPoint for MMP Train and Trainer and supporting documents | 8-14-19 | NO | 8-14-19 | WA |

EXHIBIT(S) LIST

| | | | | | | |
|-----|---|--|---------|------------------------------|-------------------------------------|----|
| 248 | DOT021401- DOT021404 | MMP Training Guide | 8-14-19 | NO | 8-14-19 | WA |
| 249 | DOT021405- DOT021420 | MMP Training Outlines | 8-14-19 | NO | 8-14-19 | WA |
| 250 | DOT021421- DOT021451 | MMP Evaluation Process Flows | 6-19-19 | NO | 6-19-19 | WA |
| 251 | DOT041858- DOT041859 | Email Correspondence | 6-19-19 | NO | 6-19-19 | WA |
| 252 | DOT042442- DOT042463 | App. Period – Final Letters – County Breakdown | 6-19-19 | NO | 6-19-19 | WA |
| 253 | DOT042986- DOT042989 | Final Letters – Winners Only – Owners Diversity Statistics | 6-19-19 | NO | 6-19-19 | WA |
| 254 | DOT028140- DOT028142; DOT028168- DOT028170; DOT028186; DOT028188; DOT028190; DOT028204; DOT028206; DOT028220; DOT028238; DOT028256; DOT028364; DOT028366; DOT28474 and DOT028476 | NV Organic Remedies DOT Scoring Sheet | 6-19-19 | NO to redacted version | 6-19-19 ↑ redacted version | WA |
| 255 | DOT-TGIG008853 – DOT-TGIG008867 | TGIG Identified Application Tab 5.2.10 | 6-19-19 | NO | 6-19-19 | WA |
| 256 | DOT040216- DOT040221; DOT040225- DOT040232; DOT040236; DOT040239- DOT040240; DOT040245- DOT040247 | TGIG DOT Scoring Sheet | 6-19-19 | NO | 6-19-19 | WA |
| 257 | DOT024646- DOT024864 | GBS Non-Identified Eval. Score Sheet | 6-19-19 | NO | 6-19-19 | WA |
| 258 | Serenity000918- Serenity000924 | 2018 Retail Marijuana Store Application Scores and Rankings | | | | |
| 259 | Serenity000925- Serenity000927 | Meeting Notice and Agenda Minutes dated 6.20.2018 – Nevada Legislature's Interim Finance Committee | 6-19-19 | NO | 6-19-19 | WA |
| 260 | Serenity000928 | Meeting Notice and Agenda Minutes dated 6.20.2018 – Nevada Legislature's Interim Finance Committee (Vol 1 - Page 237) | 6-19-19 | NO | 6-19-19 | WA |

Committee (Vol 1 - Page 237)

| | | | | | | |
|-----|------------------------------------|--|---------|----|---------|----|
| 261 | Serenity000929 – Serenity000964 | Agency Request for Proposal Template | 6-2019 | NO | 6-2019 | WA |
| 262 | Serenity000495 – Serenity000531 | Correspondence between Gravitas Nevada, LTD (License RD238 & RD239) and Department of Taxation dated: January 4, 2019; January 10, 2019; February 7, 2019 and March 6, 2019 | 6-2019 | NO | 6-2019 | WA |
| 263 | Serenity000532 – Serenity000535 | August 29, 2013 Memo re: Guidance re Marijuana Enforcement | 6-19-19 | NO | 6-19-19 | WA |

EXHIBIT(S) LIST

| | | | | | |
|-----|--|---|--------------|--------------|--------------|
| 263 | Serenity000532 - Serenity000535 | August 29, 2013 Memo re: Guidance re Marijuana Enforcement | / | / | / |
| 264 | Serenity000536- Serenity000546 | Building Establishment Information | 7-15-19 | NO | 7-15-19 WA |
| 265 | DOT032126- DOT032393 | Tryke Scoring Sheets | | | |

266

SPREADSHEET

8-14-19 NO 8-14-19 WA

267

SHANE TERRY'S APPLICATION
(REDACTED)

8-14-19 NO 8-14-19 WA

EXHIBIT(S) LIST

Case No.: **A-19-786962-B**

Hearing Date: **MAY 24, 2019**

Dept. No.: **XI**

Judge: **HON. ELIZABETH GONZALEZ**

Court Clerks: **DULCE ROMERA**

Plaintiff: **SERENITY WELLNESS CENTER, LLC**

Recorder: **JILL HAWKINS**

Defendant: **STATE OF NEVADA DEPARTMENT OF TAXATION**

Counsel for Plaintiff: **THEODORE PARKER, ESQ.**
STEVEN SHEVORSKI;
KETAN DHIRUD;
THERESA HAAR

See 5/24/19 minutes for complete list of appearances.

HEARING BEFORE THE COURT

PLAINTIFF'S EXHIBITS (NEVADA WELLNESS CENTER represented by Atty. Theodore Parker)

| Exhibit Number | Exhibit Description | Date Offered | Objection | Date Admitted | |
|----------------|---|--------------|---------------|---------------|----|
| 301 | ATTACHMENT A: RECREATIONAL MARIJUANA ESTABLISHMENT APPLICATION (COMMERCE PARK, MEDICAL) | 6-11-19 | NO | 6-11-19 | WA |
| 302 | ATTACHMENT A: RECREATIONAL MARIJUANA ESTABLISHMENT APPLICATION (ESSENCE TROPICANA) | 6-11-19 | NO | 6-11-19 | WA |
| 303 | SPREADSHEETS | 6-11-19 | NO | 6-11-19 | WA |
| 304 | SCORING NOTES (RD0363) | 6-18-19 | NO | 6-18-19 | WA |
| 305 | SCORING NOTES (RD386 to RD390) | 6-18-19 | NO | 6-18-19 | WA |
| 306 | NWC EVALUATOR'S FILE | 6-20-19 | NO | 6-20-19 | WA |
| 307 | PART 1 OF NEVADA WELLNESS' 2018 APPLICATION | 6-20-19 | NO | 6-20-19 | WA |
| 308 | OVERVIEW OF MEETING WITH DRS | 8-13-19 | OBJ | 8-13-19 | WA |
| 309 | MARKET DEMAND + DISTRIBUTION REQUIREMENTS | 8-13-19 | OBJ | 8-13-19 | WA |
| 310 | EMAIL TO JORGE PUPO 8/23/18 | 8-13-19 | OBJ Withdrawn | 8-13-19 | WA |
| 311 | EMAIL TO JORGE PUPO 8/4/17 | 8-13-19 | OBJ | 8-13-19 | WA |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

* NOTE: All exhibits that were not offered or admitted returned to counsel. See Receipt filed 8-16-19.

[Signature]

EXHIBIT(S) LIST

Case No.: A-19-786962-B

Hearing Date: May 24, 2019

Dept. No.: XI

Judge: Honorable Elizabeth Gonzalez

Court Clerk: DULCE ROMERA ; ALAN PAUL CASTLE SR

Plaintiff: **Serenity Wellness Center, LLC, et al.**

Recorder: Jill Hawkins

Counsel for Plaintiff: Adam K. Bult, Esq.
Maximilien D. Fetaz, Esq.
Travis F. Chance, Esq.

vs.

Brownstein Hyatt Farber Schreck, LLP

Defendants: **STATE OF NEVADA,
DEPARTMENT OF TAXATION; Nevada
Organic Remedies, LLC, Defendant
Intervenor**

Counsel for Defendant: Aaron Ford, Esq.
Ketan Bhirud, Esq.
Steve Shevorski, Esq.
David Pope, Esq.

Office of the Attorney General

HEARING BEFORE THE COURT

ETW PLAINTIFF'S EXHIBITS *(Represented by Bult, Fetaz, Chance)*

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted | |
|----------------|---|--|--------------|-----------|---------------|----|
| 401 | DOT-ETW000001-DOT-ETW000139 | ETW MANAGEMENT GROUP LLC, September 2018 Recreational Marijuana Establishment License, Identified | 5/24/19 | STIP | 5/24/19 | WA |
| 402 | DOT-Global000001-DOT-Global000299 | GLOBAL HARMONY LLC, September 2018 Recreational Marijuana Establishment License, Identified | | | | WA |
| 403 | DOT-Green Therapeutics000001-DOT-Green Therapeutics000637 | GREEN THERAPEUTICS LLC, September 2018 Recreational Marijuana Establishment License, Identified | | | | WA |
| 404 | DOT-GreenLeaf000001-DOT-Greenleaf000448 | GREEN LEAF FARMS HOLDINGS LLC, September 2018 Recreational Marijuana Establishment License, Identified | | | | WA |
| 405 | DOT-HerbalChoice000001-DOT-HerbalChoice000093 | HERBAL CHOICE INC., September 2018 Recreational Marijuana Establishment License, Identified | | | | WT |
| 06 | DOT-JustQuality000001-DOT-JustQuality000243 | JUST QUALITY, LLC, September 2018 Recreational Marijuana Establishment License, Identified | 5/24/19 | STIP | 5/24/19 | WA |

EXHIBIT(S) LIST

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted | |
|----------------|---------------------------------------|--|--------------|-----------|---------------|----|
| 407 | DOT-Libra000001-DOT-Libra000333 | LIBRA WELLNESS CENTER, LLC, September 2018 Recreational Marijuana Establishment License, Identified | 5/24/19 | STIP | 5/24/19 | WA |
| 408 | DOT-MMOF000001-DOT-MMOF000179 | MMOF VEGAS RETAIL, INC., September 2018 Recreational Marijuana Establishment License, Identified | | | | WA |
| 409 | DOT-NevCann000001-DOT-NevCann000153 | NEVCANN LLC, September 2018 Recreational Marijuana Establishment License, Identified | | | | WA |
| 410 | DOT-RedEarth000001-DOT-RedEarth000170 | RED EARTH LLC, September 2018 Recreational Marijuana Establishment License, Identified | | | | WA |
| 411 | DOT-Rombough000001-DOT-Rombough000519 | ROMBOUGH REAL ESTATE INC. dba MOTHER HERB, September 2018 Recreational Marijuana Establishment License, Identified | | | | WA |
| 412 | DOT-THCNV000001-DOT-THCNV000955 | THC NEVADA LLC, September 2018 Recreational Marijuana Establishment License, Identified | | | | WA |
| 413 | DOT-Zion000001-DOT-Zion000652 | ZION GARDENS LLC, September 2018 Recreational Marijuana Establishment License, Identified | 5/24/19 | STIP | 5/24/19 | WA |
| 414 | COMP A000001-COMP A000381 | Company A, September 2018 Recreational Marijuana Establishment License, Non-Identified | 8-14-19 | NO | 8-14-19 | WA |
| 415 | COMP B000001-COMP B000318 | Company B, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 416 | COMP C000001-COMP C000175 | Company C, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 417 | COMP D000001-COMP D000215 | Company D, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 418 | COMP E000001-COMP E000324 | Company E, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 419 | COMP F000001- | Company F, September 2018 | 8-14-19 | NO | 8-14-19 | WA |

EXHIBIT(S) LIST

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted | |
|----------------|-----------------------------|--|--------------|-----------|---------------|----|
| | COMPF000359 | Recreational Marijuana Establishment License, Non-Identified | 8-14-19 | NO | 8-14-19 | |
| 420 | COMPG000001-COMPG000228 | Company G, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 421 | COMPH000001-COMPH000232 | Company H, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 422 | COMPI000001-COMPI000368 | Company I, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 423 | COMPJ000001-COMPJ000228 | Company J, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 424 | COMPK000001-COMPK000363 | Company K, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 425 | COMPL000001-COMPL000678 | Company L, September 2018 Recreational Marijuana Establishment License, Non-Identified | | | | WA |
| 426 | COMPM000001-COMPM000382 | Company M, September 2018 Recreational Marijuana Establishment License, Non-Identified | 8-14-19 | NO | 8-14-19 | WA |
| 427 | | Affidavit of Paul Thomas executed May 3, 2019 | | | | |
| 428 | | Affidavit of Ronald A. Memo executed May 3, 2019 | | | | |
| 429 | | Affidavit of Dispensary Application of Andy Zhang executed May 6, 2019 | | | | |
| 430 | | Affidavit of Global Harmony LLC executed by John Heishman on May 6, 2019 | | | | |
| 431 | | Affidavit of Ronald Doumani executed May 6, 2019 | | | | |
| 432 | DOT-ETW000007-DOT-ETW000009 | ETW MANAGEMENT GROUP LLC, Attachment A | 8-14-19 | NO | 8-14-19 | WA |

SEE NEXT PAGE — 7

EXHIBIT(S) LIST

| Exhibit mber | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted | |
|-----------------|---|--|-----------------|-----------|------------------|----|
| | DOT-Global000005-DOT-Global000010 | GLOBAL HARMONY LLC, Attachment A | 8-14-19 | NO | 8-14-19 | WA |
| 434 | DOT-GreenLeaf000009-DOT-GreenLeaf000016 | GREEN LEAF FARMS HOLDINGS LLC, Attachment E | | | | WA |
| 435 | DOT-GreenTherapeutics000008-DOT-GreenTherapeutics000031 | GREEN THERAPEUTICS LLC, Attachment A | | | | WA |
| 436 | DOT-HerbalChoice000077-DOT-HerbalChoice000085 | HERBAL CHOICE INC., Attachment A | | | | WA |
| 437 | DOT-JustQuality000004-DOT-JustQuality000007 | JUST QUALITY, LLC, Attachment A | | | | WA |
| 438 | DOT-Libra000006-DOT-Libra000010 | LIBRA WELLNESS CENTER, LLC, Attachment A | | | | WA |
| 439 | DOT-MMOF000007-DOT-MMOF000012 | MMOF VEGAS RETAIL, INC., Attachment A | | | | WA |
| 440 | DOT-NevCann000003-DOT-NevCann000017 | NEVCANN LLC, Attachment A | | | | WA |
| 441 | DOT-RedEarth000008-DOT-RedEarth000014 | RED EARTH LLC, Attachment A | | | | WA |
| 2 | DOT-Rombough000009-DOT-Rombough000018 | ROMBOUGH REAL ESTATE INC. dba MOTHER HERB, Attachment A and E | | | | WA |
| 443 | DOT-THCNV000006-DOT-THCNV000017 | THC NEVADA LLC, Attachment A | | | | WA |
| 444 | DOT-Zion000006-DOT-Zion000012 | ZION GARDENS LLC, Attachment A | | | | WA |
| 445 | | Plaintiffs' Key re Non-Identified Applications | 8-14-19 | NO | 8-14-19 | WA |
| 446 | ETW000001-ETW000060 | Email Correspondence with Department of Taxation re Application Question and Answers | 6-20-19 | NO | 6-20-19 | WA |

EXHIBIT(S) LIST

Case No.: A-19-787004-B
 Coordinated with:
 A-18-785818-W,
 A-18-786357-W,
 A-19-787004-B,
 A-19-787540-W,
 A-19-786962-B, and
 A-19-787726-C

Hearing Date: May 24, 2019

Dept. No.: XI

Judge: Elizabeth Gonzalez

Court Clerk: DULCE ROMERA; ALAN PAUL CASTLE SR

Recorder: JILL HAWKINS

Counsel for Plaintiff: Will Kemp, Esq.
 Nathanael R. Rulis, Esq.

Plaintiff: MM DEVELOPMENT COMPANY, INC. a Nevada Corporation, LIVFREE WELLNESS LLC, dba The Dispensary, a Nevada limited liability company

vs.

Defendant: STATE OF NEVADA ex rel. its DEPARTMENT OF TAXATION; DOES 1 through 10; and ROE CORPORATIONS 1 through 1

Counsel for Defendant: Ketan D. Bhurud
 Steve Shevorski
 Theresa M. Haar
 David J. Pope
 Robert E. Werbicky

HEARING BEFORE THE COURT

DEFENDANT'S EXHIBITS - The Department of Taxation reserves the right to use, offer, and rely upon any other document identified by any other party to this coordinated matter.

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted | |
|----------------|--------------|--|--------------|-----------|---------------|----|
| 2001 | 2000-2169 | Application Training – Day 1 – Sign In & Complete Icebreaker | 5/24/19 | STIR | 5/24/19 | WA |
| 2002 | 2170-2233 | Application Training – Train the Trainer | | | | WA |
| 2003 | 2234-2366 | Application Training – Application & Score Sheet | | | | WA |
| 2004 | 2367-2389 | Application Training – Application Practice | | | | WA |
| 2005 | 2390-2400 | Application Criteria Points Breakdown | | | | WA |
| 2006 | 2401-2444 | Application Training – Sign In | | | | WA |
| 2007 | 2445-2483 | Application Training – Sign In | | | | WA |
| 2008 | 2484-2486 | Executive Order Establishing a Task Force on the Implementation of Ballot Question 2: The Regulation and Taxation of Marijuana Act | | | | WA |
| 2009 | 2487-2647 | Governor's Task Force on the Implementation of Question 2: The Regulation and Taxation of Marijuana Act – Final Report | 5/24/19 | STIR | 5/24/19 | WA |

*NOTE: All exhibits that were not offered or admitted returned to counsel. See Receipt filed 8-16-19

EXHIBIT(S) LIST

Error! Reference source not found.

-19-787004-B

coordinated with:

A-18-785818-W,

A-18-786357-W,

A-19-787004-B,

A-19-787540-W,

A-19-786962-B, and

A-19-787726-C

MM DEVELOPMENT COMPANY, INC., et

vs.

STATE OF NEVADA ex rel. its DEPARTMENT
OF TAXATION

al.

DEFENDANT'S EXHIBITS - The Department of Taxation reserves the right to use, offer, and rely upon any other document identified by any other party to this coordinated matter.

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted | |
|----------------|------------------|--|--------------|-----------|---------------|----|
| 2010 | 2648-2650 | Retail Dispensaries in Clark County and Washoe County | 5/24/19 | STIP | 5/24/19 | WA |
| 2011 | 2651 | Stores Outside Washoe and Clark Counties | | | | WA |
| 2012 | 2652-2656 | Score Sheet – Adequacy of Size – Building Plans (Non-Identified) | | | | WA |
| 2013 | 2657-2670 | Score Sheet – Care, Quality Safekeeping (Non-Identified) | | | | WA |
| 014 | 2671-2674 | Score Sheet – Financial Resources (Identified) | | | | WA |
| 2015 | 2675-2678 | Score Sheet – Likely Impact on the Community (Non-Identified) | | | | WA |
| 2016 | 2679-2684 | Score Sheet – Organizational Structure (Identified) | | | | WA |
| 2017 | 2685-2688 | Score Sheet – Taxes Beneficial Financial Contributions | | | | WA |
| 2018 | 2689-2695 | 2018 Retail Marijuana Store Application Scores and Rankings | 5/24/19 | STIP | 5/24/19 | WA |
| 2019 | DOT-GBSNV 000008 | ATTACHMENT A TO RECREATIONAL MARIJUANA ESTABLISHMENT APPLICATION | 5-30-19 | NO | 5-30-19 | WA |
| 2020 | | BALLOT INITIATIVE | 6-18-19 | NO | 6-18-19 | WA |
| 2021 | | LIST SERVE ARCHIVE | 7-10-19 | NO | 7-10-19 | WA |
| 2022 | | EMAIL ARCHIVE | 7-10-19 | NO | 7-10-19 | WA |
| 2023 | | | 7-15-19 | NO | 7-15-19 | WA |
| 2024 | | | 7-15-19 | NO | 7-15-19 | WA |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

EXHIBIT(S) LIST

Case No.: A-19-787004-B
Coordinated with:
A-18-785818-W,
A-18-786357-W,
A-19-787004-B,
A-19-787540-W,
A-19-786962-B, and
A-19-787726-C

Hearing Date: MAY 24, 2019

Dept. No.: XI

Judge: Elizabeth Gonzalez

Plaintiff: SERENITY WELLNESS ET AL.

Court Clerk: DULCE ROMERA; ALAN PAUL CASTLE SR

Recorder: JILL HAWKINS

Counsel for Plaintiff: Will Kemp, Dominic Gentile

vs.

Defendant: **STATE OF NEVADA, DEPT. OF TAXATION**

Counsel for Defendant-Intervenors: David Koch, Brody Wight

Def. Intervenors: **NEVADA ORGANIC REMEDIES, LLC, et al.**

HEARING BEFORE THE COURT

DEFENDANT-INTERVENOR'S EXHIBITS – Defendant-Intervenors reserve the right to use, offer, and rely upon any other document identified by any other party to this coordinated matter.

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted | |
|----------------|--------------------|--|--------------|-----------|---------------|----|
| 5001 | | SB32 | 5/24/19 | STIP | 5/24/19 | WA |
| 5002 | | 2014 Application | | | | WA |
| 5003 | | 2018 Application | | | | WA |
| 5004 | | Final Score Rankings by Jurisdiction | | | | WA |
| 5005 | | July 6, 2018 Notice of Intent to Accept Applications | | | | WA |
| 5006 | | Entity Application Key | | | | WA |
| 5007 | | Identified Tally Sheets Combined | | | | WA |
| 5008 | | Non-Identified Tally Sheets | | | | WA |
| 5009 | | Procedure Scoring Review | | | | WA |
| 5010 | | TGIG Secretary of State Information | | | | WA |
| 5011 | DOT-TGIG08853-8972 | TGIG Organizational Structure Tab | | | | WA |
| 5012 | DOT-TGIG00089 | Sept. 13, 2018 Letter from Dept. of Taxation to Amanda Connor re TGIG, LLC | 5/24/19 | STIP | 5/24/19 | WA |

* NOTE: All exhibits that were proposed but not offered/ admitted have been returned to counsel. See Receipt filed 8/29/19.

Printed May 24, 2019

EXHIBIT(S) LIST

| | | | | | | |
|------|------------------------|--|---------|------|---------|----|
| 5013 | DOT-TGIG08878 | TGIG list of officers, owners, board members | 5/24/19 | STIP | 5/24/19 | WA |
| 5014 | | New Cannabis Ventures Article "5 U.S. Cannabis Companies..." | / | / | / | WA |
| 5015 | | New Cannabis Ventures Article "This Cannabis SPAC Expects Dramatic Growth..." | / | / | / | WA |
| 5016 | DOT-Livfree 01441-1469 | Livfree Wellness, LLC Part I, Tab X | / | / | / | WA |
| 5017 | | Article: "Carpincho Capital Completes Business Combination with MM Development Company..." | 5/24/19 | STIP | 5/24/19 | WA |
| | | | | | | |
| | | | | | | |

SEE NEXT PAGE - 7

EXHIBIT(S) LIST

| | | | | | |
|------|------------------------|--|---------|----|------------|
| 5013 | DOT-TGIG08878 | TGIG list of officers, owners, board members | | | |
| 5014 | | New Cannabis Ventures Article "5 U.S. Cannabis Companies..." | | | |
| 5015 | | New Cannabis Ventures Article "This Cannabis SPAC Expects Dramatic Growth..." | | | |
| 5016 | DOT-Livfree 01441-1469 | Livfree Wellness, LLC Part I, Tab X | | | |
| 5017 | | Article: "Carpincho Capital Completes Business Combination with MM Development Company..." | | | |
| 5018 | | Rating Criteria on Application - Recommendations | 5-28-19 | NO | 5-28-19 WA |
| 5019 | | Planet 13 Holdings Inc. Management Discussion and Analysis | | | |
| 5020 | | Planet 13 Holdings Inc. Annual Information Form for the year ended December 31, 2018 | | | |
| 5021 | | Planet 13 Corporate Presentation April 2019 | 5-29-19 | NO | 5-29-19 WA |
| 5022 | | Planet 13 Team | 5-29-19 | NO | 5-29-19 WA |
| 5023 | | Department of Taxation Licensed Entity Owners/Officers/Board Members as of May 1, 2019 | 5-29-19 | NO | 5-29-19 WA |
| 5024 | | Dec. 29, 2016 Article "Las Vegas Pot Dispensary's License Is Suspended" Las Vegas Sun | | | |

EXHIBIT(S) LIST

| | | | | | |
|------|------------------------|--|---------|----|------------|
| 5013 | DOT-TGIG08878 | TGIG list of officers, owners, board members | | | |
| 014 | | New Cannabis Ventures Article "5 U.S. Cannabis Companies..." | | | |
| 5015 | | New Cannabis Ventures Article "This Cannabis SPAC Expects Dramatic Growth..." | | | |
| 5016 | DOT-Livfree 01441-1469 | Livfree Wellness, LLC Part I, Tab X | | | |
| 5017 | | Article: "Carpincho Capital Completes Business Combination with MM Development Company..." | | | |
| 5018 | | Rating Criteria on Application - Recommendations | | | |
| 5019 | | Planet 13 Holdings Inc. Management Discussion and Analysis | | | |
| 5020 | | Planet 13 Holdings Inc. Annual Information Form for the year ended December 31, 2018 | | | |
| 5021 | | Planet 13 Corporate Presentation April 2019 | | | |
| 5022 | | Planet 13 Team | | | |
| 5023 | | Department of Taxation Licensed Entity Owners/Officers/Board Members as of May 1, 2019 | | | |
| 5024 | | Dec. 29, 2016 Article "Las Vegas Pot Dispensary's License Is Suspended" Las Vegas Sun | | | |
| 5025 | | Nevada Organic Remedies Organizational Structure | 6-10-19 | NO | 6-10-19 WA |
| 026 | | NOR Transfer of Interest Approval Letter | 6-10-19 | NO | 6-10-19 WA |
| 5027 | | NOR Ownership Approval Letter and Notice of Officer Letters | 6-11-19 | NO | 6-11-19 WA |
| 5028 | | Page from NOR Operating Agreement | 6-11-19 | NO | 6-11-19 WA |
| 5029 | | Serenity Wellness Center LLC Secretary of State Page | 7-15-19 | NO | 7-15-19 WA |
| 5030 | | Alternative Solutions LLC Secretary of State Page | 7-15-19 | NO | 7-15-19 WA |
| 5031 | | CLS Holdings USA, Inc. Secretary of State Page | 7-15-19 | NO | 7-15-19 WA |
| 5032 | | Serenity Wellness Attachment A | | | |
| 5033 | | Serenity Wellness Organization Chart | 7-15-19 | NO | 7-15-19 WA |
| 5034 | | Serenity Wellness Center Attachment C | | | |
| 5035 | Serenity 00005 | Serenity Wellness Center Letter Sept. 13, 2018 | 7/1/19 | NO | 7/1/19 WA |
| 5036 | ETW 00024-60 | ETW Listserv Email | 6-11-19 | NO | 6-11-19 WA |
| 5037 | ETW 00059 | ETW Attachment A | 6-11-19 | NO | 6-11-19 WA |
| 5038 | DOT021838-21840 | Organizational Structure (Identified) NOR | 6-11-19 | NO | 6-11-19 WA |
| 039 | | MM Development Company, Inc. Secretary of State Listing | 6-18-19 | NO | 6-18-19 WA |
| 5040 | | Nevada Wellness Center, LLC Sec. State List | 6-18-19 | NO | 6-18-19 WA |

EXHIBIT(S) LIST

| Exhibit Number | Exhibit Description | Date Offered | Objection | Date Admitted |
|----------------|---|--------------|-----------|-------------------|
| 5041 | UPS Store Printout | | | |
| 5042 | Initiative to Regulate and Tax Marijuana – Filed April 23, 2014 | 6-20-19 | NO | 6-20-19 <i>WA</i> |
| 5043 | Statewide Ballot Questions 2016 | 6-20-19 | NO | 6-20-19 <i>WA</i> |
| 5044 | Letter dated January 10, 2019 from Jorge Pupo to Will Kemp | 6-20-19 | NO | 6-20-19 <i>WA</i> |

CONTINUED NEXT PAGE →

EXHIBIT(S) LIST

Case No.: A-19-787004-B
Coordinated with:
A-18-785818-W,
A-18-786357-W,
A-19-787004-B,
A-19-787540-W,
A-19-786962-B, and
A-19-787726-C

Hearing Date: MAY 24, 2019

Dept. No.: XI

Judge: Elizabeth Gonzalez

Court Clerk: Dulce Romeo

Plaintiff: SERENITY WELLNESS ET AL.

Recorder: Jill Hawkins

Counsel for Plaintiff: Will Kemp, Dominic Gentile

vs.

Adam Bult, Theodore Parker

Defendant: STATE OF NEVADA, DEPT. OF TAXATION

Counsel for Defendant-Intervenors: Joseph Gutierrez

HEARING BEFORE THE COURT

DEFENDANT-INTERVENOR'S EXHIBITS (ESSENCE, INTEGRAL, THRIVE)

| Exhibit Number | Bates No.(s) | Exhibit Description | Date Offered | Objection | Date Admitted |
|----------------|--------------|--|---|-----------|---------------|
| 5045 | | MINUTES OF THE LEGISLATIVE COMMISSION | 7-1-19 | NO | 7-1-19 WA |
| 5046 | | FINAL REPORT OF GOVERNOR'S TASK FORCE MAY 31, 2017 | * Same as 2009, already admitted. 5046 not provided to Clerk. * | | |
| 5047 | | TEXT MESSAGES | 7-15-19 | NO | 7-15-19 WA |
| 5048 | | TEXT MESSAGES | 7-15-19 | NO | 7-15-19 WA |
| 5049 | | GOVERNOR'S TASK FORCE MINUTES MARCH 3, 2017 | 7-11-19 | NO | 7-11-19 WA |
| 5050 | | GOVERNOR'S TASK FORCE MINUTES MARCH 31, 2017 | | | |
| 5051 | | ASSEMBLY BILL MINUTES MAY 3, 2017 | | | |

EXHIBIT(S) LIST

| | | | Offered | Objection | Date Admitted | |
|------|--|--|---------|--------------------|---------------|----|
| 5052 | | ASSEMBLY BILL MINUTES MAY 30, 2017 | | | | |
| 5053 | | EMAIL CORRESPONDENCE/ HEATHER AZZU; SUPPLEMENT TO POCKET BRIEF: MEANING OF PHRASE... | | | | |
| 5054 | | LEGISLATIVE REVIEW OF ADOPTED REGULATIONS | | | | |
| 5055 | | PLANET 13 HOLDINGS INC. MANAGEMENT DISCUSSION & ANALYSIS OF THE FINANCIAL POSITION & RESULTS OF OPERATIONS | 7-15-19 | NO | 7-15-19 | WA |
| 5056 | | SUPPLEMENTAL REGISTRATION BY THRIVE | 7-15-19 | OBJ (Sustained) | | WA |
| 5057 | | LETTER FROM MARK BRADLEY TO DEPT. OF TAXATION | | | | |
| 5058 | | GB SCIENCES LETTER TO DEPT OF TAXATION | | | | |
| 5059 | | AFFIDAVIT OF KATHY PETERSON | 7-18-19 | OBJ (Sustained) | | WA |
| 5060 | | 2/7/18 ARTICLE IN MARIJUANA BUSINESS DAILY: "STAND-ALONE MARIJUANA GROWERS" | | | | |
| 5061 | | 2/27/18 ARTICLE: "IN SPITE OF CONCERNS FROM SMALLER BUSINESSES LAWMAKERS UNANIMOUSLY APPROVE MARIJUANA REGULATIONS | | | | |
| 5062 | | THRIVE BACKGROUND CHECK (5.2.10.2 OWNER, OFFICER, AND BOARD MEMBER ATTESTATION FORM) | 8-13-19 | NO | 8-13-19 | WA |

CONTINUED NEXT PAGE — 7

EXHIBIT(S) LIST

Case No.: **A-19-786962-B**

Hearing Date: May 24, 2019

Dept. No.: **XI**

Judge: Honorable Elizabeth Gonzalez

Court Clerk: Danielle Meriwether

Plaintiff: **Serenity Wellness Center, LLC et al**

Recorder: Jill Hawkins

Counsel for Plaintiff: Dominic Gentile, Esq.

vs.

Defendant: **State of Nevada; Helping Hands
Wellness Center, Inc., Defendant
Intervenor**

Counsel for Defendant: Aaron Ford, Esq. (State Nevada)
Jared Kahn, Esq., (Intervenor Defendant)

HEARING BEFORE THE COURT

Defendant Intervenor's EXHIBITS *(HELPING HANDS WELLNESS CENTER, INC.)*

[illegible]

EXHIBIT(S) LIST

Case No.: **A-19-786962-B**

Hearing Date: **MAY 24, 2019**Dept. No.: **XI**

Judge: HON. ELIZABETH GONZALEZ

Court Clerk(s): DULCE ROMERA

Plaintiff: **SERENITY WELLNESS CENTER, LLC**

Recorder: JILL HAWKINS

Counsel for Plaintiff:

VS.

Defendant: **STATE OF NEVADA**
DEPARTMENT OF TAXATION

Counsel for Defendant:

See 5/24/19 minutes for complete list of appearances.

HEARING BEFORE THE COURT

COURT'S EXHIBITS

[illegible]

EXHIBIT(S) LIST

Case No.: **A-19-786962-B**

Hearing Date: MAY 24, 2019

Dept. No.: **XI**

Judge: **HON. ELIZABETH GONZALEZ**

Court
Clerks: *DULCE ROMERA*

Plaintiff: **SERENITY WELLNESS CENTER, LLC**

Recorder: JILL HAWKINS

Counsel for Plaintiff:

Defendant: **STATE OF NEVADA**
DEPARTMENT OF TAXATION

Counsel for Defendant:

See 5/24/19 minutes for complete list of appearances.

HEARING BEFORE THE OCURT

DEMONSTRATIVE EXHIBITS

[illegible]



EIGHTH JUDICIAL DISTRICT COURT CLERK'S OFFICE
NOTICE OF DEFICIENCY
ON APPEAL TO NEVADA SUPREME COURT

NATHANAEL R. RULIS, ESQ.
3800 HOWARD HUGHES PKWY., 17TH FLOOR
LAS VEGAS, NV 89169

DATE: October 8, 2019
CASE: A-18-785818-W

RE CASE: MM DEVELOPMENT COMPANY, INC.; LIVFREE WELLNESS LLC dba THE DISPENSARY vs. STATE OF NEVADA DEPARTMENT OF TAXATION

NOTICE OF APPEAL FILED: October 3, 2019

YOUR APPEAL HAS BEEN SENT TO THE SUPREME COURT.

PLEASE NOTE: DOCUMENTS **NOT** TRANSMITTED HAVE BEEN MARKED:

- ☒ \$250 – Supreme Court Filing Fee (Make Check Payable to the Supreme Court)**
 - If the \$250 Supreme Court Filing Fee was not submitted along with the original Notice of Appeal, it must be mailed directly to the Supreme Court. The Supreme Court Filing Fee will not be forwarded by this office if submitted after the Notice of Appeal has been filed.
- ☐ \$24 – District Court Filing Fee (Make Check Payable to the District Court)**
- ☒ \$500 – Cost Bond on Appeal (Make Check Payable to the District Court)**
 - NRAP 7: Bond For Costs On Appeal in Civil Cases
- ☐ Case Appeal Statement
 - NRAP 3 (a)(1), Form 2
- ☐ Order
- ☐ Notice of Entry of Order

NEVADA RULES OF APPELLATE PROCEDURE 3 (a) (3) states:

"The district court clerk must file appellant's notice of appeal despite perceived deficiencies in the notice, including the failure to pay the district court or Supreme Court filing fee. The district court clerk shall apprise appellant of the deficiencies in writing, and shall transmit the notice of appeal to the Supreme Court in accordance with subdivision (e) of this Rule with a notation to the clerk of the Supreme Court setting forth the deficiencies. Despite any deficiencies in the notice of appeal, the clerk of the Supreme Court shall docket the appeal in accordance with Rule 12."

Please refer to Rule 3 for an explanation of any possible deficiencies.

*****Per District Court Administrative Order 2012-01, in regards to civil litigants, "...all Orders to Appear in Forma Pauperis expire one year from the date of issuance." You must reapply for in Forma Pauperis status.***

Certification of Copy

State of Nevada }
County of Clark } SS:

I, Steven D. Grierson, the Clerk of the Court of the Eighth Judicial District Court, Clark County, State of Nevada, does hereby certify that the foregoing is a true, full and correct copy of the hereinafter stated original document(s):

NOTICE OF CROSS-APPEAL; CASE CROSS-APPEAL STATEMENT;
DISTRICT COURT DOCKET ENTRIES; CIVIL COVER SHEET; FINDINGS OF FACT AND
CONCLUSIONS OF LAW GRANTING PRELIMINARY INJUNCTION; NOTICE OF ENTRY;
AMENDED NOTICE OF ENTRY OF ORDER; DISTRICT COURT MINUTES; DISTRICT COURT
MINUTES (A-19-786962-B); EXHIBITS LIST; NOTICE OF DEFICIENCY

MM DEVELOPMENT COMPANY, INC.;
LIVFREE WELLNESS LLC dba THE
DISPENSARY,

Plaintiff(s),

vs.

STATE OF NEVADA DEPARTMENT OF
TAXATION,

Defendant(s),

Case No: A-18-785818-W

Dept No: VIII

now on file and of record in this office.

IN WITNESS THEREOF, I have hereunto
Set my hand and Affixed the seal of the
Court at my office, Las Vegas, Nevada
This 8 day of October 2019.

Steven D. Grierson, Clerk of the Court



Heather Ungermann, Deputy Clerk